



Cook County American Rescue Plan Act Framework

Board of Commissioners Briefing

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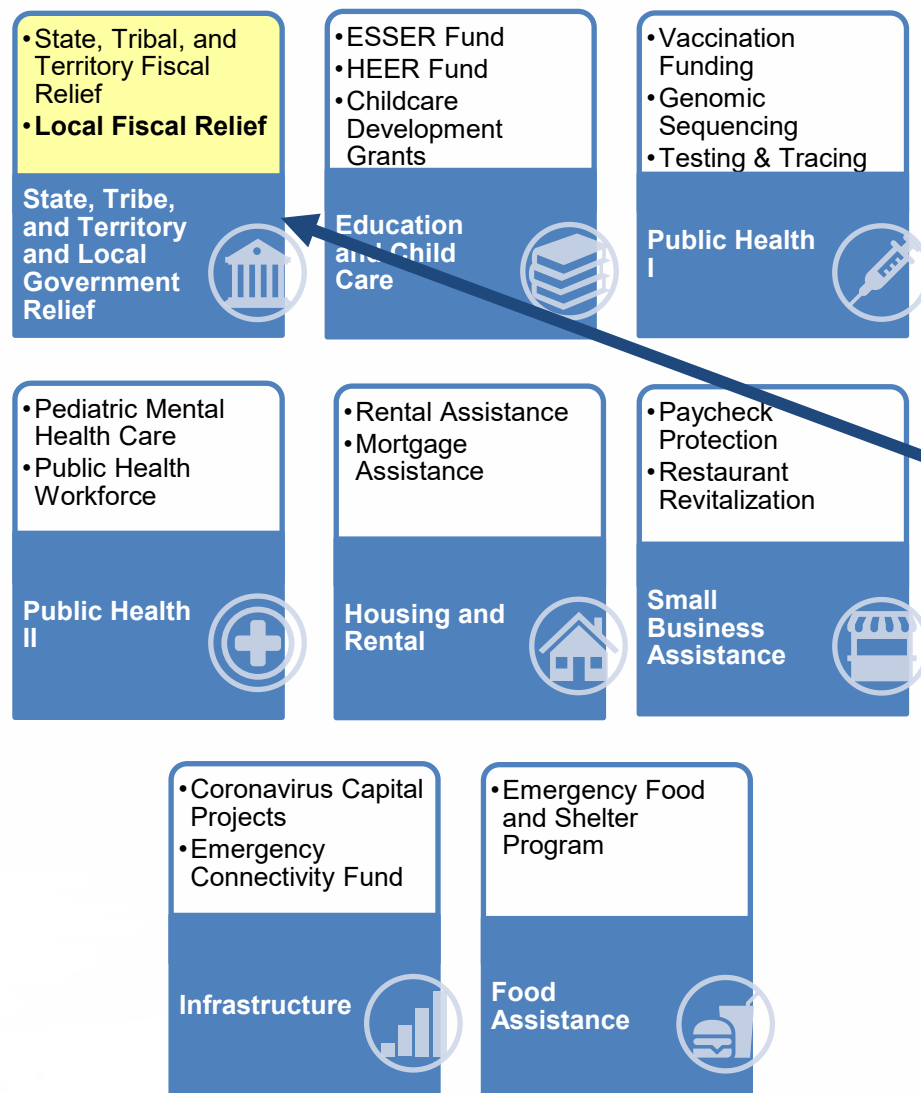
President, Cook County Board of Commissioners

Agenda



- American Rescue Plan Act (ARPA) Overview
- Funding Framework
- Spending Plan Development
 - Approach
 - Governance Structure
 - Community Engagement
- Initial Outreach and Discussion – Major Themes
- Next Steps

American Rescue Plan Act Overview – Background



- On March 11, 2021, President Joe Biden signed into law the American Rescue Plan Act (ARPA)
- The \$1.9 trillion package includes **\$362 billion** in federal fiscal recovery aid for state and local governments through the **State & Local Fiscal Recovery Fund (SLFRF)**
- The Act also provides billions to education, public health, housing, small business, infrastructure, and food assistance (*graphic is not an exhaustive list of programs*)

American Rescue Plan Act Overview – Eligible Uses



Support Public Health Response

- › **COVID-19 Mitigation & Containment:** vaccination programs, ventilation improvements in congregate or health care settings, contact tracing
- › **Medical Expenses:** care and services to address near-and longer-term needs
- › **Behavioral Healthcare:** mental health treatment, crisis intervention, substance misuse treatment
- › **Public Health & Safety Staff:** payroll & benefits



Replace Public Sector Revenue Loss

- Use funds to provide government services to the extent of the reduction in revenue experienced due to the pandemic
- › Lost revenues may be used to **support general government services and infrastructure**



Address Negative Economic Impacts

- › **Support to Residents:** assistance to unemployed workers, job training, food, housing, survivor's benefits
- › **Small Business:** loans, grants, in-kind and technical assistance
- › **Public Sector:** rehire staff, replenish state unemployment insurance, economic relief programs
- › **Impacted Industries:** tourism, travel and hospitality, and other affected sectors



Water and Sewer Infrastructure

- Make necessary investment to improve access to clean drinking water and invest in wastewater and stormwater infrastructure
- Eligible uses aligned to EPA project categories in:
- › Clean Water State Revolving Fund (CWSRF)
 - › Drinking Water State Revolving Fund (DWSRF)



Premium Pay for Essential Workers

- Provide premium pay to eligible workers performing essential work or to provide grants to third party employers with eligible workers
- › **Essential Employees:** janitors/sanitation, public health, social service & safety, childcare & educators, nursing home/hospital staff, government
 - › **Essential Work:** involving regular in-person interactions
 - › **Other Provisions:** including retroactive premium pay



Broadband Infrastructure

- Make necessary investment to provide unserved or underserved locations with new or expanded broadband access
- › Fund projects that deliver reliable services – **minimum 100 Mbps download/upload speed**

American Rescue Plan Act Overview – Ineligible Uses



Deposits to 'rainy day' funds or financial reserves

Contributions to rainy day funds and similar financial reserves would not meet pandemic response needs but would rather constitute savings for future spending needs



Legal settlements or judgements

Funds cannot be used on legal settlements or judgements except to the extent the judgment or settlement requires the provision of services that would respond to the public health emergency



Deposits into defined benefit pension funds

Funds cannot be used for deposits into defined benefit pension funds; however, funds may be used for routine payroll contributions to pensions of employees whose wages are an eligible use



General infrastructure spending

General infrastructure spending is not covered as an eligible use of funds outside of water, sewer, and broadband investments or above the amount allocated under the revenue loss provision



Debt service

Funds cannot be used to pay debt service for any obligation incurred prior to March 3, 2021



Non-Federal match for Federal programs

May not be used as non-Federal match for other programs whose statute or regulation bar the use of Federal funds to meet matching requirements

American Rescue Plan Act Overview – State & Local Fiscal Recovery Fund (SLFRF)



- SLFRF includes aid to Counties, Metropolitan Cities, and Non-Entitlement Units of Government (NEUs)
- Eligible uses of SLFRF include:
 1. Response to COVID-19 or its negative economic or social impacts, including assistance to households, small business, and nonprofits
 2. Eligible payroll expenses in addition to premium pay to eligible workers performing essential work (as determined by the chief executive of the local government)
 3. Provision of government services to the extent due to reduction in revenue from the emergency
 4. Necessary investments in water, sewer, broadband, and other infrastructure

Government	Amount (\$ Billions)
States & District of Columbia	\$195.3
Counties	\$65.1
Metropolitan Cities (50k+ population)	\$45.6
Tribal Governments	\$20.0
Territories	\$4.5
Non-Entitlement Units of Local Government (<50k population)	\$19.5

Cook County SLFRF Funding:
\$1,000,372,385

American Rescue Plan Act Overview – SLFRF Funding for Cook County Municipalities



SLFRF funding for Cook County municipalities with population of 50,000+ (Metropolitan Cities)

Metropolitan City	Amount (\$)	Metropolitan City	Amount (\$)
Arlington Heights	\$6,772,596	Oak Park	\$38,984,402
Berwyn	\$31,943,759	Orland Park	\$5,004,738
Chicago Heights	\$13,654,940	Palatine	\$12,012,529
Cicero	\$42,882,464	Schaumburg	\$9,873,008
Des Plaines	\$7,787,945	Skokie	\$15,267,242
Evanston	\$43,173,654	Tinley Park	\$6,226,474
Hoffman Estates	\$5,634,310	TOTAL (excluding Chicago):	\$253,996,571
Mount Prospect	\$7,027,870		
Oak Lawn	\$7,750,640	CHICAGO	\$1,886,591,388

SLFRF funding for Cook County municipalities with population of <50,000 (Non-Entitlement Units of Local Government)

- State of Illinois is responsible for distributing SLFRF funding to Non-Entitlement Units of Local Government (NEUs)
- Estimated total **SLFRF funding for NEUs within Cook County = \$485,028,568**

Cook County Funding Framework – Core Principles



- **Target ARPA funding** to support County policy priorities
- **Center decision-making on core values** of equity, engagement, and excellence
- **Build on foundation** of existing County and regional efforts, including *Policy Roadmap*, Equity Fund, and We Rise Together
- **Avoid duplication of resources** by leveraging existing efforts and infrastructure
- **Maximize all ARPA funding** by cross-mapping initiatives against more restrictive funding streams first
- **Implement best practices** from the COVID-19 response
 - Stand-up additional capacity, infrastructure, and expertise early
 - Offer technical assistance to local governments regarding effective administration of ARPA funds
- **Maintain flexibility** to reallocate funding as needs and federal guidance evolve
- Use one-time funds for one-time uses, or have a path to **sustainability**

Cook County Funding Framework – Categories of Funding



Framework reflects core principles, including focus on County priorities, need for increased capacity, and support for local governments

Funding Categories

Cook County Priorities



Near-Term Funding Opportunities

- Leverage existing County programs and initiatives
- Opportunities to increase impact to residents through additional funding



Transformative Initiatives

- Innovative efforts aimed at fundamental, systemic change
- Limited number of transformative ideas selected for implementation
- Regional efforts are prioritized
- Requires significant stakeholder engagement
- Potential to leverage multiple ARPA funding streams to support specific sub-initiatives

County Operations, Program Administration, and Contingencies

- Replacement of public sector revenue loss
- Pandemic pay for essential workers
- Eligible capital requests

Technical Assistance and Support for Local Governments to Administer ARPA Funds

Cook County Funding Framework – Technical Assistance for Local Governments



In mid-June 2021, Cook County distributed a survey to understand suburban Cook County municipalities' initial coordination needs for ARPA spending

Objectives:

- Understand Cook County's municipal partners' **capacity and preparedness to effectively administer** ARPA funds in a compliant manner
- Confirm **municipalities' intentions to distribute their respective allocations to other local jurisdictions**
- Measure municipalities' **interest in using external technical assistance**
- Gain an understanding of municipalities' interest in **collaborating with other regional recipients** on ARPA funded projects

Findings:

40 municipalities completed the survey as of June 22nd:

- 85% are very or somewhat interested in technical assistance to support administering funds
- 55% are interested in receiving additional guidance on ARPA programs beyond the SLFRF
- 23% plan to spend entire SLFRF funding amount on infrastructure
- 20% do not have enough or are unsure if they have enough capacity to administer funds
- 15% are unsure of their approach to spending SLFRF funds
- 8% plan to share their allocation with libraries, parks, fire protection districts, or other taxing entities

Cook County Spending Plan Development – Approach



Phasing	Description	Timeline						
		Apr	May	Jun	Jul	Aug	Sep	+
Phase 1: Socialization and Preliminary Ideation for Near-Term Funding Opportunities	<ul style="list-style-type: none"> Bureau chiefs, department heads, implementation teams, advisory bodies, individual Commissioners, and others engaged early to provide ARPA overview and start to identify potential near-term funding opportunities 	■	■	■				
Phase 2: Preliminary Budget Request for Near-Term Funding Opportunities	<ul style="list-style-type: none"> Bureaus, departments, and separately elected offices submit detailed budget requests for near-term funding opportunities Commissioners engaged to provide high-level suggestions for near-term funding opportunities related to their districts 			■	■			
Phase 3: Transformative Initiatives	<ul style="list-style-type: none"> Bureaus, departments, and implementation teams participate in working groups to develop transformative initiatives with facilitation support Separately elected offices and advisory bodies develop transformative initiatives with facilitation support Commissioners participate in regional working groups to develop transformative initiatives with facilitation support 				■	■	■	
Phase 4: Executive Leadership Council (ELC)	<ul style="list-style-type: none"> ELC established and begins meeting to determine process management framework for how it will review and make decisions on near-term funding opportunities and transformative initiatives 			■	■	■	■	■
Phase 5: Stakeholder Engagement Process	<ul style="list-style-type: none"> Process established and launched to gather continuous stakeholder input and feedback from a diverse and inclusive group to inform the work of the ELC and Equity Fund Taskforce 			■	■	■	■	■

Cook County Spending Plan Development – Governance Structure



Overall strategic direction provided by County Board President and Board of Commissioners

Executive Sponsors

- Articulate Countywide policy priorities
- Set agenda for Executive Leadership Council

- Chief of Staff
- Chief Financial Officer

Strategic direction

Policy priorities

ARPA Executive Leadership Council (ELC)

- Coordinates across departments; breaks down bureaucratic barriers
- Ensures that community input is incorporated into decision-making
- Provides guidance to Working Groups that are developing Transformative Initiatives
- Reviews/prioritizes Near-Term Funding Opportunities and Transformative Initiatives; makes final selection of programs/initiatives to be supported by ARPA funding

- Office of the President
- Bureau Chiefs; Executive Director of JAC
- Key Department Heads and other SMEs
- Budget personnel
- *Guidehouse*
- *Civic Consulting Alliance*

Strategic direction

Subject matter expertise

Report on progress and work products

Program Management Office (PMO)

- Provides overall project management during preliminary identification of Near-Term Funding Opportunities and Transformative Initiatives
- Collects budgeting requests for Near-Term Funding Opportunities; makes preliminary determination re. eligibility for ARPA funding
- Provides Near-Term Funding Opportunities and Transformative Initiatives to ELC; ensures that ELC has sufficient information for selection process

- *Guidehouse*
- Bureau of Finance personnel

Recommend programs/initiatives for implementation using ARPA funding

Bureaus/
Departments/
Implementation Teams

Commissioners/
Municipal officials/
State elected reps

Community

Labor Partners

Separately Elected
Offices

Advisory Bodies
Equity Fund Taskforce

Provide recommendations for:
Near-Term Funding Opportunities; Transformative Initiatives

Snapshot of Community Engagement Plan



Tier 3: Place-Based Outreach

- Transformative initiative for Equity Fund Taskforce
- Focused in specific communities selected by Equity Fund Taskforce
- Timing: Longer term and co-created with community

Tier 2: Impacted Communities

- Priority for both American Rescue Plan Act and Equity Fund
- Focused in historically disinvested communities and those hardest hit by COVID-19
- Timing: Immediate

Tier 1: Broad Outreach

- Priority for American Rescue Plan Act funding
- County-wide
- Timing: Immediate

Initial Outreach and Discussion – Major Themes (1/2)

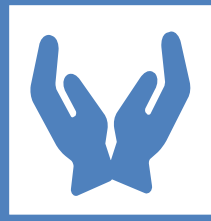


Support healthy, thriving communities

All communities provide safe and healthy environments, quality housing, and access to nutritious food

Ideas include:

- Expand County-wide, community-based access to physical and mental health services especially in schools
- Invest in alternative first-responder initiatives for those experiencing mental health crises and others at the intersection of health and justice.
- Expand supportive and permanent housing for specific populations
- Support local food growers and producers
- Support replacement of lead water service lines

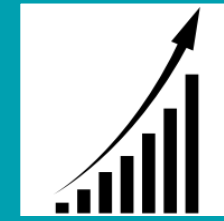


Provide services for vulnerable residents

Vulnerable and marginalized residents can access services that improve their quality of life

Ideas include:

- Continue supporting basic resident needs including access to child-care, food, housing assistance, utility and cash assistance
- Expand violence prevention and reduction wrap around services to individuals and communities at highest risk of violence
- Develop and scale justice programs that specifically serve youth and young adults
- Assist residents facing evictions and foreclosures, including with financial assistance and legal aid support



Drive equitable economic recovery and growth

Inclusive recovery and growth reduces disparities and improves economic opportunities for all residents

Ideas include:

- Continue and expand programs for workers and small and minority-owned businesses
- Expand workforce development efforts
- Support industry and sector efforts focused on manufacturing, food processing, Transportation, Distribution and Logistics, and the green economy
- Support the expansion of affordable and quality housing and other wrap around services that lift residents out of poverty
- Invest in additional transportation projects that support equitable economic growth

Initial Outreach and Discussion – Major Themes (2/2)



Strengthen local governments

Local governments can access Cook County's scale and expertise to support key functions

Ideas include:

- Provide capacity and technical assistance to local governments to support:
 - Capital improvement projects
 - Transportation investments
 - Emergency preparedness
 - Energy efficiency and sustainability
- Support efforts by local governments to share services or assets



Invest in key infrastructure

High-priority infrastructure projects impact more residents, more quickly

Ideas include:

- Jumpstart broadband expansion to increase digital equity in communities of need
- Expand *Invest in Cook* program
- Broaden brownfield remediation efforts to more communities
- Invest in green infrastructure to address sewer backups and flooding
- Expand electric vehicle charging station infrastructure, especially in the South suburbs



Support the metropolitan region

*Governments across the region have a collective interest in working together
"We all do better when we all do better"*

Ideas include:

- Support Chicago Metropolitan Agency for Planning to enhance its equity-based transportation and development activities
- Continue collaborating with the City of Chicago on projects that support the County's policy priorities
- Support the *We Rise Together* initiative and others that focus on regional economic growth opportunities
- Assist with the creation of a region-wide 311 system to address non-emergency calls regarding service delivery.

Next Steps



- ✓ Commissioners, separately elected offices, and Offices Under the President bureaus and departments to receive a formal packet of materials to identify potential Near-Term Funding Opportunities in alignment with the annual budget process (June 21st-July 12th)
- Review and Approval of ARPA Resolutions allowing County to begin execution of the plan
 - i. **21-3654:** Acceptance of ARPA funding and establishment of Special Purpose Fund
 - ii. **21-3657:** Budget authority to implement ARPA framework
- Cook County Community Engagement process to begin with the launch of a public-facing website and interactive survey for community to provide input on the needs of their communities and how they would prioritize ARPA funding.
- County stakeholders will participate in a facilitated process during the summer to identify potential Transformative Initiatives, with assistance from Guidehouse and Civic Consulting Alliance
- The Executive Leadership Council will use the collective community input to determine key themes and finalize County's ARPA spending plans that will be integrated into the FY22 budget for Board approval.