THE ARP TOOLKIT SPENDING TRACKER BREAKOUT REPORT: ALABAMA

CONTRACT OF STREET

February 2022 | As a part of its ARP Toolkit, the Southern Economic Advance Project publishes its initial report for the newly released ARP Local Funds Spending Tracker.



BACKGROUND

As part of the American Rescue Plan (ARP), the State and Local Fiscal Recovery Fund (SLFRF) delivers \$130 billion in direct support to every community in the US. The scale of the SLFRF program is unprecedented, and local governments have broad discretion in how to use these funds, along with an extended timeline for spending (through 12/31/26).

Since mid-2021, the Southern Economic Advancement Project (SEAP) has encouraged local leaders to choose strategic recovery investments that address the highest priority needs and help residents and neighborhoods most affected by the pandemic. Our ARP Toolkit provides resources and information to local governments and advocates so they can make the most of their SLFRF funds. The goal is to help residents and local governments work together to build SLFRF spending plans that incorporate community input and achieve a more sustainable, equitable recovery.

NOTABLE TOOLS, DATA & RESOURCES

New SEAP Dashboard Shows Real-Time Info on Cities' SLFRF Spending

As of year-end 2021, local leaders setting priorities for local recovery funds is still heavily in progress. Many communities have not allocated most of their local recovery funds. In these places, local government leaders and residents are collecting input on needs and priorities and identifying investments that will have the most substantial impact. SEAP's new <u>SLFRF Spending Dashboard</u> offers a first look at the status of city-level SLFRF spending in more than 100 cities across several states.

The SLFRF Spending Dashboard also provides data on spending choices for cities where leaders have already made SLFRF decisions. The dashboard identifies and groups planned SLFRF spending into 12 categories (public health, affordable housing, business support, general government, etc.). Our interactive tool allows users to view this information at the city level and statewide.

Most communities (NEUs with a population of less than 250,000) are not required to report on their SLFRF spending until April 2022. Even then, their reports will only reflect actual expenses to date, not go-forward plans. Use this new Spending Dashboard to find real-time SLFRF plans, assess the status of local decision-making, and see trends in the type of recovery spending underway.

INITIAL RESULTS BY STATE ALABAMA

Our Phase 1 data covers 16 cities in Alabama, which is half of the roughly 32 cities in the state with a population greater than 20,000. These 16 communities are receiving \$382 million in total SLFRF allocations. Below are some key findings across the Alabama dataset:

Results on Status of SLFRF Decision Making in AL Cities

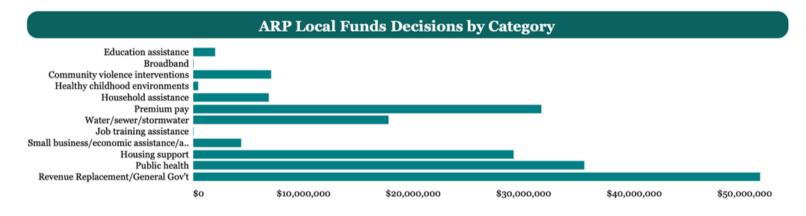
- Most spending decisions haven't happened yet.
 - Roughly one-third of the AL cities (38%) have made no spending decisions yet.
 - Across all AL cities, there are spending plans approved for nearly half (49%) of funds.
 - These results indicate that Alabama cities are somewhat further along in their SLFRF decisions than generally observed.
- Spending decisions to date are not limited to the first half of funds.
 - Of the 10 cities with some SLFRF decisions made, 6 cities have plans that are limited to some or all of the first half of funds.
 - Four cities have made plans for most or all of their total funding.
- Larger cities are further along in their spending decisions.
 - There are no Alabama cities with populations greater than 250,000.
 - Alabama's largest city is Huntsville, with a population of 215,000. As seen elsewhere, this larger city has more developed SLFRF spending plans than is seen generally.
 - Huntsville has approved spending plans for its total allocation of \$34 million.



Alabama Results on Type of SLFRF Spending Planned To Date

Across the Alabama dataset, spending plans to date show funding in a range of categories. The highest priorities for decisions to date include Revenue Replacement/General Gov't., Public Health, and Premium Pay. Within the Revenue Replacement/General Gov't category, more than half of the \$51 million in spending derives from Huntsville's spending plans.

AL SLFRF Spending Decisions To Date By Category (n=16)



Other AL Findings:

- Community outreach on SLFRF spending is not robust.
 - We found clear examples of SLFRF engagement in 3 of 16 cities.
- Identification of Equity Strategy is not common.
 - An explicit equity strategy for SLFRF spending decisions was identified in only 1 of 16 cities.
 - In some cases, equity goals may be part of a city's implementation plan, even if this aspect is not made explicit in the context of the initial spending decision.

For more information or to include data from your community, contact Morgan Smith at <u>SouthStrong@rooseveltinstitute.org</u>.

