AMERICAN RESCUE PLAN ACT BLACK MEN & BOYS ACTION TABLE INVESTMENT SCAN

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OVERVIEW

The American Rescue Plan Act (ARPA) of 2021 is a \$1.9 trillion coronavirus relief package designed to facilitate the United States' recovery from the devastating economic and health effects of the COVID-19 pandemic. Unlike the CARES Act of 2020, which preceded it, ARPA provided \$350 billion in direct funding to states and local governments (State and Local Fiscal Recovery Funds or SLFRF) to help compensate for lost revenues and make impactful investments in an equitable recovery. Eligible uses of SLFRF funding must fit into one of four subcategories:

- Respond to the far-reaching public health and negative economic impacts of the pandemic by supporting the health of communities, and helping households, small businesses, impacted industries, nonprofits, and the public sector recover from economic impacts
- Provide premium pay for essential workers
- Replace lost public sector revenue
- Invest in water, sewer, or broadband infrastructure.

The four subcategories are split into seven general summary expenditure categories

- Public health, including behavioral healthcare and preventing and responding to violence,
- Negative economic impacts,
- Services to disproportionately impacted communities,
- Premium pay,
- Infrastructure (general infrastructure spending is not covered as an eligible use outside of water, sewer, and broadband investments unless it is under the revenue replacement provision),
- Revenue replacement, and
- Administrative overhead.

Cities can transfer funds to:1

- A private nonprofit organization,
- A public benefit corporation involved in the transportation of passengers or cargo,
- A special-purpose unit of State or local government, or
- A state government.

The Greater New Orleans Funders' Network engaged the Thomas Consulting Group to conduct a nationwide analysis of appropriations and local level planned uses of APRA funding to advance efforts to eliminate disparities for Black men and boys. This nationwide analysis will identify promising practices of allowable investments of ARPA funds in cities across the country with the intent to advocate for similar investments locally. Specifically, GNOFN Black Men and Boys Action Table (BM&BAT) was interested in investments targeting the following programmatic areas:

- Programs to increase Black entrepreneurship and Black business survival,
- Re-skilling and/or employment supports,

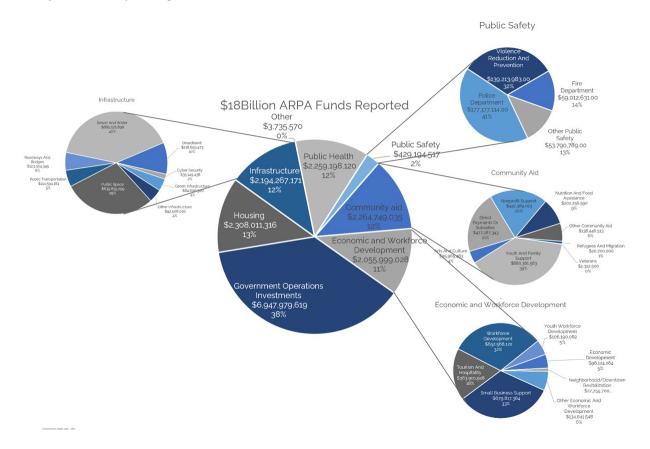
¹https://www.nlc.org/covid-19-pandemic-response/american-rescue-plan-act/arpa-local-relief-frequently-asked-questions/#ARPA-info



- Programs to increase mental health & wellbeing,
- Academic and social emotional learning supports,
- Re-entry programs focused on creating entrepreneurship pathways for the formerly, incarcerated, and
- Racial equity programs.

The following sections of this report will summarize promising programs/initiatives taking place in each of the aforementioned areas; provide examples of practices around the use of ARPA funding and upcoming Infrastructure Investment and Jobs Act (IIJA) funding around initiatives impacting Black men and boys; and give guidance around potential strategies for engaging with the City government and other partners to effectively direct ARPA resources toward BM&BAT priority areas, including general strategies for potentially partnering with other groups on investing in high-impact ARPA-funded initiatives.

As a starting point for this research, the Brookings Institute's Local Government ARPA Tracker was used. The available data is incomplete, representing only about 10% of the national allocation due to reporting lags for SLRF funding. Still, the tracker provides a useful perspective on the initial trends in local jurisdiction spending.²



²https://www.brookings.edu/interactives/arpa-investment-tracker/#:~:text=The%20Local%20Government%20ARPA%20Investment,Local%20Fiscal%20Recovery%20Fund%20 dollars.



PROMISING INITIATIVES

Black Entrepreneurship and Black Business Survival

ATLANTA, GEORGIA: YOUTH ENTREPRENEURSHIP PROGRAM

Atlanta will spend \$1 million in ARPA funding to pay for one-time expenses associated with the build out of the city's new Youth Entrepreneurship Program. The YEP program was launched in 2020 to provide mentorship and entrepreneurship training to Atlanta's "water boys," groups of young Black boys who have long sold bottled water and concessions to motorists along major Atlanta roadways. Participating young people will receive a monthly \$200 stipend while engaging in mentoring, job readiness training, leadership development, and entrepreneurship certification programs. This funding will cover the costs associated with hiring personnel, locating professional service partners, and purchasing supplies for the program.

BUFFALO, NEW YORK: MINORITY OWNED BUSINESS ASSISTANCE FUND

Buffalo will contribute \$3.5 million in ARPA funding to their Minority Owned Businesses Assistance Fund, which provides flexible funding support for minority-owned businesses. This assistance may come in the form of financial support for coaching and mentoring, physical improvement grants, low-interest business improvement loans, and start-up company support. This program is overseen by the Beverly Gray Business Exchange Center and is designed to increase place-based economic development in communities of color, which will make the minority small business community more resilient.

INGHAM COUNTY, MICHIGAN: GRANTS TO BLACK-OWNED SMALL BUSINESSES

Ingham County will spend \$11 million, nearly 20% of their total ARPA disbursement, to provide multistage grants to small businesses harmed by the COVID-19 pandemic. The program will target a variety of business types, and 50% of all distributions must be allocated to businesses owned by underrepresented populations (Women, BIPOC/Ethnic & Racial Minorities, Persons with Disabilities, Veterans, LGBTQ+).

PIERCE COUNTY, WASHINGTON: BIPOC BUSINESS ACCELERATOR

Pierce County will spend \$5 million on entrepreneurship and technical assistance training programs for members of BIPOC communities who already own or are interested in founding small businesses. Called the Pierce County Business Accelerator Program, the accelerator provides training on relevant business topics such as finance, profitability, marketing, business branding, and more. There is also limited direct financial assistance available to those who graduate from the program.



Re-Skilling and/or Employment Supports

MILWAUKEE, WISCONSIN: EARLY CHILDHOOD EDUCATION JOB TRAINING FELLOWSHIPS

Milwaukee will spend \$1.2 million to fund opportunities for young men of color to participate in an early childhood education (ECE) job training program. The allocation will fund residencies for young men of color who will work alongside veteran, certified teachers who use culturally responsive pedagogical approaches with students in early childhood educational settings. The program will recruit young men (18-24 years) with high school diplomas and provide paid, 10-month fellowships in which they are placed in local ECE providers or other community organizations. The program will end with participants designing and implementing a structured early literacy program in their fellowship placement.

NEW YORK CITY: CITY CLEANUP CORPS

New York City has invested \$230 million of its ARPA allocation into building a City Cleanup Corps (CCC), a New Deal-inspired economic recovery program. The CCC will train and hire 10,000 New Yorkers to work on projects that will clean up and beautify public spaces across the city. Hiring priority will be given to New Yorkers who live in one of 33 neighborhoods identified by the City's Task Force on Racial Inclusion and Equity as the hardest hit by COVID-19.

CCC employees will wipe away graffiti, power wash sidewalks, tend to community gardens, beautify public spaces, remove illegally dumped garbage, and work with community organizations to clean their neighborhoods. Employees will all have a starting wage of at least \$15 per hour. The CCC program will provide employment and job experience to low-income New Yorkers, but the City also hopes that promoting citywide cleanliness and beautification will have positive downstream economic impacts on local businesses, particularly those in neighborhoods identified by the Task Force on Racial Inclusion and Equity.

SAN JOSE, CALIFORNIA: RESILIENCE CORPS

The City of San Jose has allocated nearly \$4 million to The Resilience Corps, a job training program for adults residing in high-poverty, high-unemployment neighborhoods. The Resilience Corps provides participants with comprehensive job training to prepare them for permanent employment with the City of San Jose. After graduation, participants should have multiple skill sets necessary to qualify for high quality municipal jobs.

The Resilience Corps has multiple "pathways" for residents to choose from, allowing participants to gain skills in the sector that most interests them. Past pathways have provided paid, on the job skills training in the public health, natural resource management, environmental cleanup, education, and small business sectors.³ Programs typically last for six months and participants are paid.

³https://www.sanjoseca.gov/your-government/departments-offices/mayor-and-city-council/mayor-s-office/our-work/resilience-corps



PORTLAND, OREGON: RAPID RE-CAREERING PROGRAM

The City of Portland has invested \$4 million to provide paid work opportunities and rapid re-careering services for Portlanders who are houseless, at risk of eviction, or at risk of involvement in violence. The city's economic development department, Prosper Portland, manages the program, which launched in fall of 2021. The program provides industry-specific job trainings with employer partners. Covered industries include construction, waste/recycling hauling, entry-level clerical positions within hospitals and clinics, entry level IT careers, and banking customer service. The career training programs are 12 weeks or less, and graduates who complete the training are connected to employment opportunities.

The City of Portland hopes these re-careering services will address the disproportionate economic impacts COVID-19 has had on people of color and other vulnerable populations disconnected from the workforce.

Programs to Increase Mental Health & Wellbeing

New York will spend \$160 million to expand their existing Intensive Mobile Treatment (IMT) program. IMT teams provide intensive support and treatment to individuals with serious mental illness and bring treatment to clients in their communities, where and when they need it. IMT teams provide counseling, advocacy at both the individual and system level, and support and assistance for patients individual needs and goals. IMT teams include mental health, substance use, and peer specialists who provide support and treatment, including medication. They can also facilitate connections to housing and other supportive services. Most clients served through this program have had recent and frequent contact with the mental health, criminal justice, and homeless services systems and are disproportionately Black/African American as compared to New York population at large. They have often been underserved by traditional treatment models.

MULTIPLE CITIES: ALTERNATIVE POLICE RESPONSE PROGRAMS

The **City of New York** will spend \$112 million to support the newly created Behavioral Health Emergency Assistance Response Division or B-HEARD. B-HEARD is a health-centered alternative 911 response program that responds to emergency calls related to mental health needs or emergencies. B-HEARD was founded in spring of 2021 with a city-funded pilot in East Harlem and parts of Central and North Harlem. This ARPA funding will be used to expand the program to additional areas with the goal of taking the program city-wide.

The **City of Houston** will spend \$800,000 to expand the Crisis Call Diversion (CCD) program, which is a collaboration between the Houston Police Department, Houston Fire Department, Houston Emergency Center, and the Harris Center for Mental Health. The goal of the program is to decrease the volume of non-emergency, mental health-related calls that both HPD patrol and HFD emergency medical services

⁴ https://www.portland.gov/united/workforcetraining



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are asked to respond to by diverting non-emergency calls to mental health professionals. This will reduce the time and resources that HPD and HFD must spend responding to non-emergency situations.

These are just two examples of ARPA spending being used for alternative 911 response. There are many cities and counties using this funding stream to either build or expand their capacity to respond to residents' mental health needs without police.

Academic and Social Emotional Learning Supports

WASHINGTON, D.C: SCHOOL-BASED BEHAVIORAL HEALTH TEAMS

The District will spend \$167,000 to provide additional training for behavioral health teams embedded in the public school system. These funds will provide behavioral health practitioners with training, professional development, and other resources to further their mission to provide trauma-informed, evidence backed behavioral healthcare to public school students with mental health needs. The District plans to use this funding to increase staff capacity to provide cognitive-behavioral therapies in particular.

PORTLAND, OREGON: SUPPORT FOR AFRICAN IMMIGRANT CHILDREN DISLOCATED FROM SCHOOLS

Portland will spend \$1 million on a gun violence prevention program specifically targeted towards children and families in African immigrant communities. COVID-19 led to isolation and dislocation from school and work for many families, but African immigrant communities in Portland were particularly affected. This project will target youth and families who have experienced dislocation and connect young people to pro-social activities that have been shown to reduce violence.

MULTIPLE CITIES: EMBEDDING BEHAVIORAL HEALTH PROVIDERS IN SCHOOLS

Boston, Massachusetts will spend a large portion of its ARPA funding, about \$425 million, to place at least one social worker at every Boston public school. These social workers will be providing individual student and family support and have been explicitly tasked with working to address "racist and harmful structures and conditions in schools." The City said of the project, "This project recognizes the complexity of trauma and the various modes of healing that must integrate the collectivist, indigenous, African and Eastern cultures of our students."

Orange County, Florida will spend \$500,000 to expand the number of behavioral health providers in educational settings. These providers will use evidence-based practices to assist youth experiencing social, emotional, and mental health distress that has been exacerbated by COVID-19.

Washington, D.C will spend almost \$1.5 million to provide onsite trauma-informed behavioral health treatment at child development centers in communities most impacted by COVID-19.



Re-Entry Supports

WASHINGTON, D.C: FINANCIAL ASSISTANCE AND COUNSELING FOR RETURNING CITIZENS

District's Recovery Plan includes \$36 million to provide flexible financial assistance, individual financial counseling, and peer navigator services to returning citizens. The returning citizens population in the District, consistent with national trends, is disproportionately made up of Black and other minority groups. Reentry services provider data indicates a client base that is 95% Black.

The flexible financial assistance funded via the District's ARPA allocation can be tailored according to individual needs assessments to cover costs associated with obtaining housing and employment, such as assistance with security deposits, financial support for family members providing housing, applications for IDs and other legal documents, Internet connectivity and transportation.

In addition to the \$36 million in flexible spending for programs serving returning citizens, the District has also allocated \$2,082,304 to provide one on one financial coaching for 1,000 returning citizens over the next 3 years through existing Financial Empowerment Centers. The coaching will provide financial education, access to banking products and services, and development of financial resiliency skills for returning citizens. And additional \$1,916,580 for Returning Citizens Peer Navigators will allow the Mayor's Office on Returning Citizens Affairs to increase successful reentry, reduce recidivism and increase public safety. The navigators will be an additional support system to returning citizens as they encourage, motivate and coach them to connect to and complete services that range from obtaining identification to job training and placement.

BOSTON, MASSACHUSETTS: GREEN JOBS TRAINING FOR RETURNING CITIZENS

The City of Boston will spend \$3 million to develop programs that provide green jobs training opportunities for Boston residents, particularly women, people of color, immigrants, and returning citizens. The goal is to both help Boston recover from the COVID-19 pandemic as well as connect unemployed and underemployed residents to quality employment opportunities in the green jobs sector. Some of the funds will be used to provide grants to external organizations that are already training and connecting residents to green jobs. Other funding will be used to invest in building new pathways for municipal green jobs such as horticulture and tree maintenance, green stormwater infrastructure, and building management. The City has set a goal job placement rate for participating programs at 70-80% for mature programs but will provide more flexibility to less established or emerging programs that show high potential but are still being developed.

Re-Entry Through Entrepreneurship

After a search of local ARPA spending trackers compiled by both the Brookings Institute and the National League of Cities, as well as a review of many ARPA compliance reports submitted to the Treasury Department by major cities, we could not locate any counties or municipalities who were investing in entrepreneurship programs specifically designed for returning citizens.



Racial Equity Programs

LOS ANGELES COUNTY, CALIFORNIA: FORMALLY ESTABLISHING AN EQUITY LENS FOR ARPA FUNDING

On July 21, 2020, the Los Angeles County Board of Supervisors unanimously adopted a motion to establish an Anti-Racist County Policy Agenda recognizing, affirming, and declaring that "racism is a matter of public health in Los Angeles County and that racism against Black people has reached crisis proportions that result in large disparities in family stability, health and mental wellness, education, employment, economic development, public safety, criminal justice, and housing." The Board issued several related directives, including the development of a strategic plan and underlying policy platform, and the establishment of an organizational unit—since established and called the Anti-racism, Diversity, and Inclusion (ARDI) Initiative—within the Chief Executive Office dedicated to implementing the plan.⁵

Further, on July 13, 2021, the Board of Supervisors adopted a motion to strategically use ARPA funds to maximize benefits for communities suffering disproportionate health and economic impacts from the COVID-19 pandemic. The County's entire \$975M ARPA investment was developed with an equity lens and represents the most comprehensive approach that our research has found to investments in an equitable recovery. Details about their spending plan, including their equity dashboard, can be found here: https://ceo.lacounty.gov/recovery/arpa/.

SEATTLE, WASHINGTON: REHIRING BIPOC CULTURAL WORKERS LAID OFF DUE TO COVID-19

The City of Seattle will spend a small portion of their ARPA allocation, about \$25,000, to provide technical assistance to the arts and cultural sector as it begins to rehire artists and cultural workers who were laid off during the COVID-19 pandemic. The City has pledged to focus their technical assistance on steering the sector towards rehiring Black employees and members of other marginalized groups. When explaining the program, the City said "a majority of positions held by BIPOC artists and cultural workers were contract and seasonal positions that were the first to be cut and will be the last to be rehired due to COVID. This program addresses some of the systemic changes needed to ensure greater access and anti-racist work practices, so that the cultural workers and artists from communities most impacted by COVID-19 are prioritized in hiring as the arts and cultural sector starts to re-open.

MILWAUKEE, WISCONSIN: RACIAL EQUITY TRAINING FOR CITY EMPLOYEES

The City of Milwaukee will spend \$1 million on racial equity training for all City staff, including police and elected officials. The funding will support the deployment of a training that will build and enhance city workers ability to "promote respectful and inclusive delivery of services, and equips City employees with better understanding, engaging, and serving diverse and underserved communities." Some of this funding will also be used to provide training and consultation for the Office of Equity and Inclusion (OEI) as they work to build out the City's internal infrastructure to advance racial equity.

https://file.lacounty.gov/SDSInter/lac/1123282_DraftLosAngelesCountyRacialEquityStrategicPlan4.21.22.pdf



Multiple Priority Area Program

St. Louis, Missouri: Supporting Black Youth

The City of St. Louis, Missouri received \$498 million in American Rescue Plan funding and has already allocated substantial portions to supporting Black residents—particularly youth. The city has also created a detailed project dashboard, called the ARPA Transparency Portal, 6 to allow citizens to track how the city's ARPA funding is being used. Of the \$135 million in ARPA funding already allocated by the city, about \$70 million—or half of the allocation—is being spent on services to disproportionately impacted communities.

Some of the projects supported by this funding include:

- \$1 million for youth safe spaces, drop-in centers, and community projects. The City said of this funding stream, "One unintended consequence of COVID-19 mitigation measures is the loss of safe spaces for youth in the City of St. Louis to safely spend time and connect with others. The loss of safe spaces has resulted in increased stress and worsening of mental and behavioral health issues among this population. This project supports programming for youth safe spaces, drop-in centers, and community projects."
- \$2.5 million to SLATE, the St. Louis Agency on Training and Employment, to support a year-round youth jobs program. SLATE will work with the St. Louis Public School system and private and non-profit partners to build a jobs program for 300 high school students ages 14-19 years old. The program will provide job training and work experiences alongside educational remediation and mental health services for students who fell behind in school during the COVID-19 pandemic.
- \$250,000 to provide case management and wrap around service support to young people who are enrolled in SLATE's summer youth jobs programs.
- \$650,000 for recreation center based basketball leagues for children ages five and older plus a further \$100,000 to support youth soccer leagues.
- \$500,000 to embed behavioral health providers at city recreation centers. The funds will be allocated to a behavioral health contractor through an RFP process. Providers will establish a regular presence at select recreation centers and provide free and confidential care to youth and adults who use city rec centers.
- \$2 million to the St. Louis Mental Health Board (MHB) to support grants to agencies who provide services for early childhood education and childcare.

In addition to these programs focused largely on youth, St. Louis is spending \$5.5 million to support community-based violence intervention programs, \$1.5 million to hire public-benefits navigators to assist low-income residents, \$1.75 million to hire community health workers and case managers, and \$500,000 to provide property-tax forgiveness to low-income seniors, many of whom are Black and live in gentrifying neighborhoods.

⁶ https://insights.arcgis.com/#/view/2f02aea33af84a8381c78d4de648f67c



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NEW ORLEANS, LOUISIANA ARPA FUNDING

New Orleans will receive a total of \$387,523,049.00 in ARPA funding between its city and parish governments with \$311,742,151 allocated to the City of New Orleans and \$75,780,898 to Orleans Parish.

In September 2021 the Cantrell administration announced that they intended to use much of the FY2021 ARPA funding allocation to replace holes in the city budget created by reduced tourism and sales tax revenues during the pandemic.⁷ This funding will be used to supplement the budgets from FY2021 through FY2024. In November 2021, the City Council approved a \$77 million dollar allocation of ARPA funds to replace lost revenues in the city budget. Separately, the City Council also set aside \$5 million in ARPA money to help offset an increase in Entergy New Orleans's gas rates.⁸

October 2021, Planned Use for ARPA Funds⁹

ARPA Use		2021	2022	2023
Revenue Gap		\$91,298,871	\$78,759,373	\$23,703,281
Expenditure Gap		\$62,219,690	\$68,855,524	\$63,735,886
	TOTAL	\$153,518,561	\$147,614,897	\$87,439,167

2021 New Orleans Mid-Year Budget Adjustment for ARPA Funds¹⁰

Other	Total
	- ocai
Operating	
\$2,700,000	\$3,000,000
\$3,640,000	\$3,640,000
\$715,268	\$715,268
-	\$51,352
-	\$62,187
\$5,849,291	\$5,849,291
\$1,500,000	\$1,500,000
\$2,000,000	\$2,000,000
-	\$20,500
-	\$3,100,000
	\$3,640,000 \$715,268 - - \$5,849,291 \$1,500,000

⁷ https://nola.gov/finance/american-rescue-plan-financial-reports/

⁹ http://cityofno.granicus.com/GeneratedAgendaViewer.php?clip_id=a40b2696-3132-4fa1-b6df-7d4b388fa0f2 ¹⁰ lbid.



⁸ https://www.nola.com/news/politics/article_74523e6e-3db1-11ec-9ef6-878913285814.html

			Mid-Year Cost	
		Personal	Other	Total
Priority	Description	Services	Operating	·
Public Safety	Senior Police Officer Promotions	\$300,000	-	\$300,000
Public Safety	License Plate Readers	-	\$1,000,000	\$1,000,000
Public Safety	Critical ITI Operational Support*	-	\$594,000	\$594,000
Public Safety	Retention and Overtime	\$6,000,000	-	\$6,000,000
Public Safety	OPCD Payment	-	\$379,191	\$379,191
Public Safety	Staffing Enhancement	\$1,300,000	-	\$1,300,000
Public Safety – New Initiatives	Alternative Dispatch Program	\$40,000	\$235,000	\$275,000
Restore Government Operations	Brownfields	\$18,750	-	\$18,750
Restore Government Operations	Master Plan Revision	\$67,500	-	\$67,500
Restore Government Operations	Restore Basic Operations	\$93,750	-	\$93,750
Restore Government Operations	Lot Abatement Program	\$41,250	-	\$41,250
Restore Government Operations	Data and Strategic Development Compliance	\$60,000		\$60,000
Restore Government Operations	Zoning	\$38,363	-	\$38,363
Restore Government Operations	Short Term Rentals	\$88,726	-	\$88,726
Restore Government Operations	Plan Review	\$86,444	-	\$86,444
Restore Government Operations	Adjudication	\$47,597	-	\$47,597
Restore Government Operations	Permitting	\$57,223	-	\$57,223
Restore Government Operations	Technology and Equipment	-	\$900,000	\$900,000
Public Safety - New Initiatives	Restorative Justice	-	\$300,000	\$300,000
Restore Government Operations	Core Functions	-	\$1,271,666	\$1,271,666
Public Safety - New Initiatives	Municipal Court Mental Health	-	\$116,667	\$116,667
Public Safety - New Initiatives	Ramos & COVID-19 Backlog	-	\$141,500	\$141,500
Restore Government Operations - LASPCA	Restore Critical Operations	-	\$150,000	\$150,000
Restore Government Operations - OPSO	Support operations and hire additional deputies	-	\$7,360,000	\$7,360,000



Priority	Description	Personal Services	Mid-Year Cost Other Operating	Total
Restore Government Operations - Juvenile Court	Provide 25% of 2021 budget reduction	-	\$170,000	\$170,000
Restore Government Operations - Municipal and Traffic Court	Provide 25% of 2021 budget reduction	-	\$410,000	\$410,000
Restore Government Operations - Criminal Court	Provide 25% of 2021 budget reduction	-	\$250,000	\$250,000
	TOTAL	\$11,773,642	\$29,682,583	\$41,456,225

New Orleans City Council Plan to Reduce Violent Crime

On February 3, 2022, the New Orleans City Council released a set of recommendations for the addressing violent crime in New Orleans. The recommendations largely centered around data and systems transparency for existing court operations and programs (including youth programs) as well as the need to overhaul the operations and culture of the NOPD. Absent in these recommendations was an emphasis on alternative response, diversion programs, re-entry support, or community-based trauma reduction.

New Orleans's Process for Allocating Funding

In spring 2021, the Mayor's office established a taskforce to offer recommendations on how the city-parish government should spend ARPA funding.¹² The 28-member task force will focus on five key areas: case management, community services, the workforce, economic recovery investments, and public health. A detailed description of the task force's history and structure is detailed in this report from the city's Dept. of Finance. A few key highlights:

- A working group has been formed for each of the five areas of focus (e.g. a case management working group, a community services working group, etc.)
- Some working groups have subcommittees, like the Social Determinants of Health subcommittee within the public health working group

Mayor's Priorities for FY2022 ARPA Funding

In February 2022, Mayor Cantrell released a plan to hire and retain more public safety workers in New Orleans. As a part of this plan, Cantrell would like to spend nearly \$18 million on police officer bonuses, and she has expressed an interest in funding these bonuses with ARPA dollars.¹³ Officers who have been

¹³https://www.nola.com/news/politics/article_5bfc227a-8920-11ec-8928-938aa92e86c3.html



¹¹ https://files.constantcontact.com/0ea4ccd8001/273879c4-5015-419d-aac1-3ba28ab1ef89.pdf

¹²https://www.nola.com/news/coronavirus/article_9388c410-9e1f-11eb-851b-13b9a30bb486.html

with the force for twenty years or more could receive as much as \$20,000 under the mayor's proposal. Following the Mayor's announcement, Mike Glasser, the president of the Police Association of New Orleans, has said he does not believe low compensation is behind NOPD's recruitment and retention issues.¹⁴.

Other Influences on ARPA Funding Allocation

In March 2022, New Orleans was selected to participate in the Southern Cities for Economic Inclusion initiative by the National League of Cities. As part of the program, the city will receive guidance and technical assistance on how to use ARPA funding to support economic inclusion and sustainability.¹⁵

¹⁵https://nola.gov/mayor/news/march-2022/new-orleans-selected-to-participate-in-economic-inclusion-initiative/



¹⁴https://tulanehullabaloo.com/59147/news/mayor-wants-arpa-funds-for-police-raises-as-crime-rockets/

FEDERAL FUNDING: BEST PRACTICES IN EMERGING PROGRAMS

Dismantling racial inequities in our social, economic, and political structures will require transparent and deliberative action. The methods outlined below are aimed at accountability and actionable practices that New Orleans could employ to improve inequities facing Black men and boys. These recommended programs are aligned with the Biden Administration's Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government. They apply the same principles to local government. Available information indicates that most of New Orleans' ARPA funding will be used to fill revenue gaps, but an announcement regarding the overall spending plan is expected in late May 2022. Because the amount of ARPA funding to be made available for community initiatives is likely to be comparatively small, this section also addresses IIJA funding opportunities that are designed to benefit the Black and Black male populations. The actions outlined below are recommended for any projects funded by ARPA or IIJA funds in New Orleans.

TRACK DISAGGREGATED DATA TO ENSURE ACCOUNTABILITY TOWARD EQUITY GOALS

Gathering and monitoring data on program outcomes is critical to successful implementation and continual program improvement as well as to communicating program results to the public. New Orleans should plan for this tracking from the inception of any ARPA-funded activity and set up programs to capture the data needed to track progress toward the equity targets described above. To know whether resources and programs are being equitably distributed and reaching targeted groups, it is critical to collect data by race/ethnicity, nativity, gender identity, socioeconomic status, and disability status as well as by neighborhood. It will also be important to use qualitative methods like focus groups and interviews to include residents' experiences and perspectives.¹⁷

The data collected on recovery spending and program progress should be made available to the public via a recovery dashboard like the one referenced above in Los Angeles County. ¹⁸ Ideally, New Orleans would directly invest in the data infrastructure of community-based organizations to track disaggregated data and to facilitate data sharing agreements with agencies. The City should also consider funding tools, technology, and data partners that provide a mechanism for assessing and monitoring intermediate and long-term impacts. ¹⁹

The Southern Economic Advancement Project (SEAP) launched an ARPA Toolkit, which includes a model resolution for cities, towns, and counties to adopt that centers equity, transparency, and engagement to guide their decision-making process for ARPA funding.²⁰ As an alternative to building a new overall data infrastructure, as an intermediate step, the City could partner with SEAP to publish data regarding ARPA programs that they fund.

²⁰ https://theseap.org/arp-toolkit-2/



¹⁶https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/20/executive-order-advancing-racial-equity-and-support-for-underserved-communities-through-the-federal-government/

¹⁷https://www.urban.org/urban-wire/how-federal-government-can-use-data-make-most-executive-order-racial-equity

¹⁸ https://ceo.lacounty.gov/recovery/arpa/

¹⁹ https://www.policylink.org/sites/default/files/RecoveryGuide-LJ-2021_050621c.pdf

COMMUNITY ENGAGEMENT

As seen in the section on New Orleans's Process for Allocating Funding, there has been a process in New Orleans to engage some stakeholders on the use of ARPA funds. However, the City or advocates could also engage the communities through surveys, community listening sessions, and/or other methods to ensure community voices lead—or at least inform--funding recommendations. Advocates should also put pressure on elected officials to create a public input process. Greensboro, North Carolina published a "Spending Simulator" for the public to interact with around their preferences for ARPA dollars. Tools like this are available in several off-the-shelf products and could easily be implemented by the City at minimal cost.

New Orleans also has the opportunity to leverage its social media presence to solicit community input by creating a mobile-friendly virtual gathering space using products like <u>SocialPinpoint</u> or <u>bangthetable</u>, a product available through the Council's current meeting software provider.

TECHNOLOGY REFORMS TO ADDRESS RACIAL INEQUITY

Technology, data systems, and online platforms can perpetuate systemic racism and racist policies and entrench inequities. Emerging technologies, such as artificial intelligence (AI), utilize algorithms that can and have worsened disparities in areas such as health care procedures and outcomes. They have also affected access to credit and government resources for people of color and have inadvertently racially profiled and led disproportionately to arrests of people of color.²² As a convener of the business and healthcare community in southeast Louisiana, New Orleans should serve as a model and an advocate for the responsible and transparent use of these innovations, especially as it evaluates potential intervention programs that can be funded with ARPA.

Additionally, gaps in digital literacy and disparities in inter-language content moderation affect the spread of misinformation and undermine the ability of disadvantaged communities to access trustworthy information, such as health guidance, online. Studies have shown that racial and ethnic minorities are less knowledgeable regarding the pandemic and COVID-19 due to disparities in internet access and availability of health information, which is compounded by disparities in trust of scientists and medical researchers, particularly among Black Americans.²³

New Orleans has demonstrated authoritative leadership in guiding the social interactions of residents during the pandemic. The City's COVID-19 response allowed city officials to establish trust as a public health communicator with both the broader New Orleans community and the Black community. The City should build on this success as it allocates ARPA funding by working to maximize their role in

²³https://www.pewresearch.org/fact-tank/2020/06/04/black-americans-face-higher-covid-19-risks-are-more-hesitant-to-trust-medical-scientists-get-vaccinated/



²¹ https://greensboro.abalancingact.com/arp-funding

²²https://www.forbes.com/sites/forbestechcouncil/2021/02/04/the-role-of-bias-in-artificial-intelligence/?sh=465f4716579d

communicating on a wider array of public health issues that disproportionately impact Black men, such as community violence, diabetes, and high blood pressure.²⁴

PROVIDING PATHWAYS FOR ENTREPRENEURS OF COLOR TO SUCCEED

American entrepreneurship has been the cornerstone of the American dream. However, opportunities to open small businesses have not been equitable. Black Americans own fewer than 2 percent of small businesses with employees, and Black women own fewer than 1 percent of these businesses. ²⁵ In New Orleans, 40 percent of small businesses are Black-owned, but that they account for 2 percent of total sales receipts. ²⁶ The Biden administration committed to using the clout of the federal government to increase the share of federal contracts reaching small, disadvantaged businesses and worked with Congress to secure additional investments to enhance economic opportunities for small and minority-owned businesses. President Biden has directed agencies overseeing the more than \$650 billion in annual federal purchasing power to expand federal contracting with small, disadvantaged businesses, including Black-owned businesses, by 50 percent. This amounts to an additional \$100 billion over five years. ²⁷

Similar action should be taken by the City of New Orleans to ensure that any ARPA funded programs are targeted to assist the Black community, especially business growth and development. At a minimum, awards of ARPA funds should comply with the City's existing Disadvantaged Business Enterprise Program participation requirements.

Small Business Credit Initiative & Leveraging Federal Procurement

In 2021, Congress reauthorized the Small Business Credit Initiative (SSBCI) for the first time since it expired in 2017, injecting \$10 billion for CDFIs to distribute funds to small businesses. ²⁸ The increase in funding toward CDFIs primarily benefits low-income and marginalized communities. Data show that 84 percent of CDFI customers are low-income, 60 percent are people of color, 50 percent are women, and 28 percent live in a rural area. ²⁹ For small minority firms seeking business opportunities with local governments managing payment delays and cashflow is frequently an issue. Funding through these institutions can be critical to their ability to participate in projects.

Included in the IIJA is \$110 million in annual funding for the Minority Business Development Agency (MBDA) through 2025, which helps to support entrepreneurs of color by providing access to capital.³⁰ The City of New Orleans should work to coordinate and promote the resources available through the two above-mentioned programs to connect Black businesses to these resources by forming stronger intergovernmental relationships at the State and Federal levels.

 $^{^{30}} https://www.inc.com/gabrielle-bienasz/infrastructure-bill-minority-business-development-agency-house-codified.html\\$



²⁴https://www.wdsu.com/article/among-older-black-men-in-new-orleans-amount-of-loss-to-covid-19-unbelievable/32421268

²⁵https://www.americanprogress.org/article/systematic-inequality/

²⁶https://www.nola.com/news/business/article_926db3c6-9c12-11e9-bfb8-

d75033176d3f.html#: ``:text=Lynette%20White%2DColin%2C%20who%20is, 2%25%20of%20total%20sales%20receipts.

²⁷https://www.govexec.com/management/2021/06/biden-seeks-use-procurement-power-close-racial-wealth-gap/174435/

²⁸https://www.thirdway.org/memo/cdfis-what-are-they-and-how-do-they-work

²⁹ Ihid

FOSTERING EQUITABLE INFRASTRUCTURE INVESTMENTS

In addition to the ARPA funding that has been the focus of this report, the Infrastructure Investment and Jobs Act (IIJA) will provide additional opportunities equitable investment in 2022. For decades, structural inequality has been quite literally built into America's infrastructure systems. A prime example is the building of the federal interstate system, which displaced 475,000 families and more than 1 million people, often people of color, from their homes and communities, including in New Orleans' Claiborne Corridor. Highways regularly devastated thriving Black communities by destroying Black homes, churches, schools, and businesses and separating Black and white neighborhoods. Disparate infrastructure investments in communities of color have resulted in fewer public transit options to neighborhoods, businesses, and job centers; insufficient affordable housing units; inequitable access to clean water, reliable electricity, and internet connectivity; and less economic opportunity overall. In New Orleans, these structural inequalities in infrastructure, reinforced by redlining, are still visible and are correlated with topography and flood vulnerability.

Cognizant of past and present infrastructure inequities, the Biden administration's Department of Transportation (DOT) issued an order requiring its offices to review the potential discriminatory impact of grantees' proposed activities before awarding federal funds.³⁴ This requirement will help ensure that federal grants do not support discriminatory activities that deepen inequity. New Orleans should take advantage of this requirement for IIJA funding, which contains several provisions that could help address past and current inequities in infrastructure investment and foster more equitable investments in the future.

Below is a list of DOT programs that New Orleans could leverage to improve the literal structural inequities facing Black men and boys.

• Reconnecting Communities Pilot Program

The IIJA allocates \$1 billion for infrastructure projects in communities and neighborhoods previously separated by highways, bridges, or other past construction. The program dedicates \$250 million for planning grants and \$750 million for capital construction grants to transform highway infrastructure and reconnect communities through retrofitting, overhauling, and deconstruction of highways that have negatively impacted disadvantaged communities, namely Black and other communities of color.³⁵ The Claiborne Corridor revitalization project in New Orleans would be an ideal candidate for this program.

• Rail and Public Transportation Expansion

The IIJA includes \$105 billion to sustain, modernize, and expand rail and public transportation to connect people to jobs, grocery stores, health services, and more.³⁶ African American workers are three times as likely to not have a vehicle, and the disparities are even larger in metropolitan

³⁶ Ibid.



³¹https://www.pbs.org/newshour/politics/how-infrastructure-has-historically-promoted-inequality

³²https://www.washingtonpost.com/politics/2021/11/08/this-is-why-its-useful-talk-about-historic-examples-institutionalized-racism/

³³https://www.americanprogress.org/article/advancing-equity-review-of-the-biden-administrations-efforts-in-its-first-year-to-implement-a-racial-equity-agenda/

³⁴ https://www.transportation.gov/sites/dot.gov/files/Final-for-OST-C-210312-002-signed.pdf

³⁵ https://www.naco.org/resources/legislative-analysis-counties-infrastructure-investment-jobs-act

areas.³⁷ These rail and transportation investments will spur affordable and efficient public transit for people of color and allow them to participate more fully in society. New Orleans should work with the Regional Transit Authority to ensure that the City is effectively competing for funds to improve the mobility of its Black residents.

Broadband Development and Deployment

The IIJA invests \$42.5 billion in expanding broadband accessibility, equity, and deployment in communities that are currently underserved, meaning at least 80 percent of the community lacks broadband access or adequate broadband speed. The law also requires internet service providers to offer lower-cost plans and nutrition-label style summaries of plans to enable better consumer comparison.³⁸ The law's expanded services will increase affordability and speed for those with internet access and provide access to digital health, services, training, and resources for those without internet access, which will advance economic and social opportunity, increase equity, and help close the digital gap for people of color.³⁹

• Digital Equity Act

The IIJA also includes the Digital Equity Act of 2021, which contains the Digital Equity Competitive Grant program and the Digital Equity Capacity Grant program. These programs allocate \$1.25 billion and \$1.5 billion, respectively, to help close the digital divide by expanding digital capacity and skills in disadvantaged communities. The competitive grant program promotes digital inclusion activities and spurs greater adoption of broadband among covered populations through skills training, equipment access, and the construction of new and improved public computing centers. The capacity grant program builds broadband adoption capacity efforts at the state level through plans to identify barriers to digital equity faced by covered populations. It also aims to promote digital literacy, awareness, and technical support for how broadband capacity will impact economic and workforce development outcomes, education outcomes, health outcomes, and civic and social engagement for disadvantaged communities. The capacity are program and civic and social engagement for disadvantaged communities.

Most of this funding will be distributed based on preexisting funding formulas that will determine the overall dollar amount allocated to each state. This provides states with significant discretion on how to utilize the funding. Coordinated engagement with the State of Louisiana by the City of New Orleans will be key to equitable implementation of these infrastructure dollars. Approximately \$120 billion is set aside for discretionary funding for DOT, which allows DOT to develop funding criteria that should prioritize correcting past inequities and advancing equitable opportunity.⁴²

⁴²https://www.wsj.com/articles/how-the-infrastructure-bill-changes-the-way-road-transit-dollars-will-flow-11636281003



³⁷ https://www.demos.org/sites/default/files/publications/Public%20Transit.pdf

³⁸https://www.consumerreports.org/internet/infrastructure-bill-includes-65-billion-for-internet-access-a6861027212/

³⁹https://www.americanprogress.org/article/advancing-equity-review-of-the-biden-administrations-efforts-in-its-first-year-to-implement-a-racial-equity-agenda/

⁴⁰https://www.natlawreview.com/article/digital-equity-act

⁴¹https://www.americanprogress.org/article/advancing-equity-review-of-the-biden-administrations-efforts-in-its-first-year-to-implement-a-racial-equity-agenda/

STRATEGIES FOR ARPA USE AND CITY ENGAGMENT

Recommendations for Fund Use

As stated in the introduction section of this document, the following are the federally allowed uses of ARPA funding:

- 1. To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- 2. To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- 4. To make necessary investments in water, sewer, or broadband infrastructure. 43

Eligible uses of these funds include:

- Revenue replacement for the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency, relative to revenues collected in the most recent fiscal year prior to the emergency,
- COVID-19 expenditures or negative economic impacts of COVID-19, including assistance to small businesses, households, and hard-hit industries, and economic recovery,
- Premium pay for essential workers,
- Investments in water, sewer, and broadband infrastructure.⁴⁴

Restrictions on the uses of these funds include:

- Funds allocated to states cannot be used to directly or indirectly to offset tax reductions or delay a tax or tax increase;
- Funds cannot be deposited into any pension fund.
- Funding must be spent by the end of calendar year 2024.⁴⁵

Unlike conventional federal funding sources that are formulaically based and recurring, APRA funds are one-time funds. Use of non-recurring funding is not recommended for:

- Additional staffing,
- Starting new long term programs, or
- Regular Operating Costs (e.g. utility bills, food services, transportation).

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⁴³Coronavirus State and Local Fiscal Recovery Funds, Interim Final Rule, https://www.federalregister.gov/documents/2021/05/17/2021-10283/coronavirus-state-and-local-fiscal-recovery-funds

⁴⁴Government Finance Officers Association, https://www.gfoa.org/american-rescue-plan-spending-guiding-principles

⁴⁵Ibid.

Generally advisable uses for one-time funding include:

- Immediate needs for consumables like masks, sanitation, etc.
- Investment
 - o Physical Plant,
 - Recreational facilities/ community centers,
 - o Broadband infrastructure,
 - o Long-term use program curriculum development, or
 - Durable or immoveable goods.
- Temporary programs intended for a finite duration,
- Program leader/Teacher training,
- Workforce development and skills initiatives, or
- Virtual Learning Technology and infrastructure.

ILLUSTRATIVE DESCRIPTIONS OF BEST PRACTICES FOR ARPA USE

Fund the development of Restorative Justice Programs in Schools

• Use ARPA funds to train existing staff on the use of restorative justice programs as an alternative to suspension and expulsion.

Create Law Enforcement Diversion Programs

 Use ARPA funds create program standards, documentation, assessment tools, physical space, and robust tracking infrastructure to support, and leverage other funding sources for ongoing programmatic costs.

Long Term Program-/Curriculum-Related Investment

• Use ARPA funds for fixed or durable goods like learning support resources, portable hardware (tablets), reusable supplies and equipment.

Build Business Development

• Use ARPA funds for the initial investment and upfront costs related to standing up a business development and counseling center. Funds may also be used as sub-grants to small businesses in need of flexible capital.

Temporary Job Creation & Skill Building

 Use ARPA to fund temporary positions at a living wage rate in a high-need industry or as a training gateway into a municipal workforce.

Investing in Reskilling



 Use ARPA funds for the initial investment and upfront costs related to standing up an adult education reskilling and professional development center and leverage other funding sources for ongoing programmatic costs.

Social/emotional engagement

• Use ARPA funds to refurbish or create spaces (like community & drop-in centers) and equip them with resources that address youths' social and emotional intelligence and coping skills.

Hands-on STEAM resources

• Use ARPA funds to develop maker spaces, acquire durable science equipment, and activities promote learning by trying, doing, failing, and trying again in existing community centers.

Recommendations for Engaging the City of New Orleans

It is likely that the City of New Orleans will release additional spending plans to the public before the end of May 2022. It is not expected that these plans will be exhaustive or in such detail that every dollar will be accounted for, presenting an opportunity for collaboration.

It is recommended that GNOFN create an opportunity to engage with the Mayor and her team to discuss strategies for deploying funding towards specific initiatives. However, that window of opportunity is short. More specifically, after additional detail is released to the public, the Criminal Justice Action Table and the Black Men and Boys Action Table should request a meeting with Mayor Cantrell through her Chief of Staff. Care should be taken to limit the size of the group, to begin to establish a relationship with the Mayor and her team. After initial relationships are established, the group could expand as appropriate. The purpose of this initial meeting would be to begin a dialogue around how these ARPA investments could have generational impact, to gather additional information about her thoughts on where the funds will be invested, and to identify opportunities for collaboration.

Finally, our general observation is that municipalities and parishes in Louisiana have not been as transparent with spending plans, nor has there been significant public engagement in visioning how the funds could be used to achieve enduring impact. There is an opportunity for GNOFN and/or its partners to advocate for greater transparency and community engagement in designing investment frameworks that can direct portions of the spending towards projects/initiatives that are a priority for citizens.

