



# MAXIMIZING FEDERAL COVID-19 RECOVERY INVESTMENTS FOR RESILIENCE AND EQUITY: EXAMPLES FROM ACROSS THE NATION

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Trillions in federal relief and recovery funds present unprecedented opportunities for cities, counties, and states to transform the way they address the goals and needs of the people they serve. A strategic mindset can ensure these investments meet urgent needs resulting from the triple crises of the COVID-19 pandemic, resulting economic struggles, and ongoing systemic inequities, while also laying the foundation for an equitable and resilient response.

[Aligning in Crisis](#) recognizes that there can be opportunities even in crisis and has been exploring innovations from around the country for examples of how recovery funds can be best applied to address population health and equity. The following examples highlight innovations by the four guiding principles for a resilient and equitable recovery.

## ALIGNING SECTORS AND EFFORTS IS CRITICAL TO ADVANCE HEALTH AND EQUITY

Social and economic factors like housing, poverty, and trauma have a major impact on health. Addressing these complex challenges requires fundamentally different ways of working across the health care, public health, and social services sectors. An approach that deploys federal relief and recovery investments in a holistic way across sectors can address disparities and advance equity.

### [Memphis GROUP Violence Intervention Program](#)

The GROUP Violence Intervention Program is a holistic approach to reducing violence by changing both individual behavior and collective norms in Memphis, Tenn. The program brings together leaders from government, law enforcement, hospitals, schools, and nonprofits to tackle a multipronged intervention of suppression (led by law enforcement), intervention (relies on outreach workers on the streets, in schools, and at hospitals), prevention (engaging residents and community-based organizations for coordinated prevention and response activities), community mobilization (education, job, support, and second-chance initiatives), and organizational change (policies, practices, and systems).

The city of Memphis' 2021 budget allocated \$2 million for the launch of the Memphis GROUP Violence Intervention Program, but the mayor proposed and City Council approved [\\$4.8 million](#) of the city's American Rescue Plan Act (ARPA) funds will be used to staff street intervention workers, hospital violence interrupters (an in-hospital intervention for survivors of gun violence), outreach services, and wraparound support (literacy and tutoring support, and work and life skills).

### [Harris County Equity Framework for Investments Funded by the American Rescue Plan Act](#)

Harris County, Texas, expects to receive \$915 million in Coronavirus Local Fiscal Recovery Funds from the U.S. Treasury. The Commissioners Court set out priority areas for local investment, including health, jobs, housing, and improvement of county operations.

While working groups are studying opportunities in each area, the Commissioners Court adopted an [equity framework](#) to guide project selection, design, implementation, and evaluation. The framework calls for investments to be made fairly, taking into account who has been most impacted by the pandemic, monitoring investment across the entire program to ensure the overall portfolio is reaching populations and neighborhoods most impacted by the pandemic, and measuring racial and ethnic disparities in health, economic, social, and environmental outcomes so that pandemic recovery plays a role in the long-term remediation of systemic harms to populations of color.

Specifically, the Harris County equity framework includes "Equity Reflections" ([Appendix A](#)) to be completed as part of the initial project proposal, at interim checkpoints, and in a final report, as well as an equity assessment tool ([Appendix B](#)) for evaluation of each ARPA project proposal.



## A COORDINATED STRATEGY GUIDES THE WORK AND INVESTMENTS

The fast pace and sheer magnitude of federal resources complicates planning efforts and can stress local capital absorption capacity. Planning to use these funds also requires balancing short-term identified needs with long-term, strategic transformational opportunity. Coordination across sectors, and in some cases, across jurisdictions will enable development of a comprehensive vision and leveraging of all available resources for the greatest ultimate impact.

### [Build Back Better Regional Challenge](#)

The U.S. Economic Development Administration (EDA; within the Department of Commerce) announced the Build Back Better Regional Challenge, which strives to grow regional industry clusters as a way to accelerate economic recovery from the COVID-19 pandemic and build stronger, more resilient local economies. In total, \$1 billion of ARPA funding is available through two phases. Phase 1: EDA will award 50 to 60 regional coalitions of partnering entities about \$500,000 in technical assistance funds to develop and support three to eight projects to grow a regional growth cluster. Phase 2: EDA will award 20 to 30 regional coalitions up to \$100 million to implement their regional growth cluster projects.

According to the Brookings Institution, [case studies](#) of transformative cluster initiatives indicate that success requires rigorous strategic planning, large public and private investments, and significant industry engagement and leadership. For the Build Back Better Regional Challenge, regional efforts must also use equity as a guiding principle, meaning the plans must bring economic opportunity to underserved communities.

While proposals are not due until October 2021, the New Jersey Economic Development Authority announced its support for four regional coalition applications to the challenge. The four selected coalitions represent diverse partnerships across four industry clusters. All are seeking public input on projects and participation in the coalition:

- The Aviation Innovation Coalition is led by Atlantic County and the Atlantic County Economic Alliance with partnerships in aviation and education.
- The Biomanufacturing Coalition is led by Rutgers University and includes other research entities, colleges and universities, and pharmaceutical companies.
- The Clean Energy Coalition is led by Rowan University with additional partners in education and the energy sectors.
- The Smart Ports Regional Coalition is led by the city of Newark with partnerships in transportation, economic development, and higher education.



## INTERMEDIARY ORGANIZATIONS ARE READY AND ABLE TO ASSIST

Many local organizations including foundations, public health institutes, community collaboratives, community development financial institutions, and local wellness funds have the capacity and know-how to partner with government to plan for and distribute ARPA funds. These organizations have deep expertise and experience convening cross-sector partners and community members and serving as fiscal intermediaries that can manage, blend, and braid funding streams in cohesive, coordinated ways.

### The Cape Fear Collective Serves as a Fiduciary Intermediary

New Hanover County (North Carolina) partnered with social impact nonprofit Cape Fear Collective to manage and distribute \$700,000 in ARPA funding to local nonprofits. The Cape Fear Collective has a track record of impact investing through its [Collective Ventures](#). All county nonprofits are eligible to apply for awards ranging from \$10,000 to \$50,000 to mitigate hardships endured during the COVID-19 pandemic, but the scoring rubric weights nonprofits serving vulnerable or marginalized communities including racial and ethnic minorities, low-income children, the uninsured, elderly, the LGBTQ community, the homeless, and those with certain health conditions including HIV, other chronic diseases, or severe mental illness.

A cross-sector awards committee assembled by Cape Fear Collective will review and award grants. The committee includes representatives from the community, nonprofits, health care, child development, and the housing authority.

Hanover County used a similar arrangement with the Wilmington Chamber of Commerce for managing and distributing \$4.5 million in business recovery grants.



## COMMUNITY LEADERSHIP DRIVES LASTING CHANGE

Amplifying the voice of community members is imperative at each step in the planning and implementation process to build trust and accountability and ensure that sought-after changes are representative of the goals and needs of community members, especially those most impacted by the COVID-19 pandemic. The U.S. Treasury guidance explicitly guides cities, counties, and other

government entities on the importance of engaging their community throughout the process of application of ARPA dollars. While engagement methods and scale vary by locality, there are many innovative examples for how citizens are being engaged in funding allocation decision-making.

### Cleveland Uses Citizen Input Tool for ARPA Funding

Mayor Frank G. Jackson launched the [ReStart CLE](#) strategic recovery efforts based on three overriding principles: to minimize the burden of the pandemic on people and businesses in the community, to better position all people and businesses to take advantage of the recovery, and to make sure recovery efforts create a more equitable community. To decide how Cleveland will use its \$511 million in ARPA funding, the city launched a [citizen input tool](#).

The six-question survey asks respondents which category of stimulus spending their idea fits into (supporting public health, public sector revenue or direct services, economic recovery, or infrastructure), a description of their idea, and an estimate of cost. Submissions are capped at 2,000 words. The survey is available online or responses can be put in drop boxes at City Hall, local recreation centers, or the Department of Public Utilities. Questionnaires are mailed in water bills.

Individuals do have to identify if they are a city resident or not, in which ZIP code they live, and in which ward they reside, which will enable evaluation of preferences based on geography.

### KEY PRINCIPLES FOR A RESILIENT AND EQUITABLE RECOVERY

As part of its [Aligning in Crisis](#) work, the Georgia Health Policy Center, in partnership with George Washington University and with support from the Robert Wood Johnson Foundation, identified [four principles](#) that government agencies and local fiscal intermediaries can use to guide planning for use of COVID-19 recovery funds.



Aligning sectors and efforts is critical to advance health and equity.



A coordinated strategy guides the work and investments.



Intermediary organizations are ready and able to assist.



Community leadership drives lasting change.

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