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 SLFRF Spending Dashboard 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.
Results on Status of SLFRF Decision Making in NC Cities

- **Most spending decisions haven’t happened yet.**
  - Across all NC cities, only 17% of funds have spending plans to date, with 83% of local funds yet to be allocated.
  - More than half of the NC cities (59%) have made no spending decisions yet.
  - These results indicate a significant opportunity for engagement to help set local spending priorities and advocate for strategic and equitable SLFRF investments.

- **So far, nearly all spending decisions are limited to the first half of funds.**
  - Of 11 cities with some SLFRF decisions made, 10 have plans limited to some or all of the first half of funds.
  - Only one city (Jacksonville) has made plans for all its funding.

- **Larger cities are further along in their spending decisions.**
  - Our initial dataset includes four cities with a population greater than 250,000: Charlotte, Durham, Greensboro, and Raleigh. Across these larger cities, spending plans for a greater share of their SLFRF allocation than is seen generally.
  - These four larger NC cities have spending plans for 30% of their total funding. Charlotte and Raleigh have planned a significant portion of their first half of funds. Durham has planned roughly 14% of its funds, and Greensboro has not approved any spending plans.
  - When these four larger cities are excluded, the data indicates that the 23 remaining smaller cities are far behind in their spending plans. Only 5% of the total $342 million in SLFRF for the 23 smaller communities has been allocated.
North Carolina Results on Type of SLFRF Spending Planned To Date

Across the NC dataset, spending plans to date show investments in all categories except education assistance. Top categories for spending plans to date include Small Business/Economic Assistance, Housing Support, and Public Health. A relatively modest share of this earliest spending (6%) is for Revenue Replacement/General Government.

NC SLFRF Spending Decisions to Date By Category (n=27)

Due to the significantly larger SLFRF allocations to the four more populous cities, and the fact that these cities are further along in their spending decisions than smaller NC communities, it is useful to view the data for these cities separately from the data for the smaller communities. Please see below for SLFRF spending decisions differentiated by city population.

NC SLFRF Spending Decisions in Large Cities (n=4)
Community outreach on SLFRF spending is not robust. We found clear examples of SLFRF engagement in only 9 of 27 cities.

Identification of Equity Strategy is not common. An explicit equity strategy for SLFRF spending decisions was identified in only 5 of 27 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.

Note that the $10 million in planned spending on Water/Sewer/Stormwater Infrastructure includes a single allocation of $9 million from Jacksonville.

Other NC Findings:

- **Community outreach on SLFRF spending is not robust.**
  - We found clear examples of SLFRF engagement in only 9 of 27 cities.

- **Identification of Equity Strategy is not common.**
  - An explicit equity strategy for SLFRF spending decisions was identified in only 5 of 27 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 SouthStrong@rooseveltinstitute.org.