



THE CITY OF EVANSTON'S PROPOSED RECOVERY PLAN American Rescue Plan Act of 2021

March 14, 2022

EVANSTON COMMUNITY WIDE RECOVERY

TOTAL ARPA INVESTMENT: \$43,173,654

The American Rescue Plan Act (ARPA) is a \$1.9 trillion federal rescue plan designed to help communities recover from the economic and health impacts of COVID-19. The City's allocation of \$43 million is from an overall allocation of \$350 billion to help cities replace lost tax revenue due to the pandemic in addition to water and broadband infrastructure, premium pay and response to the public health emergency and its negative economic impacts.

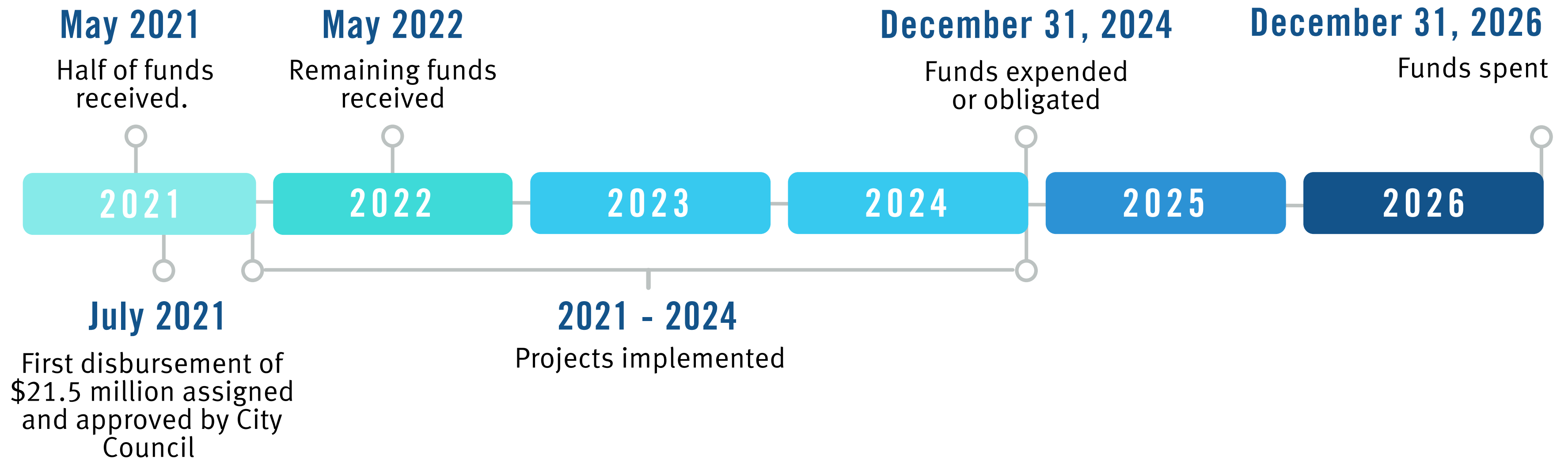
A diverse set of stakeholders, led by the Evanston Community Foundation, including Evanston Cradle to Career, Evanston Early Childhood Council, Northwestern University and Evanston Latinos engaged in a series of roundtables, town halls, ward meetings, committee meetings, and City Council meetings to form a framework for investing for community-wide recovery. In addition to the funding required to accommodate COVID-19 related municipal revenue loss, the community prioritized Economic Development, Social Services, Affordable Housing, Water & Sewer, Inclusive & Equitable Recovery and Climate Action Resiliency. All funding must be expended by December 31, 2026.

ARPA FUNDING TIMELINE

\$43 million allocated to Evanston



City of
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ALLOWABLE USES



Municipal Revenue Loss



Water, Sewer & Broadband Infrastructure



Premium Pay



**Responding to the Public Health Emergency
and Its Negative Economic Impacts**

ARPA CATEGORIES

Original Evanston Categories

COVID-19 Response

ARPA Management & Compliance

Revenue Replacement

Hazard Premium Pay

Economic Development

Social Services

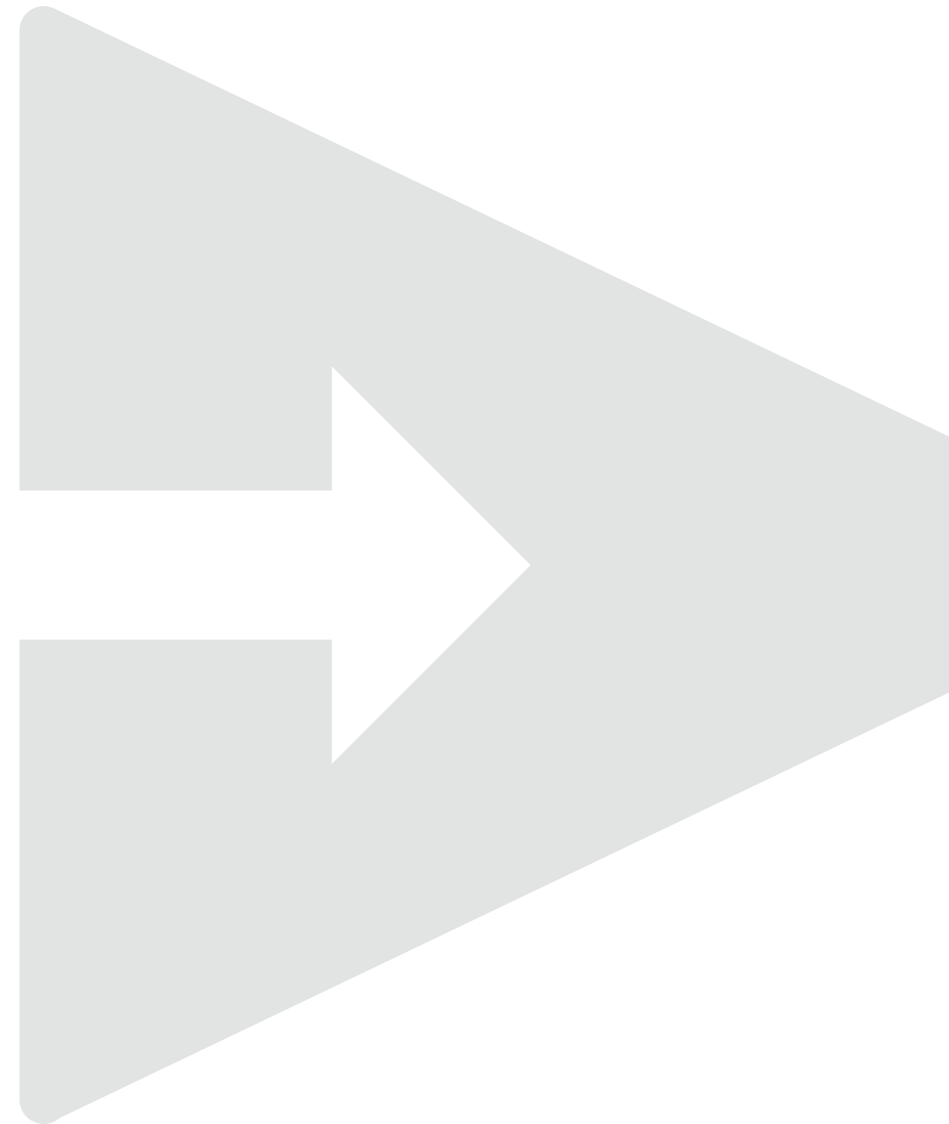
Affordable Housing

Water & Sewer Infrastructure

Inclusive & Equitable Recovery

Participatory Budgeting

Reserve



New Evanston Categories

Public Health

Negative Economic Impacts

Services to Disproportionately Impacted Communities

Premium Pay

Infrastructure

Revenue Replacement

Administration & Other

Participatory Budgeting



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PUBLIC HEALTH

TOTAL ARPA INVESTMENT: \$1,475,000

ARPA recognizes the outsized burden to local health departments of administering COVID-19 testing, contact tracing and vaccinations to the local population. The City Council approved an allocation of \$575,000 to pay for these health services. The City Council will consider an estimated \$900,000 ARPA investment in a new mental health Living Room, a community-based service that provides a safe space for people in a crisis and support from peer counselors.

MENTAL HEALTH LIVING ROOM
COVID-19 RESPONSE FUNDING

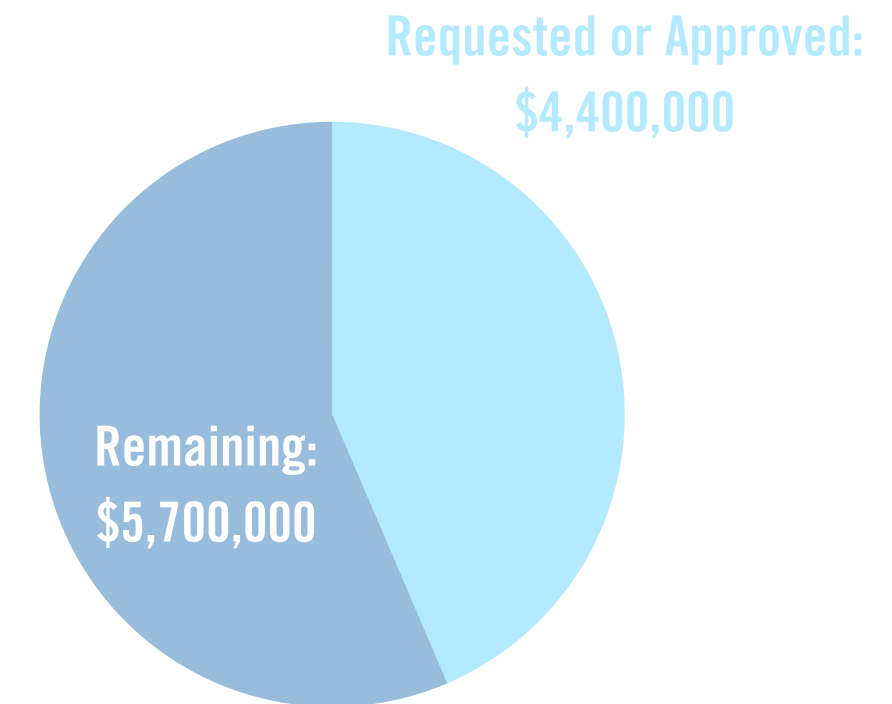


Requested or Approved:
\$1,475,000

NEGATIVE ECONOMIC IMPACTS

TOTAL ARPA INVESTMENT: \$10,100,000

The City Council and the Economic Development Committee have identified workforce development and business district strategies and an implementation plan as top priorities for ARPA funding.



WORKFORCE DEVELOPMENT: The City is working to identify career paths for residents in City departments, with local employers, and identifying and coordinating resources among existing workforce partners. ARPA funds are eligible to support this work.

BUSINESS DISTRICT STRATEGIES: Efforts to support the business district have included an improvement plan, altering the Orrington and Chicago Ave. Streetscape, expanding outdoor dining and other “placemaking” infrastructure, and having a Business District “Clean Team/Street Team”.

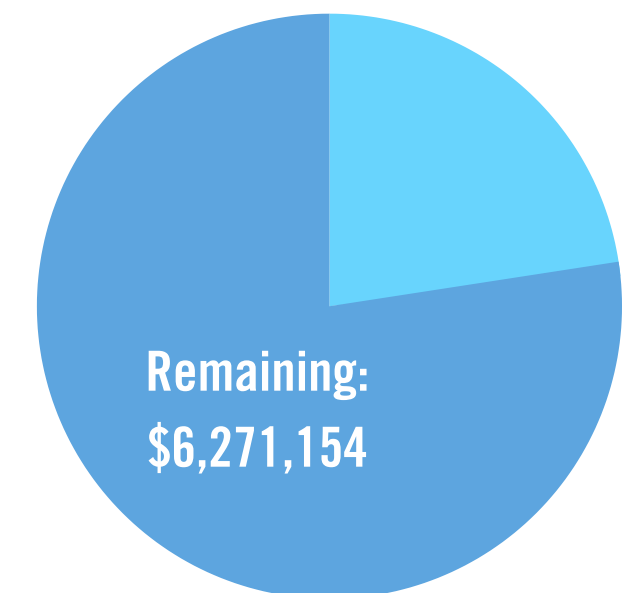
SERVICES TO DISPROPORTIONATELY IMPACTED COMMUNITIES

TOTAL ARPA INVESTMENT: \$8,098,654

In recognition of the disproportionate impacts of COVID-19 on low-income communities including BIPOC and the importance of addressing them, ARPA funding will be used to improve their health and economic outcomes. Developing and improving housing for homeless and housing insecure individuals and families is a priority.

- NEW AFFORDABLE HOUSING
- HOUSING RETROFIT ONE-STOP-SHOP
- SMALL LANDLORD PROGRAM
- HOMELESS SHELTER
- CHILDCARE
- LATINX WELCOMING CENTER
- VIOLENCE REDUCTION PROGRAM
- GIBBS-MORRISON FACILITIES UPGRADE FOR YOUTH OUTREACH CENTER

Requested or Approved:
\$1,827,500



PREMIUM PAY

TOTAL ARPA INVESTMENT: \$500,000

The SLFRF Final Rule that was released in early January made several changes to eligibility criteria for hazard/premium pay from the Final Interim Rule that simplify compliance. The purpose of this fund is to address the disparity between the critical services provided by and the risks taken by essential workers and the relatively low compensation they tend to receive.

CITY WORKERS

CHILDCARE WORKERS

OTHER



Remaining: \$500,000

INFRASTRUCTURE

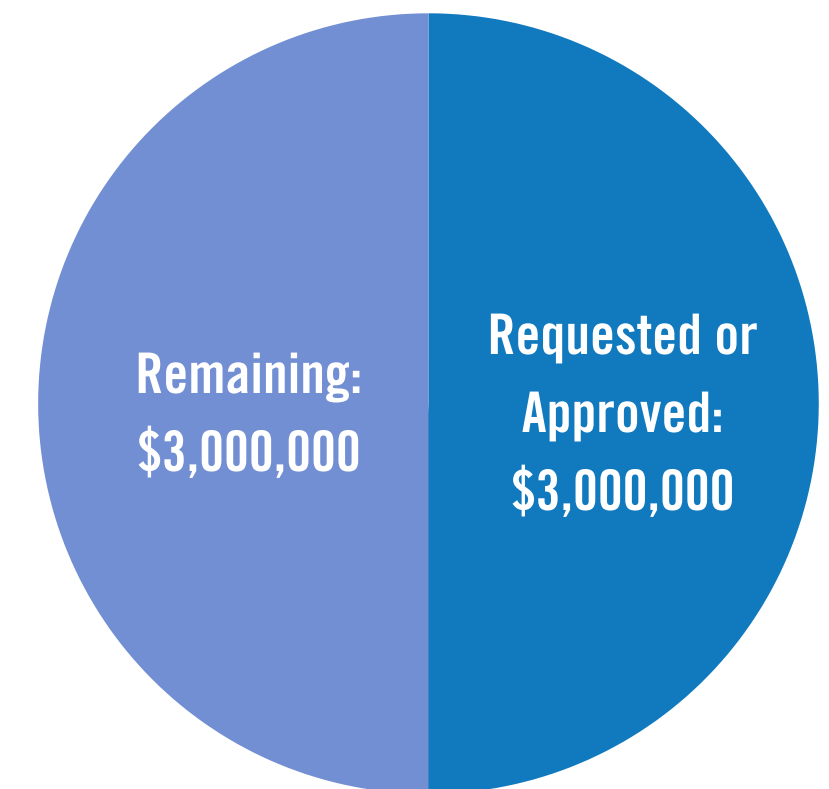
TOTAL ARPA INVESTMENT: \$6,000,000

ARPA funds may be used for a broad range of projects that improve access to clean drinking water, improve wastewater and stormwater infrastructure systems. Projects must provide a level of service that meets applicable health-based standards, taking into account resilience to climate change. Investments in water or sewer infrastructure should also avert disruptive and costly delays, and promote efficiency.

WATER MAIN REPLACEMENT

VEHICLES FOR LEAD SERVICE REPLACEMENT

LEAD SERVICE LINE REPLACEMENT



REVENUE REPLACEMENT

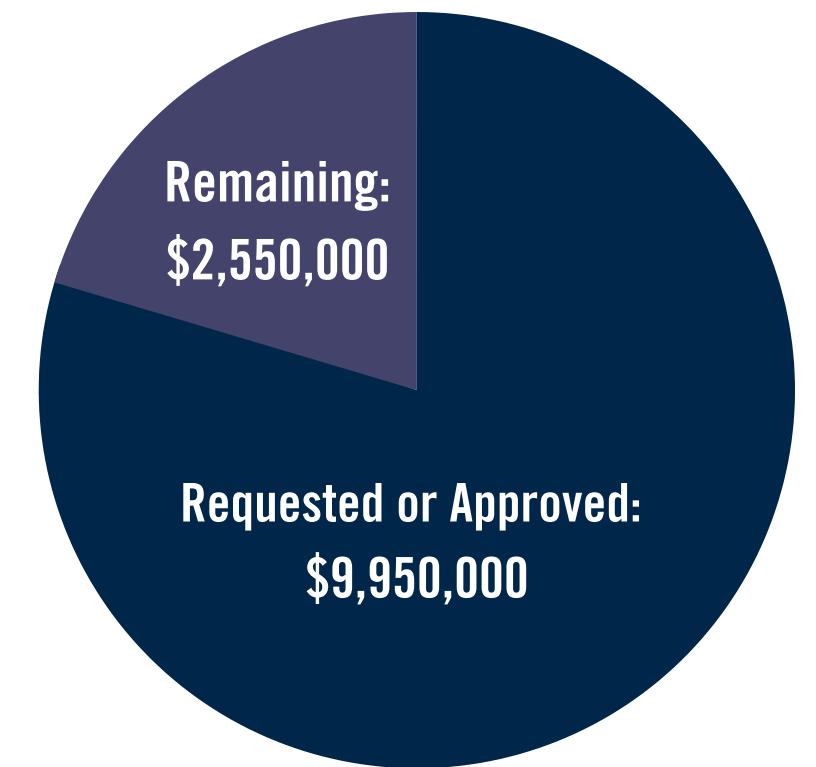
TOTAL ARPA INVESTMENT: \$12,500,000

The City experienced catastrophic revenue losses in 2020 that continued in 2021 and are expected to carry into 2022. As a result, spending was cut dramatically, which negatively impacted the City's ability to provide local government services and address the changing impact of COVID-19 on residents and businesses. ARPA is helping rebuild capacity by replacing revenue loss.

EQUIPMENT REPLACEMENT

PARKING FUND PROJECTS AND OPERATIONS

GENERAL FUND OPERATIONS



ADMINISTRATION & OTHER

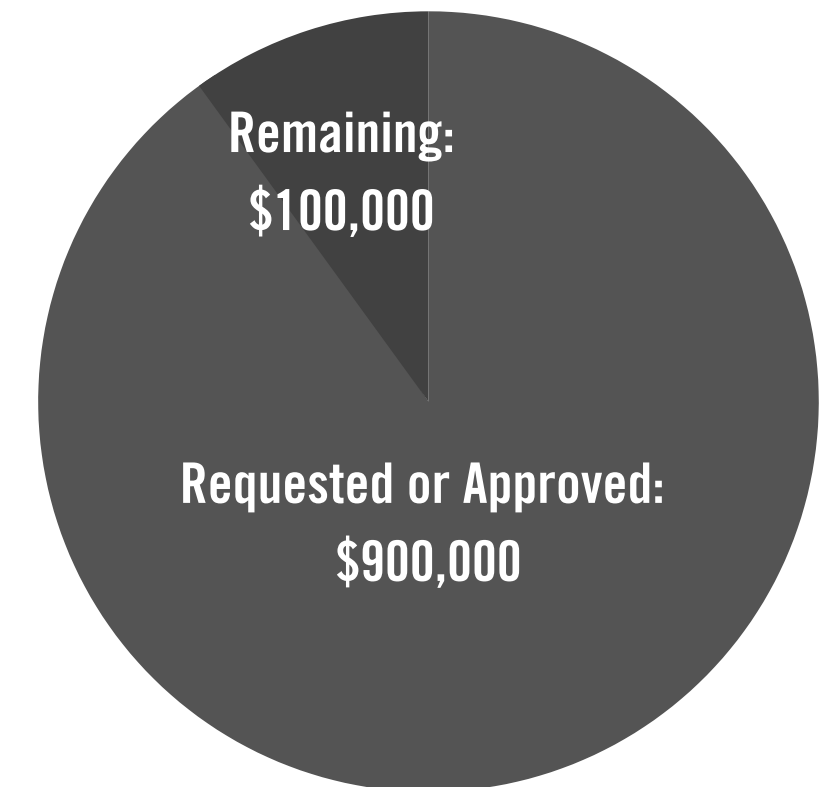
TOTAL ARPA INVESTMENT: \$1,000,000

ARPA will pay staffing and related costs to manage ARPA funded activities, comply with federal requirements, and report to Treasury.

GRANT MANAGEMENT

COMPLIANCE AND REPORTING

OTHER PLANNING EXPENSES / PARTICIPATORY BUDGETING



PARTICIPATORY BUDGETING

TOTAL ARPA INVESTMENT: \$3,500,000

Staff proposes allocating \$3.5 million using participatory budgeting (PB). Staff anticipates engaging the services of experts in this work to develop a PB process that will effectively engage Evanston residents, particularly historically disenfranchised groups, so that new voices are heard. Effective PB uses grassroots organizing, outreach, and neighborly word of mouth to reach people who usually don't participate in the local government process.

POTENTIAL PROJECT CATEGORIES:

- **SERVICES TO DISPROPORTIONATELY IMPACTED COMMUNITIES**
- **NEGATIVE ECONOMIC IMPACTS**
- **CLIMATE ACTION & ENVIRONMENTAL JUSTICE**

The following are specific projects covered under each of the proposed ARPA initiatives

Public Health

- Mental Health Living Room
- Covid 19 Response Funding

Negative Economic Impacts

- Northlight Theater
- The Aux
- Workforce Development - ASPIRE Program
- Workforce Development - City-sponsored Job Training
- Workforce Development - Childcare
- Hill & CEBA Business Districts
- Orrington and Chicago Ave. Streetscape/Outdoor Dining
- Business District Clean Team/Street Team
- Pandemic Recovery Business District Improvement Strategies and Implementation Plan
- Outdoor Dining and other "placemaking" "Infrastructure"
- Guaranteed Income
- Rehiring Public Sector Staff

Services to Disproportionately Impacted Communities

- Childcare
- Welcoming Center
- LIHTC Projects - New Affordable Units
- Homeless shelter
- Small Landlord Program
- Housing Retrofit One-Stop Shop
- Youth Violence Intervention Program & Gibbs-Morrison Center Rehab as a Youth Outreach Center

Premium Pay

- City Staff
- Childcare Staff

Infrastructure

- Water Main Replacement

The following are specific projects covered under each of the proposed ARPA initiatives

Revenue Replacement

- 2022 General Fund Operations
 - Permit Desk Software
 - Staffing
 - Comprehensive & Strategic Plan
- 2022 Equipment Replacement
- 2021 Parking Fund Projects
- 2021 Equipment Replacement
- 2022 Parking Fund Projects

Administration & Other

- Evanston ARPA Administration

Participatory Budgeting

- ARPA eligible projects to be determined through a community participatory budgeting process
- Housing Retrofit One-Stop-Shop
- Lead Service Line Replacement
- Lead Service Line Apprenticeships / Job Training
- Others to Be Determined with Environment Board

EVANSTON ARPA REQUESTS & APPROVALS TO DATE

New Categories	Original Categories	Amount	Requested or Approved	Remaining
1. Public Health	COVID-19 Response Funding, Social Services	\$1,475,000	\$1,475,000	\$0
2. Negative Economic Impacts	Economic Development, Social Services	\$10,100,000	\$4,400,000	\$5,700,000
3. Services to Disproportionately Impacted Communities	Inclusive & Equitable Recovery, Affordable Housing,	\$8,098,654	\$1,827,500	\$6,271,154
4. Premium Pay	Hazard/Premium Pay	\$500,000	\$500,000	\$0
5. Infrastructure	Water and Sewer Infrastructure	\$6,000,000	\$3,000,000	\$3,000,000
6. Revenue Replacement	Revenue Loss Funding	\$12,500,000	\$9,950,000	\$2,550,000
7. Administrative and Other	ARPA Grant Mgt, Compliance & Reporting	\$1,000,000	\$900,000	\$100,000
8. Participatory Budgeting	To be determined through the PB process	\$3,500,000	\$0	\$3,500,000
Total		\$43,173,654	\$22,052,500	\$21,121,154

The City will use the following criteria to evaluate requests for ARPA funding

CRITERIA	DESCRIPTION	EXAMPLES
1. Project Feasibility	Proposal is detailed and clear with a business plan including timeline and revenue projections in addition to meeting community standards	Business Plan shows realistic revenue sources and sustained revenue projections. Relatively quick timeline to construct project and achieve revenues / generate community benefits.
2. Team/Organization Capacity	Team has demonstrated experience or knowledge of subject matter or has demonstrated capacity to be resourceful	Past performance on grants, Staffing levels and management, Strength of organization, experience in other areas
3. Budget	Realistic estimates with diverse sources of funds with majority of funding from non-city sources	Sources of funds less than 25% city funding. Realistic estimates based on current market conditions/best practices.
4. Return on Investment	Detailed description of all expected project outcomes	Depending on project type, Jobs, tax revenues, affordable units, affordability mix, workforce development opportunity vs. job training, carbon reduction, etc.
5. Addresses Inequities and Inequality	Project led by or guided by team with diverse perspectives. Considerate of impacted communities including communities represented by People of Color.	Project reflects community goals focused on poverty reduction, job creation, education, employment, workforce development opportunities in impacted communities. Local hiring initiatives a priority
6. Community Support	Demonstrated support from community members, built through authentic community outreach.	Emails and letters of support from stakeholders who support the project. Project/program is identified in a neighborhood/community plan. Acknowledgement of community concerns.

EVALUATION / OUTCOME MEASURES

NEW CATEGORY	PROPOSED DATA OUTCOME MEASURES EXAMPLES
Public Health	# of people assisted, reduction in calls to police, improvement in mental health measures
Negative Economic Impacts	jobs created, return on investment including tax revenues, assists vulnerable/disproportionately impacted, aligns with city's goals,
Services to Disproportionately Impacted Communities	New affordable housing created, reduction in kilowatt hours. # of households retrofitted, homeless housed, children served by childcare, women returning to work, Black and Brown households and businesses served
Premium Pay	# of childcare workers retained, cost per person retained
Infrastructure	# of households lead pipes removed, # of people served by safe infrastructure, reduction in lead impacted health indicators, etc.
Revenue Replacement	N/A
Administrative and Other	N/A
Participatory Budgeting	Identify ARPA-eligible projects in the negative economic impact, services to impacted communities, and infrastructure categories with a focus on climate action.