



NORTH CAROLINA AMERICAN RESCUE PLAN IN ACTION

April 2022 | As a part of its ARP Toolkit, the Southern Economic Advancement Project publishes its quarterly report for its ARP Local Funds Spending Tracker, highlighting State and Local Fiscal Recovery Funds spending decisions currently underway by local leaders.

www.theseap.org | www.southstrong.org

BACKGROUND

As part of the American Rescue Plan ([ARP](#)), the State and Local Fiscal Recovery Fund (SLFRF) is delivering \$130 billion in direct support across every community in the U.S. The scope and scale of the SLFRF program are unprecedented, and local governments have broad discretion in how to spend these funds, as well as an extended spending timeline (through 12/31/2026).

For the past year, the Southern Economic Advancement Project ([SEAP](#)) has been working to encourage local leaders to choose strategic recovery investments that address the highest priority needs and help residents and neighborhoods most affected by the pandemic. SEAP's [ARP Toolkit](#) provides resources and information to assist local governments and advocates in making the most of their SLFRF funds. SEAP ARP Assistance team's 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

ARP Local Funds Tracker Shows Real-Time Info on Cities' SLFRF Spending

The data through March 31, 2022, illustrates that the work to set priorities for local recovery funds is still very much in progress. In many communities, the majority of most local recovery funds have yet to be allocated. In these places, local government leaders and residents are working to collect input on needs and priorities and to identify investments that will have the most impact. SEAP's new [ARP Local Funds Spending Tracker](#) offers a first look at the status of over 120 cities' SLFRF spending across several Southern states.

The tracker also provides data on specific SLFRF spending choices for those cities that have made some decisions. Any planned SLFRF spending is grouped into 13 categories like spending on public health, affordable housing, business support, or general government. Our interactive tool allows viewers to access this information at either the city or state level.

Most communities (Non-entitlement Units of Local Government (NEUs) with a population of less than 250,000) are not required to report on their SLFRF spending until April 2022. These reports will only reflect actual expenses to date, not forward-looking plans. The tracker identifies real-time SLFRF plans, assesses the status of local decision-making, and visualizes trends in the type of recovery spending underway.

Notes:

Q4-2021 is defined by October - December of 2021.

Q1-2022 is defined by January - March of 2022.



SECOND-QUARTER RESULTS: NORTH CAROLINA

Our data currently covers 27 cities in North Carolina. These cities have a population of more than 20,000 and collectively will receive \$669 million in SLFRF funds. Included in this report are key findings from across the state.

Results on Status of SLFRF Decision Making in NC Cities:

Most spending decisions haven't happened.

- Across all NC cities, 72% of funds are awaiting allocation.
- More than half of the NC cities (56%) now have some degree of spending decisions (15 of 27 cities).
- These results indicate there is a significant opportunity for engagement to help set local spending priorities, and to advocate for strategic and equitable SLFRF investments.

Nearly all spending decisions are limited to the first half of funds.

- Of the 15 cities with some SLFRF decisions made, 11 are limited to the first half of funds.
- Only four cities have made plans for all of their local recovery funding.

In North Carolina, smaller cities are catching up with larger cities on spending decisions.

- Our initial dataset includes four cities with populations greater than 250,000: Charlotte, Durham, Greensboro, and Raleigh.
- These large NC cities have spending plans for 30% of their funding. Charlotte and Raleigh have both planned a significant portion of their first half of funds. Durham has planned roughly 14% of its funds, and Greensboro has not yet approved any spending plans.
- When these four large cities are excluded, the data shows that the 23 remaining smaller cities are at a similar pace in their spending plans. As of Q1-2022, 27% of the total \$342 million in SLFRF for these 23 smaller communities has been allocated. This is an increase from only 5% planned during Q4-2021 and indicates new spending decisions for roughly \$75 million in smaller cities during Q1-2022.

North Carolina Results on Type of SLFRF Spending Planned to Date

Across the NC cities, spending plans show investments in all categories except education assistance. Capital Expenses, Small Housing Support, and Business/Economic Assistance are the top spending plan categories to date. A relatively modest share of this early spending (4%) is for Revenue Replacement/General Government.

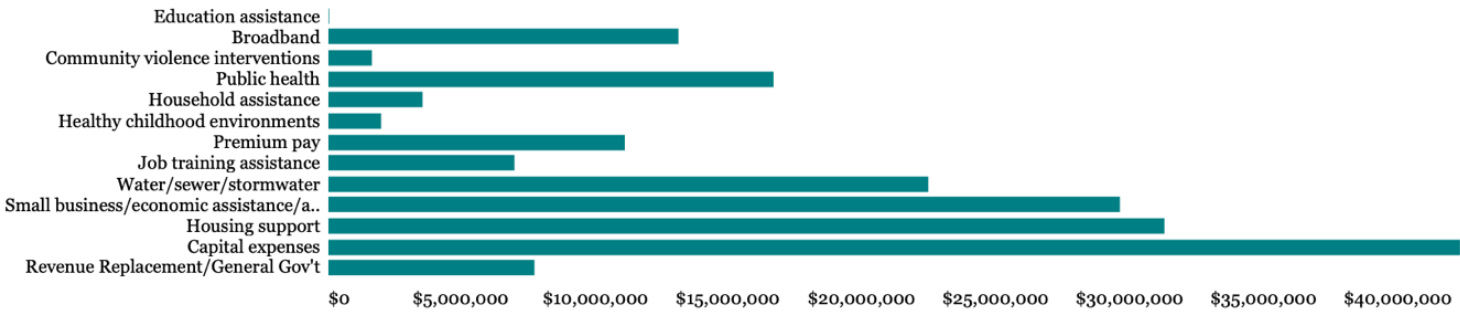


SECOND-QUARTER RESULTS: NORTH CAROLINA

Our data currently covers 27 cities in North Carolina. These cities have a population of more than 20,000 and collectively will receive \$669 million in SLFRF funds. Included in this report are key findings from across the state.

NC SLFRF Spending Decisions to Date By Category (27 Cities Represented)

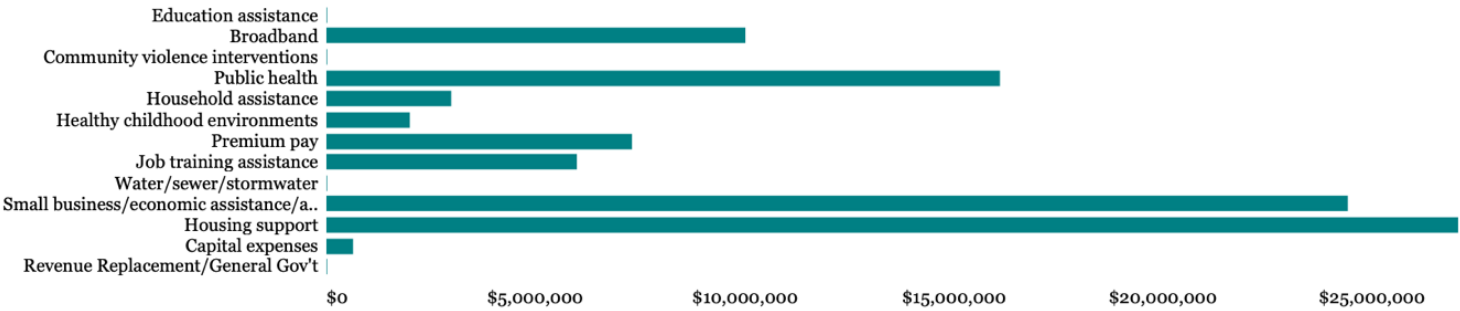
ARP Local Funds Decisions by Category



Due to the significantly larger SLFRF allocations in the four more populous cities, 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 population.

NC SLFRF Spending Decisions in Large Cities (4 Cities Represented)

ARP Local Funds Decisions by Category



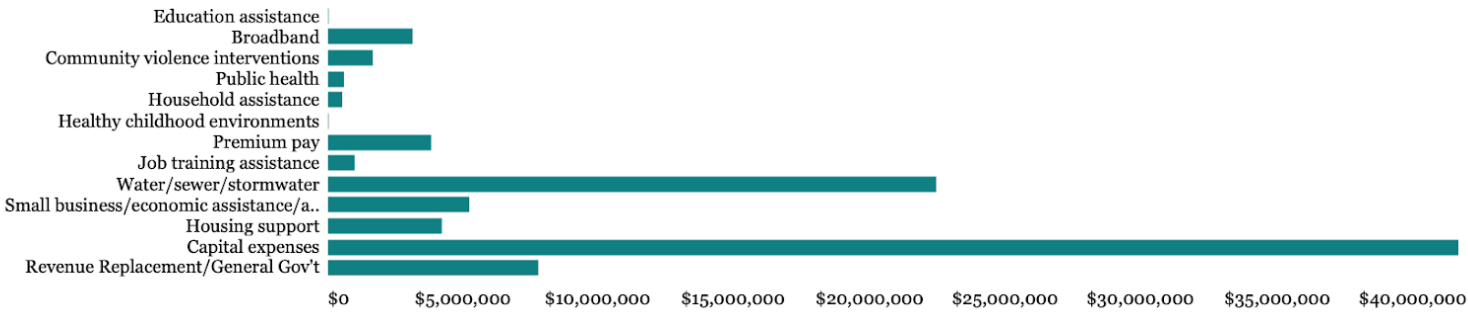


SECOND-QUARTER RESULTS: NORTH CAROLINA

Our data currently covers 27 cities in North Carolina. These cities have a population of more than 20,000 and collectively will receive \$669 million in SLFRF funds. Included in this report are key findings from across the state.

NC SLFRF Spending Decisions in Smaller Cities (23 Cities Represented)

ARP Local Funds Decisions by Category



Additional North Carolina Findings:

Community outreach on SLFRF spending is not robust.

Clear examples of SLFRF community engagement exist in only 10 out of 27 cities.

Evidence of equity-focused spending is more prevalent in NC than in other states.

Evidence of an equity focus within SLFRF spending decisions was indicated by either planned spending within a Qualified Census Tract (QCT) or through clear reference to equity goals in spending decision materials or discussions. These criteria were identified in 73% of cities with some spending decisions.

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