Opportunity Knocking: Leveraging the American Rescue Plan to advance inclusive growth

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National Association of Counties
LUCC Symposium
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Overview

- The opportunity in ARP
- How local governments are responding thus far
- A call to action

Economically successful regions achieve growth, prosperity, inclusion







GROWTH

PROSPERITY

INCLUSION

Expanding opportunities

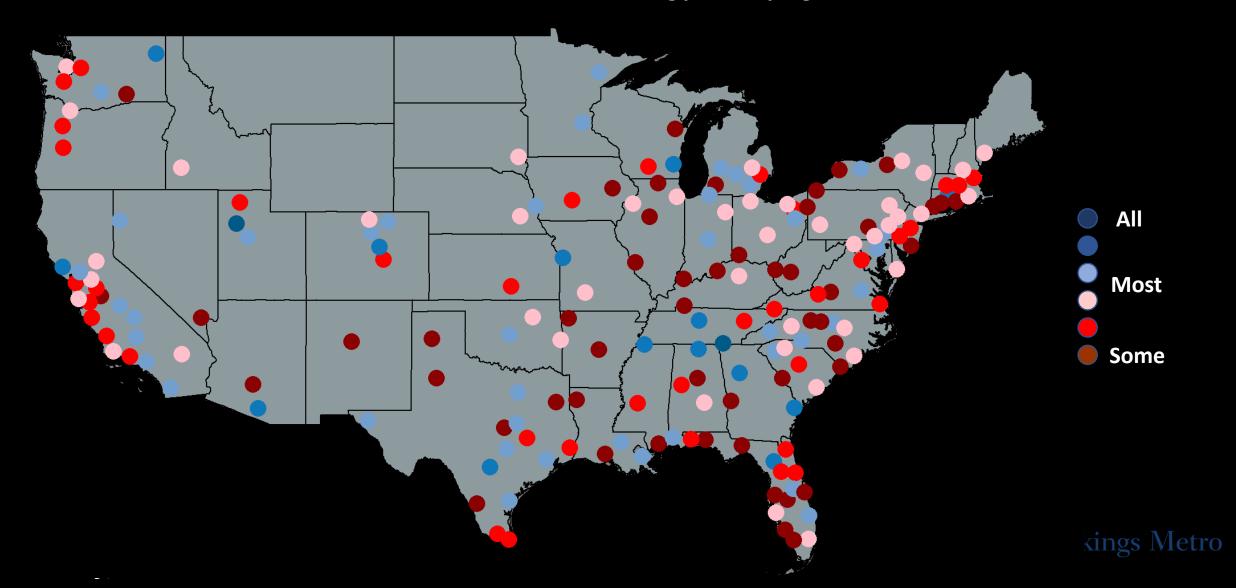
Increasing average value

More broadly shared benefits



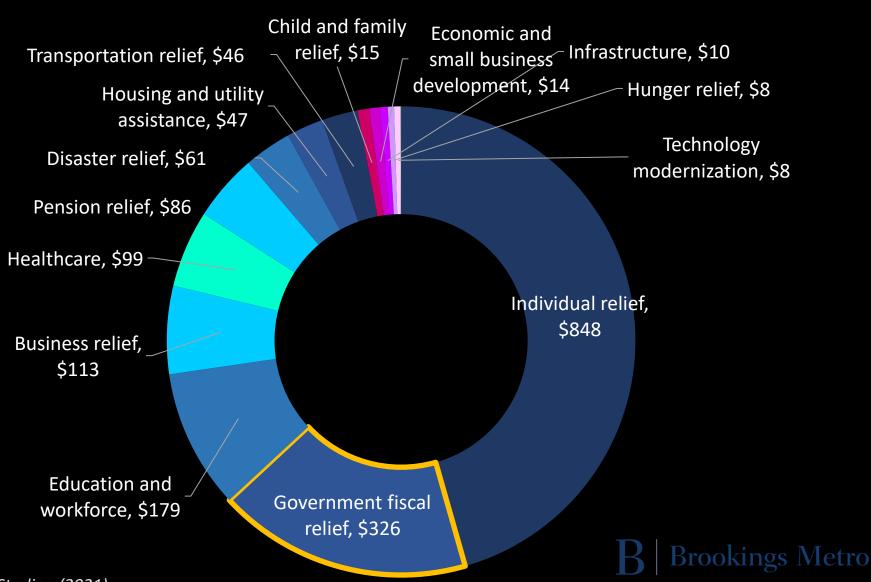
Very few regions achieved truly inclusive growth last decade

Number of Metro Monitor indicators showing positive progress, 2009 to 2019



ARP provides \$1.9T in individual and community investments

American
Rescue Plan
March 2021
(billions)



Large urban counties receive half of total county allocations

Fiscal Recovery
Funds to
Counties
(billions)

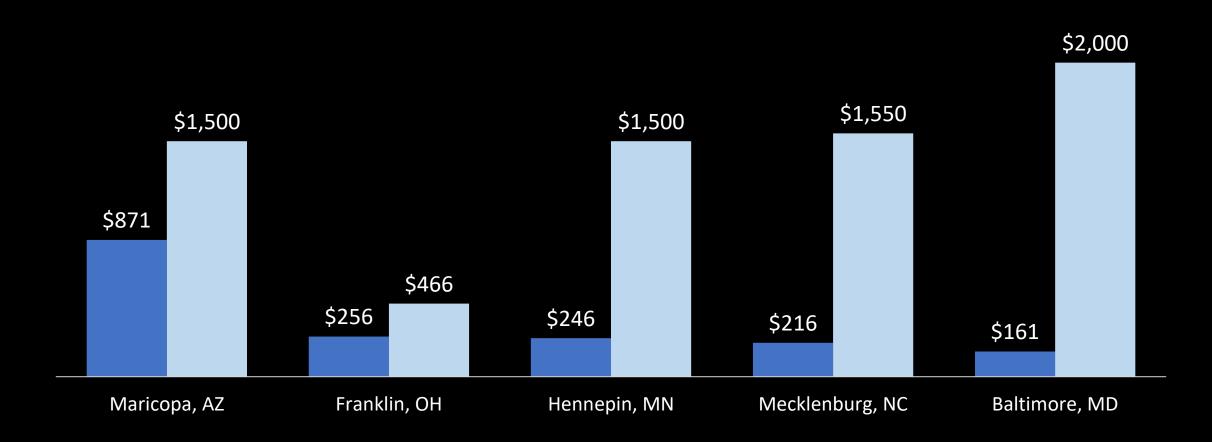
Counties < 100k, \$13 Counties 100-250k, \$10 Counties 250-500k, \$9

Counties > 500k, \$32

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Allocations are scaled to population, but represent differing shares of county budgets

Fiscal recovery fund allocation (dark blue) and FY19 general fund budget (light blue) (millions)

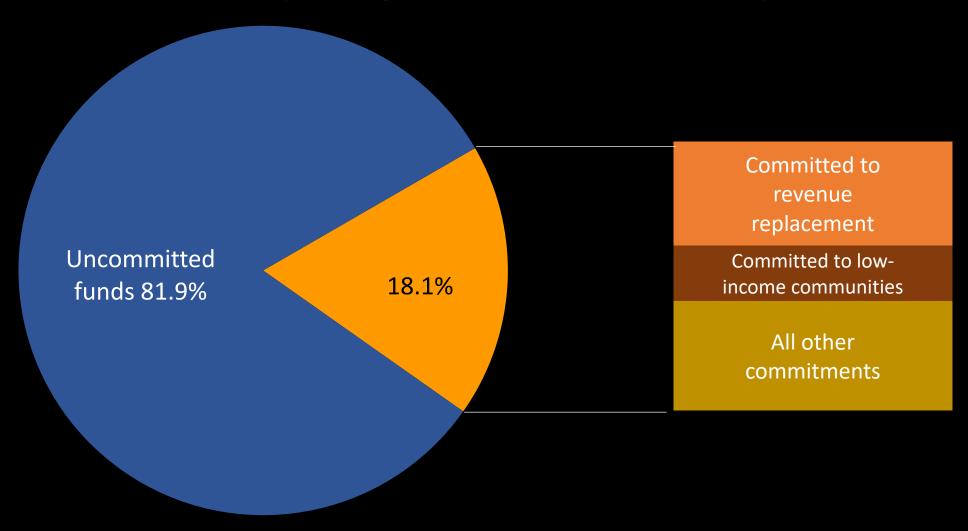


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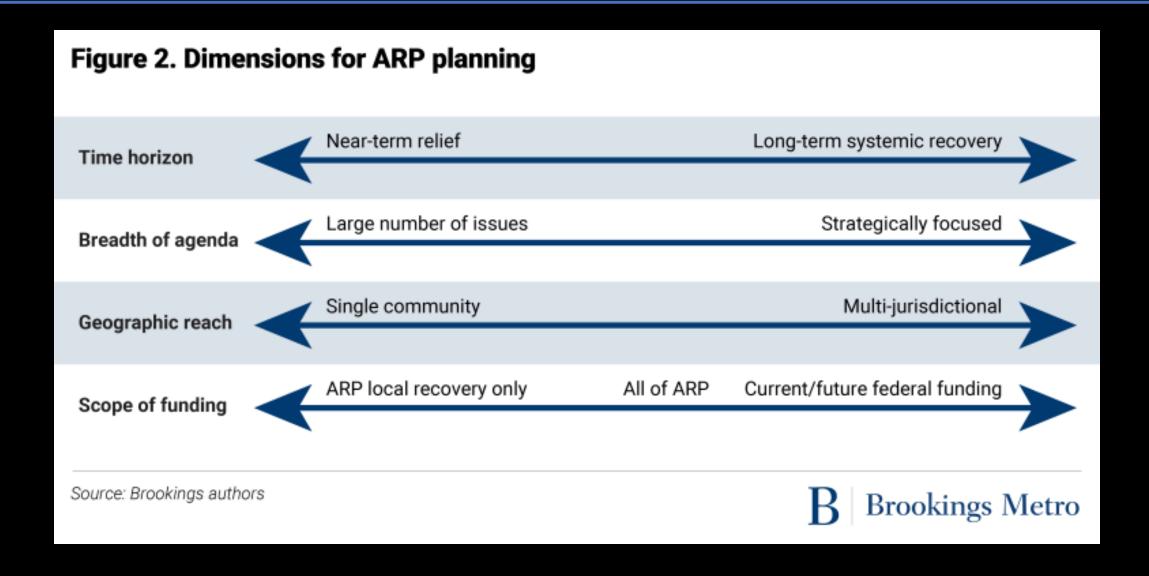
Most local governments are taking their time

How 20 cities report using their \$7.4 billion in Fiscal Recovery Funds

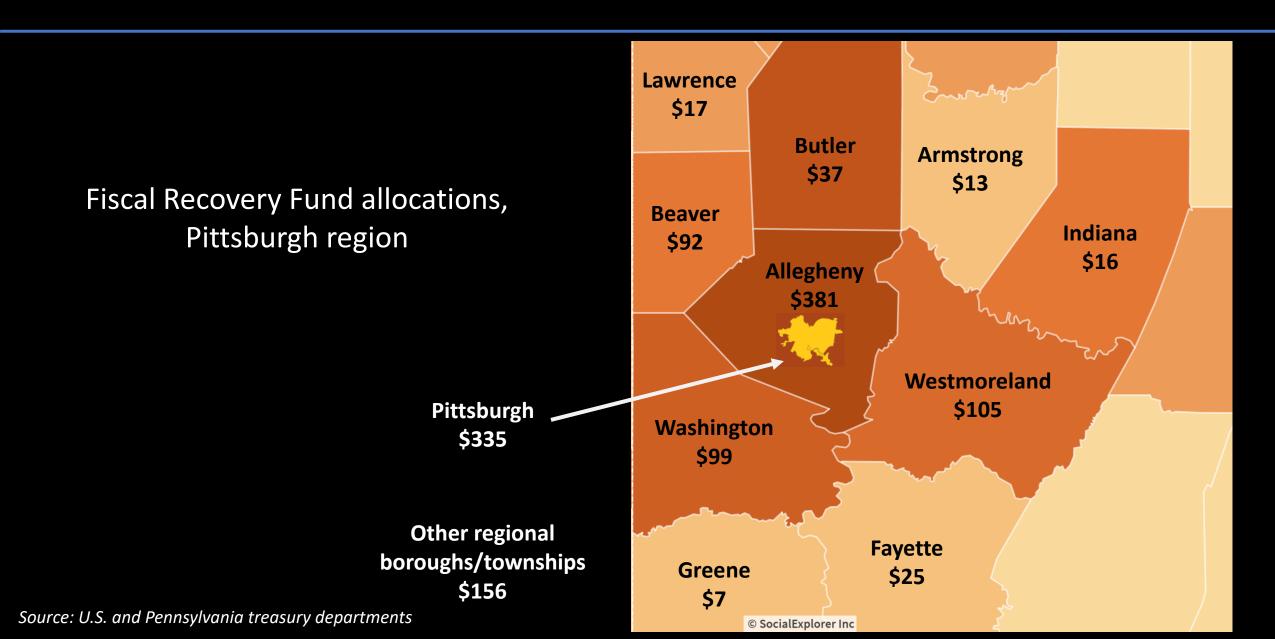


Source: Berube and Byerly-Duke, "Cities are taking it slow with American Rescue Plan funds" (2021)

Early emphasis on relief through ARP, not larger transformation



Not much regional coordination—authority, complexity as barriers



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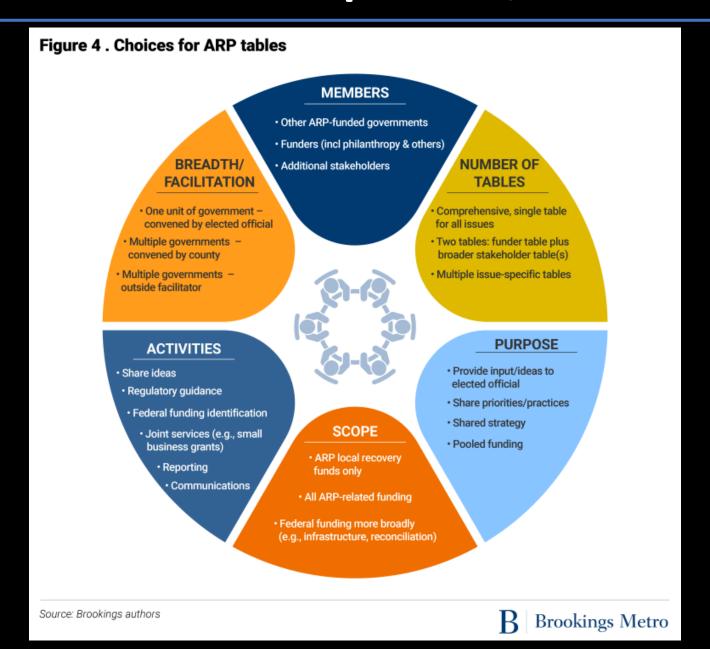
A call to action

- 1. Take the time to do it right and be explicit
- 2. Treat ARP allocations as a potluck, not room service
- 3. Construct a funding GPS
- 4. Don't try to fit 10 lbs. of flour in a 5 lb. bag
- 5. Establish a hub

1. Take the time to do it right and be explicit



2. Treat ARP allocations as potluck, not room service



3. Construct a funding GPS

Example priorities

Workforce training

Small business support

Affordable housing

Place-based development

Sources of support

ARP Fiscal Recovery

ARP other

Infrastructure
Investment and
Jobs Act

Build Back Better (reconciliation)

Private/ philanthropic

Program type

Formula

Competitive

Eligible recipients

Government

Special purpose agency

NGO

4. Don't try to fit 10 lbs. of flour in a 5 lb. bag

City of Detroit offers neighborhood associations Land Bank property and \$15M in flexible grants

Neighbors/block clubs can get Land Bank property and get city grants to create neighborhood parks





5. Establish a hub

Possible functions for a recovery "hub" entity

Provide regulatory guidance

Share/ normalize data Facilitate decision-making

Identify additional funding sources

Write grant applications

Track and communicate results















REPORT

The American Rescue Plan opportunity is knocking for local governments. Will they answer?

Brad Whitehead, Isaac Velez, and Eli Byerly-Duke . Tuesday, November 30, 2021















ove it or hate it, one cannot deny the American Rescue Plan (ARP) and the potential additional federal legislation to follow represent a generational opportunity to change the trajectory of city economies, improve the prospects for suffering citizens, and address longfestering economic and social disparities.

Opportunity is knocking at the door, yet most local governments are struggling to seize the moment Challenges include a lack of



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