



Cook County American Rescue Plan Act

Board of Commissioners Budget Briefing

October 28, 2021



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President, Cook County Board of Commissioners



Overview and Framework

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, contract 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

ARPA Framework – Core Principles

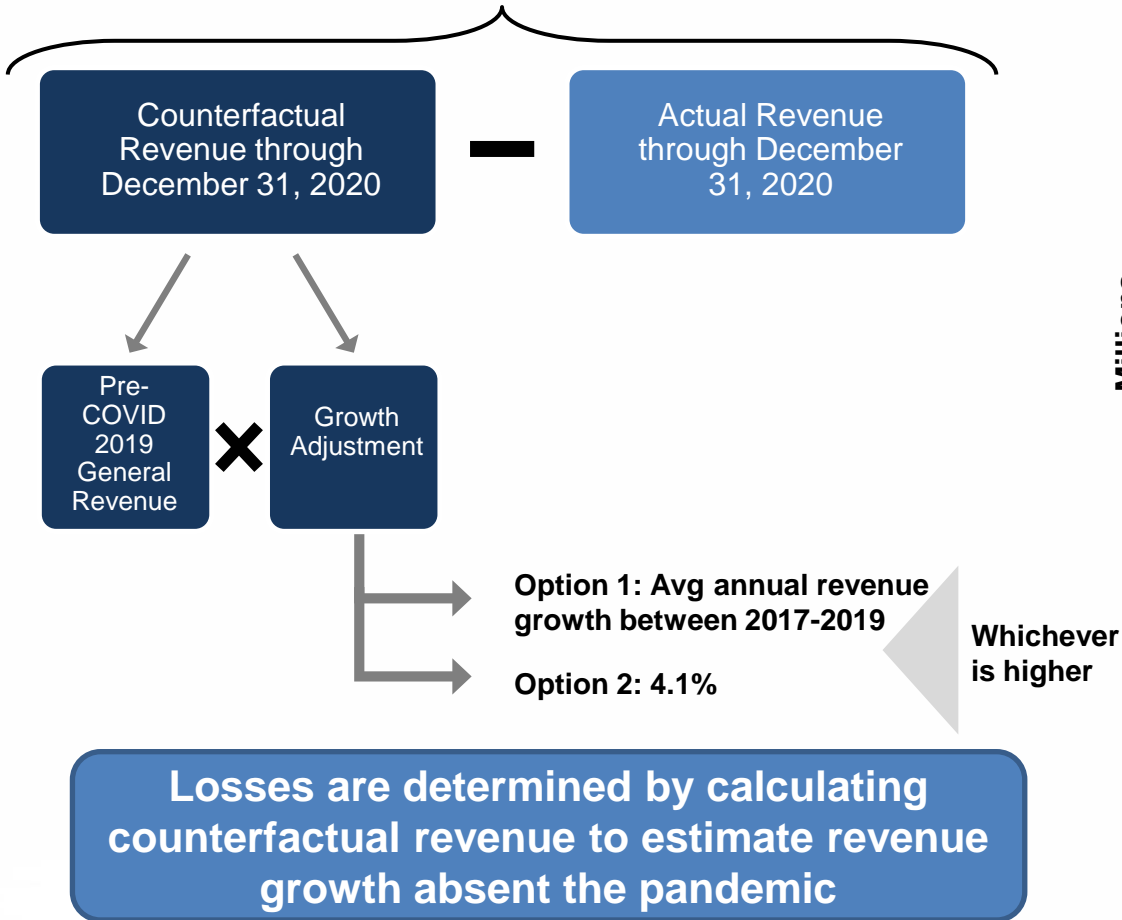


- **Target ARPA funding** to support County policy priorities
- **Center decision-making on core values** of equity, engagement, and excellence
- **Build on foundation** of existing County and regional efforts, including *Policy Roadmap*, Equity Fund, and We Rise Together
- **Avoid duplication of resources** 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**

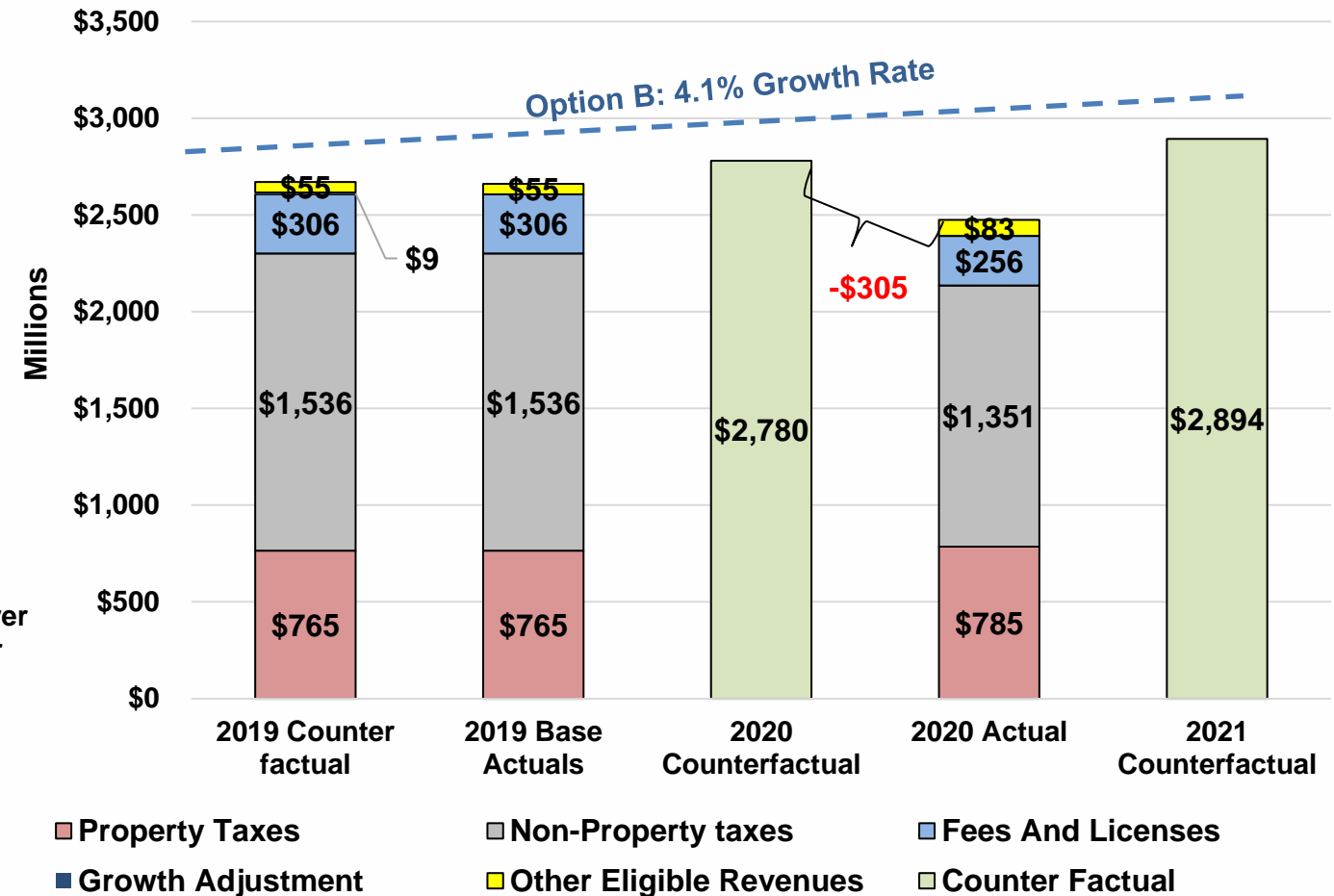
ARPA Framework – Revenue Loss Calculation



US Treasury Revenue Loss Calculation Methodology



County Lost Revenue Calculation



County has \$305M in eligible revenue loss under US Treasury's rules in 2020 alone, and will potentially have more in future years – however, only \$100M is allocated for operations annually over the next three years



American Rescue Plan Community + Stakeholder Engagement Process



Roadmap to Recovery: ARPA Engagement Process

ARPA Proposals

The County received over 400 short-term and medium-term proposals from within the County (including separately elected offices), from external partners and from Commissioners.

Public Meetings

The County has conducted or has scheduled over 15 regional meetings, public townhalls and listening sessions to solicit feedback on how to best invest the ARPA funding.

Engagecookcounty.com and ARPA Website

The County established two key websites to (a) solicit feedback from the public on the use of the County's ARPA allocation and (b) provide specific information on the use of the approved use of the ARPA funding and performance metrics tied to each approved initiative.

Wiki Survey

The County received over 22,000 votes in response to its ARPA survey where respondents got the opportunity to prioritize how the ARPA funding should be allocated..

Idea Generator

The County received over 30,000 ideas (through its public Microsoft Form) for how to invest and prioritize its ARPA allocation.



Roadmap to Recovery: Intergovernmental Coordination



Communication + Coordination + Collaboration

On June 21, 2021, the President sent a letter to the Governor and Mayor asking for their partnership in aligning and coordinating the historic investments of more than \$10B of federal relief across the Illinois

- In response, all three units of government identified executive level staff to be part of an Intergovernmental working group and several meetings have been held since then.
- General policy areas of interest across our offices include investments in violence prevention, behavioral health, particularly mental health, infrastructure and economic development.
- As all offices continue to finalize their ARP spending plans, they have committed to continuing to meet and work on coordinating investments to maximize the impact on behalf of all residents who have been negatively impacted by COVID.



Roadmap to Recovery: Intergovernmental Coordination



Intergovernmental Working Group- Violence Prevention

In August-October 2021, Civic Consulting Alliance facilitated a series of three workshops where representatives from the City of Chicago, Cook County, and State of Illinois met to coordinate efforts to reduce violence in Cook County.

Over the three workshops, the group:

- Established common definitions for violence reduction efforts, using a public health lens
- Reviewed data on current year funding at the program, grantee and geographic level
- Shared priorities for upcoming funding (including ARPA)
- Agreed on two priorities for coordination going forward, and
- Launched two working groups to focus on these priorities (begin meeting by early Nov)

The Intergovernmental working group also convened a Violence Prevention Community of Practice comprised of violence prevention service providers who have traditionally partnered and received funding from all three units of government

That Community of Practice is a space for continued dialogue and capacity building as we work to ensure that the necessary infrastructure is in place to distribute ARPA funds to those who need it the most with compliance and equity as central tenets

Roadmap to Recovery: Intergovernmental Coordination



In October, the State, County and City stakeholders agreed to pursue two priorities in collaboration

Priorities	Objective	Draft Approach
Priority 1: Align strategy for intervention* solicitations	By aligning on key aspects of intervention-focused solicitations, public funders can: <ul style="list-style-type: none">streamline the process for applicants/recipientsmaximize targeted impact of funding	<ul style="list-style-type: none">A. Map out timing / sequence of relevant solicitations and communications to applicantsB. Use common definitions for street outreach/eligible services and individuals at highest risk of violence (target population)C. Use common data/methodology to target funding to communities with highest violenceD. Agree on common metrics for reporting by recipients
Priority 2: Integrate approach to capacity building	By aligning on approaches for capacity building to support current/potential recipients of public violence prevention funding, public funders can: <ul style="list-style-type: none">avoid duplicative effortsmaximize support for recipients to scale and achieve outcomes	<ul style="list-style-type: none">A. Map current state of funding and need for capacity building (by type: nonprofit organizational development, applying for and managing public funding, and programmatic)B. Identify who is best positioned to provide support to which types of orgs, where, with which type(s) of capacity buildingC. Develop and implement collaborative and/or individual agency capacity building programs/solicitations

**intervention* per shared definitions includes the following program types: street outreach and services (*coaching / jobs / mental health / trauma*) for youth and adults at highest risk of violence



ARPA Allocated Funding for Cook County Municipalities

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

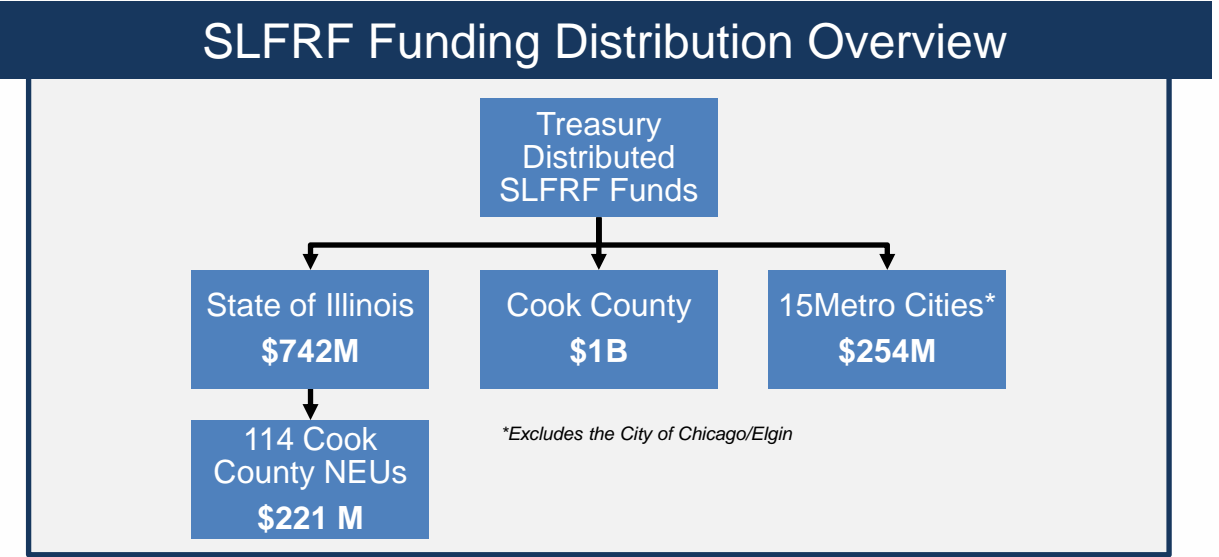
Will receive SLFRF funds directly from the Treasury

Metro City	Amount (\$)	Metro 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 Metros (excluding Chicago):	\$253,996,571
Mount Prospect	\$7,027,870	City of Chicago	\$1,886,591,388
Oak Lawn	\$7,750,640		

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

Will receive SLFRF funds directly from the State of Illinois

- Award amounts are based on the population of the NEU and may not exceed the amount equal to 75% of the NEUs most recent budget as of January 27, 2020
- Treasury/State have identified 114 Cook County NEUs
- Aggregate funds for Cook County NEUs = \$221M





Technical Assistance Overview

As part of Cook County's ARPA Funding Plan, Cook County is offering Technical Assistance and Support for Local Governments to Administer ARPA Funds beginning this summer



Program Goals

Provide technical assistance to all Cook County local units of government to:

- Ensure they understand all ARPA eligibility and reporting requirements
- Connect and provide them with tools and resources
- Ensure they are aware of all available ARPA programs and grants
- Encourage collaboration and resource sharing



Activities



Webinar Series



Open Office Hours



Weekly Newsletter/
Guidance



Provide Tools,
templates, and other
relevant resources



Individual Advice and
Eligibility Reviews

For additional information please visit:

www.cookcountyil.gov/service/arpa-information-local-governments



Summary of Proposals



\$ 4,253,441,130

Total Funds Requested

For **425** Proposals



\$ 1,122,809,854







197 Near-Term Proposals



\$ 3,130,631,276

228 Longer-Term or Transformative Proposals

Summary by Category:

 VITAL COMMUNITIES	68 Near-Term \$728.8M	57 Longer-Term or Transformative \$1,306.0M
 SMART COMMUNITIES	26 Near-Term \$64.1M	68 Longer-Term or Transformative \$580.8M
 HEALTHY COMMUNITIES	32 Near-Term \$128.1M	47 Longer-Term or Transformative \$821.5M
 SUSTAINABLE COMMUNITIES	12 Near-Term \$117.6M	12 Longer-Term or Transformative \$192.2M
 SAFE & THRIVING COMMUNITIES	35 Near-Term \$37.8M	33 Longer-Term or Transformative \$214.2M
 OPEN COMMUNITIES	24 Near-Term \$46.4M	11 Longer-Term or Transformative \$16.0M

Summary of Initiatives received from Commissioners



\$ 874,882,304

Funds Requested by Commissioners

For **153** Initiatives

54

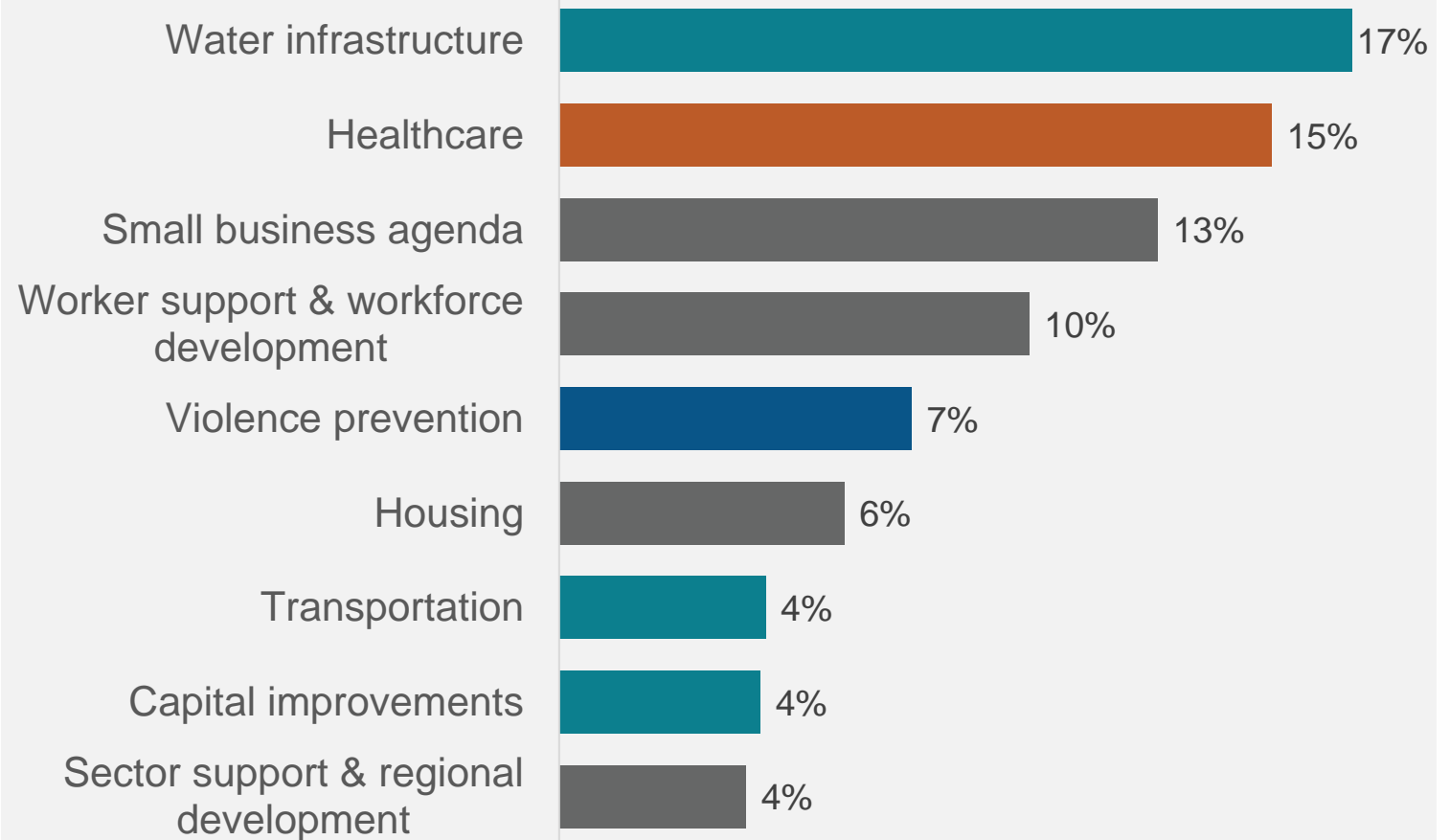
Identified as Near-Term
Initiatives

99

Identified as Longer-Term
and Transformative
Initiatives

Largest Theme Categories

(expressed as percentage of Total \$ amount of
Initiatives received from Commissioners)





Internal Review Process

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
- ROI, BOT & HR as needed

Recommend programs/initiatives for implementation using ARPA funding

Bureaus/
Departments/
Implementation Teams

Commissioners/
Municipal officials/
State elected reps

Community &
Advocacy Groups

Labor Partners

Separately Elected
Offices

Advisory Bodies
Equity Fund Taskforce

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

Operationalizing Equity: Review & Evaluation Process



In the review and evaluation of proposals, equity is a core consideration:

- Socio-economic outcomes that advance racial equity were adapted from the federal level and provides the foundation for equitable recovery for both the ARPA planning and the Equity Fund Taskforce
- Policy Team's ***evaluated each proposal's likely impact on achieving the socioeconomic outcomes that advance racial equity and achieving the equitable recovery of individuals, communities, populations, and households*** that have been historically disinvested in or disproportionately impacted by COVID-19.
- Policy Teams were asked to think holistically about the ***current policy landscape, opportunities and challenges in the space, the goals/objectives as stated in the Policy Roadmap*** and whether the proposal under consideration would help to achieve those goals and the stated goals of an equitable recovery

For Love of Country Report: Socioeconomic outcomes that matter for racial equity



Food security and nutrition

Access to enough quality food to live an active, healthy life

Health and wellbeing

Opportunity to live the healthiest life possible, regardless of place, identity, or income

Civic engagement and participation

Ability to meaningfully participate in shaping community governance institutions

Public safety

Ability to feel safe at home, in communities, and workplaces

Transportation & digital infrastructure

Access to affordable, high-performance transportation and broadband networks

Environmental health and resilience

Protection from pollution and environmental disasters

Housing security

Access to an affordable, stable, safe and quality homes

Social safety net and supports

Access to effective services and benefits that enable families in poverty to meet their basic needs and maintain financial stability

Employment and wages

Access to quality job opportunities and equal pay for equal work

Financial inclusion

Access to affordable financial products and services that promote economic participation and stability

Business and sector development

Ability to grow profitable businesses, capture a fair share of revenue, and create jobs

Entrepreneurship

Ability to start new businesses, access start-up capital, and maintain or grow early-stage businesses

Research and innovation

Ability to participate in development and advancement of knowledge

Pre-K-12 education

Ability to succeed for all children across all learning environments

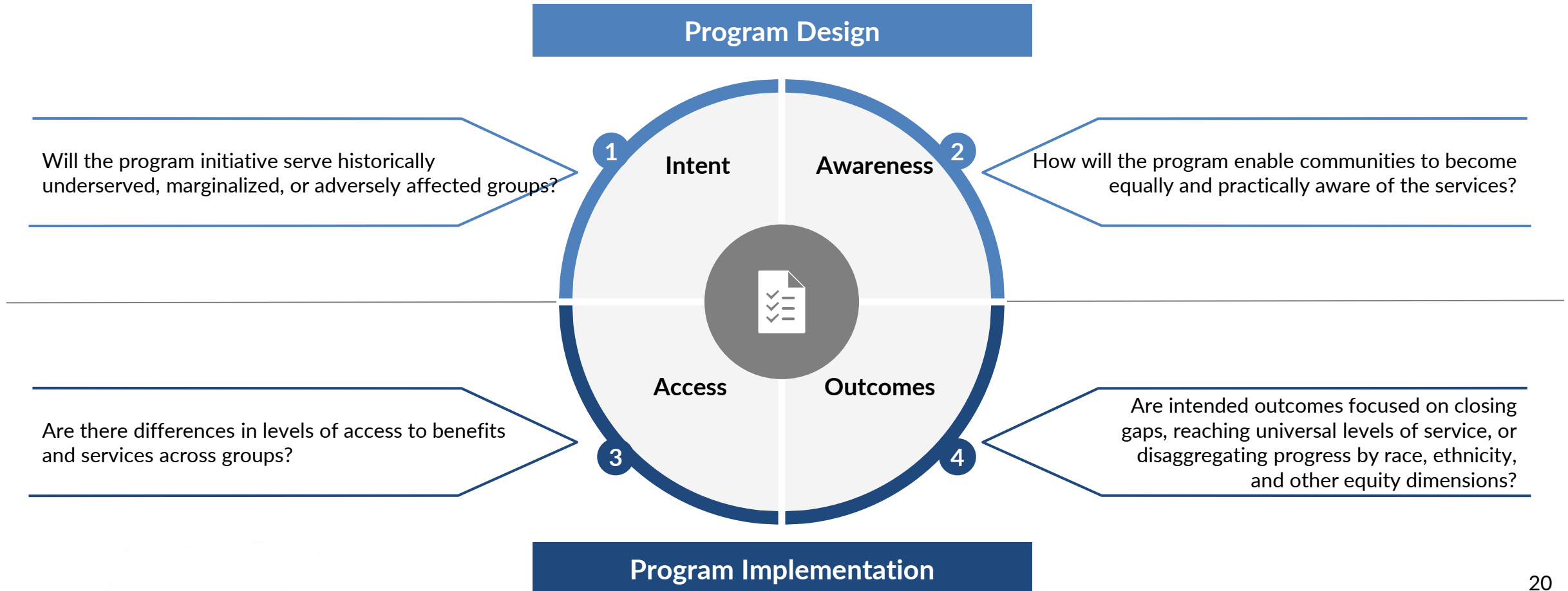
Higher education and skill attainment

Access and ability to succeed and participate fully in higher educational and non-academic opportunities

Operationalizing Equity – Design to Implementation & Monitoring



As part of Treasury reporting requirements, the County will need to provide qualitative and quantitative data on how equity is incorporated throughout the lifecycle of a program, from design to implementation



Internal Controls



Internal Controls Best Practices from the U.S. Treasury:

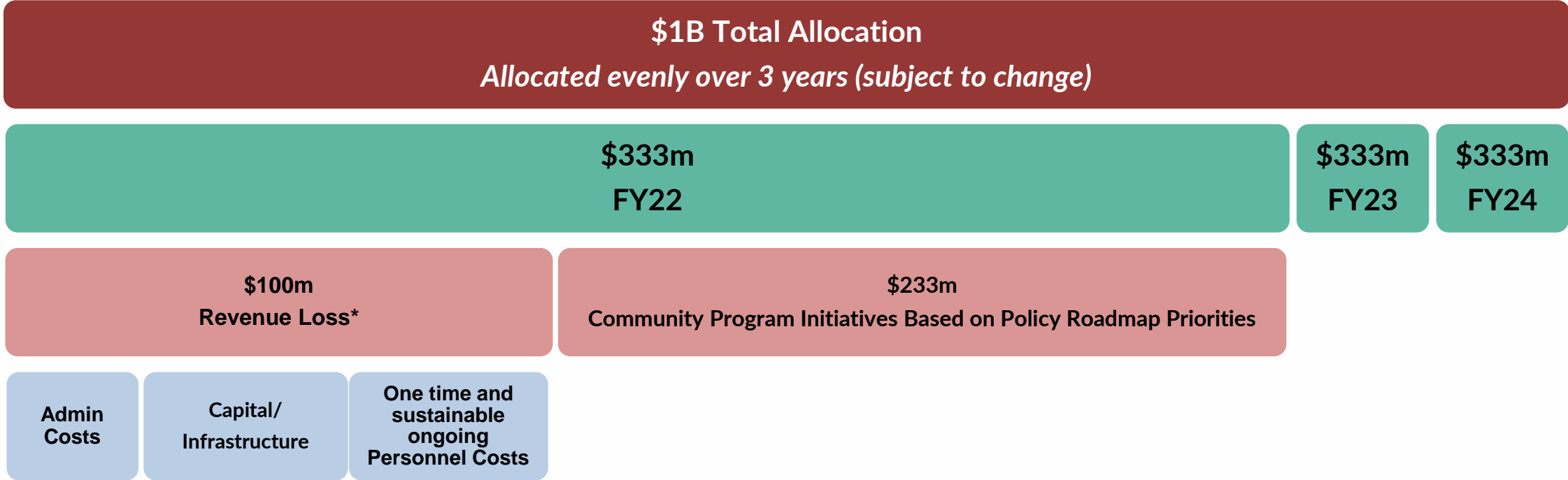
Best Practice	Description	Example
1. Written policies and procedures	Formal documentation of recipient policies and procedures	Documented procedure for determining worker eligibility for premium pay
2. Written standards of conduct	Formal statement of mission, values, principles, and professional standards	Documented code of conduct / ethics for subcontractors
3. Risk-based due diligence	Pre-payment validations conducted according to an assessed level of risk	Enhanced eligibility review of subrecipient with imperfect performance history
4. Risk-based compliance monitoring	Ongoing validations conducted according to an assessed level of risk	Higher degree of monitoring for projects that have a higher risk of fraud, given program characteristics
5. Record maintenance and retention	Creation and storage of financial and non-financial records	Storage of all subrecipient payment information



Allocation Approach



County Allocation Approach



***Revenue Loss – To be used to support county operations through the pandemic**

- Ensure sustainability for any costs that are funded through ARPA funding with ongoing revenues in out years
- One-time personnel and non personnel costs (e.g., pandemic pay and administration cost for ARPA management)
- Building County capacity to meet increased demands and to support ARPA initiatives
- Capital improvement projects that would have required debt funding instead

Under this approach the County expects to allocate 70% of its ARPA funds for community recovery programs



ARPA FY22 Program Initiatives



HEALTHY COMMUNITIES

Vulnerable and marginalized residents can access quality foods, services and information that improves their physical, mental and social health and wellbeing

\$60M

Cook County will allocate funding towards healthcare and access initiatives such as:

- Increased behavioral health and mental health programming and services
- Initiatives that promote access to quality food and nutrition
- Continued investments in public health



VITAL COMMUNITIES

Inclusive and equitable recovery that reduces disparities, improves economic opportunities and stabilizes families hardest hit by the pandemic

\$80M

Cook County will allocate funding towards economic development initiatives such as:

- Cash assistance program and guaranteed income pilot
- Short-term and long-term housing supports
- Workforce development program expansions
- Assistance to small businesses and support for industry-specific efforts



SAFE & THRIVING COMMUNITIES

All communities have the ability to be safe in their homes and neighborhoods, and have access to wrap-around services that addresses root causes of violence and historical inequities

\$60M

Cook County will allocate funding towards equity and justice initiatives such as:

- Alternatives to 911 for mental health crises
- Expansion of permanent housing for re-entry population and other special populations
- Expansion of violence prevention programs and supports for system-involved youth and young adults

***FY22 allocations are estimates and are subject to change – all projects are still under consideration.**



ARPA FY22 Program Initiatives



SUSTAINABLE COMMUNITIES

Fostering and strengthening the social, economic and environmental resiliency of communities across the region and addressing climate change

\$20M

Cook County will allocate funding towards regional initiatives such as:

- Pollution prevention and hazard mitigation programs that promote clean air, water and protection from environmental disasters
- Continued brownfield remediation
- Expansion of solar and geothermal rebates



SMART COMMUNITIES

Increasing the livability and inter-connectedness of communities through innovation and technology

\$40M

Cook County will allocate funding towards public infrastructure initiatives such as:

- Investment in digital equity through broadband infrastructure expansion
- Invest in Cook expansion
- Expansion of electric vehicle charging stations
- Development of County streaming television service



OPEN COMMUNITIES

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

\$27M

Cook County will allocate funding towards capacity and technical assistance initiatives such as:

- Suburban Local Jurisdiction Technical Assistance
- Suburban Capital Infrastructure Fund
- Development of emergency preparedness and continuity of government plans
- Additional operational needs to support ARPA planning

***FY22 allocations are estimates and are subject to change – all projects are still under consideration**

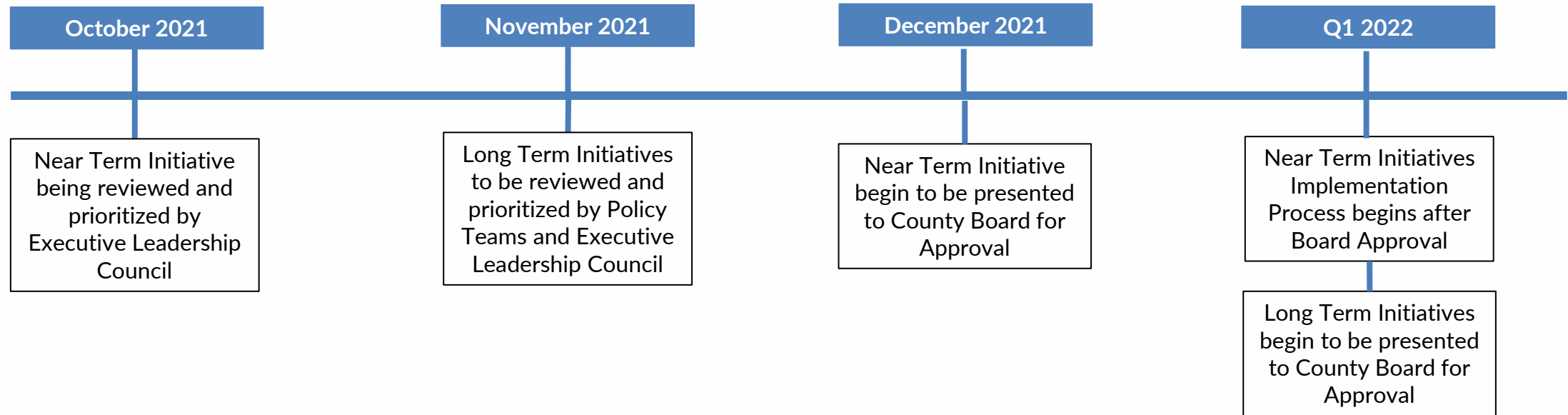


ARPA Granting Approach

- Several external entities have submitted requests for funding including but limited to the following:
 - Local Units of Governments (Villages, Townships, Park Districts, Fire Protection Districts etc.)
 - Nonprofits
 - Industry groups
- To address those needs County will be standing up grant programs as part of its **Community Program Initiatives based on Policy Roadmap priorities**
- After Board approval of the initial allocations the implementation teams will begin standing up grant process that will allow all eligible groups to submit formal applications for funding under each given policy pillar.
- This process will be like the approach County currently takes under the grants it makes for justice initiatives through JAC and economic development initiatives through Bureau of Economic Development
- Based on funding thresholds and other requirements the County Board will approve the final awards before being issued
- This approach will ensure the County is able to ensure the federal funding is distributed in an **expedient, equitable, sustainable and compliant** manner

As part of this process the County expect to allocate at a minimum 30% of the ARPA funding directly to support programs and initiatives within the City of Chicago

Board Approval Process and Timelines*



- Initial set of prioritized near term initiatives targeted to be introduced to County Board for approval at the **December 16th Board Meeting to be referred to the Finance Committee for full hearing in January 2022**
- Detailed briefings will be held through the Regional Working Groups with all Commissioners to get feedback and needed adjustments to the recommended initiatives and funding allocations
- Subsequent approvals of specific grants and/or contracts will be presented to Board as required
- Finance team will continue to provide monthly reports on expenditures and programmatic teams will provide periodic updates on specific initiatives

**Preliminary and subject to change*



Questions