

ARP In Your Community Revenue Replacement Guide

The Southern Economic Advancement Project | June 2022

Soon, cities and counties will receive the second half of their American Rescue Plan (ARP) funds. It is vital for community leaders to assist local officials in determining how best to use these funds to address ongoing challenges in their communities and pursue an equitable recovery for all residents. This guide outlines the latest funding updates, what it means to your community and good examples from across the country.

New developments worth highlighting:

- In January, the U.S. Treasury announced new flexibility allowing cities and counties to declare up to \$10 million within a “Standard Allowance” for revenue replacement.
- This means that for all but the largest cities and counties, entire ARP allocations can fit into this category.
- Using the Standard Allowance means that cities can use ARP funds for any general government purpose, with simplified reporting and monitoring requirements.
- The U.S. Treasury recommends taking the Standard Allowance wherever possible; connecting this choice to actual evidence of lost revenue is not necessary.

Help your community make the most of this opportunity:

- Ensure local leaders understand the benefits of electing the maximum Standard Allowance, independent of actual revenue loss experience. Make sure your leaders understand that using the standard allowance means those funds can be applied to any government purpose.
- Emphasize that the use of Standard Allowance doesn’t change the importance of a transparent decision process for how to use these additional funds.
- Encourage community engagement so officials can gain input from residents on the greatest areas of need.
- Stay informed about how spending plans are moving forward; be ready to engage if spending plans change or shift.
- Ask local officials to provide regular public updates on ARP spending and status. Some communities have adopted a quarterly schedule for periodic check-ins.

ARP Dollars in Action: Examples of ARP Transparency Platforms

As a part of the effort to invest ARP recovery funds equitably, transparency is a fundamental best practice. Communities of any size can take easy steps to make online information available so residents can know how their recovery dollars are moving:

- Information on the **process** helps stakeholders understand how and when spending decisions will happen.
- Information on **spending** provides the roadmap for where funds are going.
- Information on **results** demonstrates the impact of funds, who was helped, and how.

Your city may already have the tools to develop an ARP Transparency Platform, as many popular software packages have existing features to create dashboards, trackers, and forums for community engagement. See these links for some examples from communities like [Syracuse, NY](#), and [Los Angeles County, CA](#).

But even small governments can build transparency platforms that deliver current, critical insight about ARP spending and planning decisions.

See below for examples of ARP transparency platforms built by communities of all sizes across the U.S.

Norfolk, VA (pop. 244,000)

This webpage outlines the process for approved spending priorities and a dashboard with details from public engagement efforts. There are links to several video presentations and a section for future information on tracking the progress of funded projects.

[Click here for webpage.](#)

Lakewood, WA (pop. 60,000)

This webpage includes background on the process and community input. A pie chart illustrates spending to date across categories and provides a link to detailed data on project-level funding amounts.

[Click here for webpage.](#)

Boynton Beach, FL (pop. 78,000)

This webpage includes a high-level spending plan for \$7 million in ARPA funds and links to a previous workshop and community survey results.

[Click here for webpage.](#)

Sun Prairie, WI (pop. 34,000)

The webpage includes a detailed recap of the city's approach and its timeline for spending decisions. It also links to community survey results, previous key presentations, and, at the bottom, a pie chart that illustrates spending allocation across specific projects.

[Click here for webpage.](#)

Elkins, WV (pop. 7,000)

This webpage includes details on the process of deciding priorities and results from the online community survey. Approved projects are listed individually.

[Click here for webpage.](#)

Shasta Lake, CA (pop. 10,000)

This simple web page provides information on the amount of ARPA funding and spending decisions to date. A graphic illustrates the total funding available (\$2.5 million) and the approved projects to date.

[Click here for webpage.](#)

Mooresville, NC (pop. 38,000)

This webpage includes a list of approved projects with details on the funding amount and the completion status. The list includes an item under Revenue Replacement to offset public safety salaries spending to fund proposed community projects.

[Click here for webpage.](#)

New Orleans, LA (pop. 377,000)

Ordinance Cal. No. 33,698, introduced in April 2022 by Councilmembers Moreno, Giarrusso, and Morrell, requires the Chief Administrative Office and the Department of Finance to appear before the New Orleans City Council Budget, Audit, and Board of Review Committee monthly to provide updates on American Rescue Plan Act (ARPA) funding allocated to the City of New Orleans, and also requires the Chief Administrative Office and the Department of Finance to create and keep an updated public-facing dashboard with metrics provided for key programmatic initiatives broken down by the seven (7) expenditure categories identified in the Orleans Parish: State and Local Fiscal Recovery Funds 2021 Report.

[Click here for ordinance.](#)

Buncombe County, NC (pop. 260,000)

A one-stop webpage on recovery spending begins with a tally of funds spent to date and the number of projects funded. It sorts spending by category (public health, education assistance, etc.) and has drop-down menus showing how much funding leaders have allocated to each project. The webpage also provides a timeline of how leaders made spending decisions, links to videos of community input sessions, and access to all proposals for funding received in the two grant cycles.

[Click here for webpage.](#)

Ann Arbor, MI (pop. 121,000)

This webpage provides a detailed recap of the process to determine priorities for \$24 million in ARPA funding and a list of 13 approved projects and award amounts. Each project has a summary description and a “video explainer.” The page also links to results from an online community survey and several previous meetings and presentations.

[Click here for webpage.](#)

Coweta County, GA (pop. 146,000)

The ARPA Fund webpage provides background information on the program, eligible uses for funds, and links to the County’s reporting to date. The spotlight on “ARPA Projects Benefiting Coweta County Citizens” provides a narrative description of funded projects, with information on “what” was funded (vaccine incentives) and specific results (8,823 shots and a higher vaccination rate at a critical time). The webpage also includes links to view a spending workshop presentation, results from a public survey, and an application for nonprofits to use to request funding.

[Click here for webpage.](#)

Lexington, KY (pop. 322,000)

This ARPA webpage begins with a detailed list of \$120 million in approved projects. Community survey results and funding proposals are categorized and available for download. The graphic at the bottom illustrates current spending compared with total available funds and a breakdown of how leaders split funds across eligible use categories.

[Click here for webpage.](#)

Raleigh, NC (pop. 470,000)

The ARPA webpage provides a range of information, including details on the city’s three-phase approach to spending. Approved projects from Phase I and II are grouped by category, with project-specific details provided through drop-down menus. The webpage also links to key presentations, city Treasury reports and a simulator to build different funding scenarios.

[Click here for webpage.](#)

College Park, MD (pop. 32,000)

This presentation tracks recovery spending to date. It is organized by type of spending, with additional details like the percent of businesses that are minority-owned or women-owned. The date indicator helps confirm that information is current.

[Click here for webpage.](#)