

# **City of Durham**

# **Recovery Plan**

## **State and Local Fiscal Recovery Funds**

## **July 31, 2022 Report**


### **Executive Summary**

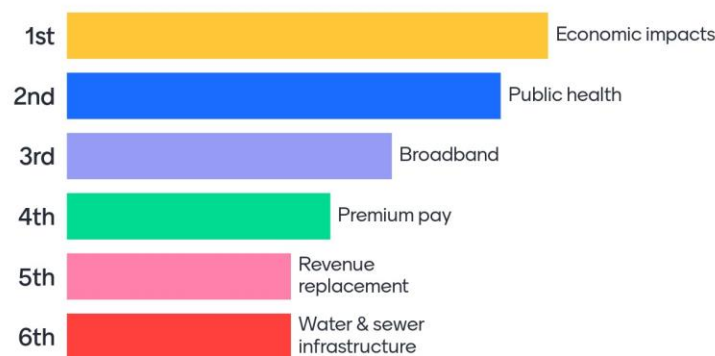
The City of Durham is working to promote the effective, efficient, and equitable distribution of federal fiscal recovery funds. We are partnering with Durham County, North Carolina Central University, and the City's Offices of Equity & Inclusion and Neighborhood Improvement Services to engage the broader community, identify key outcome goals, and ensure equity outcomes. This initial report outlines the intended uses of these funds, how we aim to promote equitable outcomes, engage the community, use evidence and evaluation, and identify key performance indicators.

## Uses of Funds

The City of Durham aims to maximize programmatic impact by prioritizing robust community engagement, soliciting community-driven proposals for funding, and designing a vetting and contract process that will facilitate effective, efficient, and equitable outcomes. Initially, the city set up six internal committees on revenue loss, economic development, resident/community support, employee hazard pay, transit, and housing/homelessness/rental assistance. The only funds that have been allocated thus far were for public sector employee pay (see table of Expenditure Category for more information).

At one of our community events, we asked participants to rank the eligible uses for these federal funds (see community engagement section for more information). Here are the results:

**Rank the following eligible uses in the order you think they should be prioritized** 



As we began to solicit ideas and proposals for funding from internal departments and external stakeholders, we identified four core categories to focus the use of federal recovery funds and drive our overall approach for pandemic recovery.

Proposals for federal fiscal funds are currently being sorted into four core categories:

#### **HEALTH**

- Benefits public health and wellness by improving access to public benefits for disenfranchised people most impacted by COVID-19.

#### **HOUSING**

- Prevent displacement of people in legacy neighborhoods and support community development goals.

#### **EDUCATION**

- Restore and expand educational and/or caregiving infrastructure.

#### **EMPLOYMENT**

- Connect workers with good jobs and careers.
- Support current and future BIPOC business owners.

Many proposals for funding cut across these categories while others fall into a miscellaneous category. Going forward, we will continue to engage internal city departments, regional partners, and community stakeholders to gather ideas, vet proposals, and advance funding in alignment with recommended guidance and community priorities.

### **Promoting Equitable Outcomes**

The City of Durham has worked closely with its Office of Equity and Inclusion to ensure that the city's outreach and allocation process promotes equitable outcomes. Together, we have identified shared goals, built public awareness, investigated existing disparities, and started to outline desired outcomes.

Funding Goals:

- 1. Target historically disenfranchised communities of color.**
  - Does the proposal explicitly state how it will prioritize the needs of historically disenfranchised communities of color?
  - What percentage of funding proposed will reach communities of color?
- 2. Respond to the needs of frontline workers and COVID-impacted people.**
  - What neighborhoods & communities are poised to benefit from this proposal?
  - Is the proposal directly responsive to the needs of workers on the frontline of the pandemic?
  - Does the proposal prioritize COVID-impacted people?
- 3. Provide a “down payment” toward advancing racial equity.**
  - Will this funding work to advance Durham's long-term racial equity goals?

We have also committed to using an equity impact assessment to support systemic examination of how different racial and ethnic groups will likely be affected by a proposed action or decision, minimize unanticipated adverse consequences in a variety of contexts, including the analysis of proposed funding decisions, and serve as a vital tool for preventing institutional racism while identifying new options to remedy long-standing inequities.

## Equity Impact Assessment Tool



- 1) **Proposal** - What is being recommended/proposed/considered? What specific results are expected if implemented?
- 2) **Stakeholders**: Which stakeholders are currently affected (ex: departments, employee groups, neighborhoods, geographic areas etc).
- 3) **Data**: Which qualitative and quantitative data evidences historical inequities and is the rationale for this recommendation/proposal? Neighborhoods & communities that would benefit most are explicitly identified.
- 4) **Causes**: What is producing and perpetuating inequities? Are inequities expanding or narrowing? What is the root cause?
- 5) **Positive Impact**: What positive impact on equality and inclusion could result? Will this solution reduce disparities/discrimination; if so how?
- 6) **Adverse Impact**: What unintended impacts could result? Who would be affected and how? Could adverse impact be prevented or minimized?
- 7) **Alternatives**: What could be done instead? Are there any other options?
- 8) **Metrics/Evaluation**: How will impact be documented and evaluated? Metrics Clearly defined - including how they will be monitored and reported. Aligned with strategic plan.

### Community Engagement

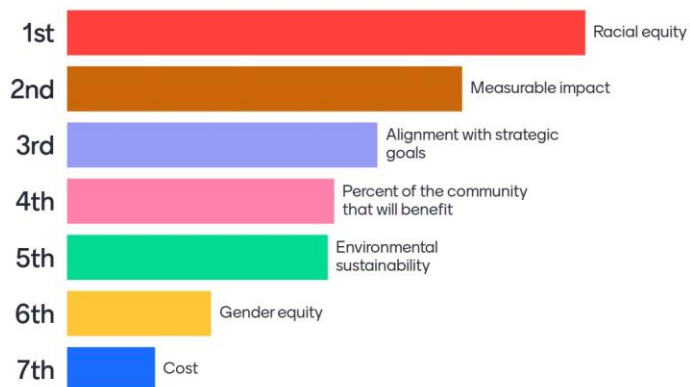
In partnership with the Office of Equity and Inclusion, we have used the equity impact assessment tool to identify gaps in information and work internal departments to gather additional details on root causes and clear impact measures for their funding proposals.

To engage the broader Durham community, City and County staff partnered with North Carolina Central University (NCCU) to host two virtual events; one focused on identifying needs and ideas and one focused on prioritizing the input that was received from the community. Each event was attended by more than 100 residents. Staff also leveraged participatory budgeting partnerships to generate over 300 survey responses and 80 proposals for funding from Durham residents and community based organizations. Through this engagement, community members ranked in the following eligible uses in the following order of priority: economic impacts, public health, broadband, premium pay, revenue replacement, and water & sewer infrastructure.

At one of our community events, we asked participants to rank a list of criteria that could be used to prioritize proposals for funding. Here are the results:

## Rank the criteria you think is most important when evaluating proposals

Mentimeter



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As we await final guidance from the U.S. Treasury, staff will continue to engage the community, provide clarity and transparency about the process, and review proposals for funding. Staff is working on a plan for ongoing rounds of engagement, proposal development, and vetting.

To aid in this process, staff collaborated to develop this draft scorecard that can be used to prioritize proposals for funding with an equity lens:

Scoring	Eligibility	Equity Impact	Strategic Goals	Community Benefit	Collaboration	Environmental Sustainability	Administration/Reporting	Qualified Census Tract
0	Does not meet Treasury guidelines	Does not satisfy equity criteria	Does not align with existing strategic goals	Less than 25% of community will benefit	No stakeholders identified	Negative environmental impact	Very difficult to measure success and report on outcomes	Does not target funding into a QCT
2	Likely meets Treasury guidelines	Satisfies more than half of the equity criteria	Somewhat aligns with some strategic goals	26% to 50% of community will benefit	Some stakeholders identified, but lacking existing partnerships/cross-sector collaboration	Neutral environmental impact	Somewhat difficult to measure success and report on outcomes	Targets some funding into a QCT
4	Clearly meets Treasury guidelines	Satisfies all equity criteria	Align well with existing strategic goals	Majority (51%) of community will benefit	Stakeholders already engaged from multiple sectors	Positive environmental impact	Easy to track metrics, evaluate success, and report to Treasury	Targets all funding into a QCT

To streamline and support the management, accounting, evaluation, and reporting of these funds, additional staff capacity is needed. We aim to hire at least two positions: one Grants Accountant in the Finance Department and one Grants Administrator in the Budget and Management Services Department. This additional capacity will support the effective, efficient, and equitable allocation and evaluation of fiscal recovery funds.

## **Labor Practices**

No workforce practices or infrastructure projects are currently being pursued.

## **Use of Evidence**

The City of Durham is in the process of developing data collection and evaluation methods to ensure that project and interventions are being evaluated through rigorous program evaluations designed to support strategic goals and inform long-term funding decisions. Moving forward, staff will be focused on ways to track and measure the impact of federal funding decisions.

## **Table of Expenses by Expenditure Category**

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
4	Expenditure Category: Premium Pay		
4.1	Public Sector Employees	\$7,507,154	\$189,859

Eligible public employees received premium pay in the amount of 5% of salary (retroactive from 6/20/20-6/18/2021) and an additional lump sum premium bonus ranging from \$1,500 to \$1,000 depending on your salary.

\$1,500 if your salary was equal to or less \$50K

\$1,250 if salary was between \$50K and \$90K

\$1,000 if salary was equal to \$90K or above.

About 63% of city staff received premium pay. Our HR department used the premium pay eligibility criteria below:

The options for "Premium Pay Eligible" are Yes, Partially, or No:

**Yes** - Select "Yes" if the employee is full-time, part-time, or temporary with benefits (exempt or non-exempt) and met one of the following criteria for the period 7/1/2020 - current. 1. Employee is a first responder including Fire, Police, and Emergency Communications. Not all employees within Police, Fire, and 911 perform first responder functions, and therefore they are not all automatically entitled to premium pay. 2. Employee's work involves solid waste collection, inspections, plant operations, infrastructure maintenance and repairs, fleet maintenance, traffic signal operations, or laboratory testing and analysis. 3. Employee is not telecommuting but performing essential City work 100% of their

scheduled working time, and such work places them in the field or at a work site that involves exposure to the public or working in groups where social distancing is not always possible. 4. Employees who are telecommuting on some days but at least 3 or more days per work week have to work in the community or at a work site that involves exposure to the public or working in groups where social distancing is not always possible. This does not include employees who are choosing to work onsite.

**Partially** - If the employee met the criteria for "Yes" listed above for more than 4 weeks between 7/1/2020 and today, but does not currently OR did not meet the criteria for the entire time, please choose this option. Then enter the date range during which the employee would have been eligible in the "Dates if Partial" column. Please round up to include only full work weeks.

**No** - If the employee is in the Executive group, is not currently working, is teleworking and does not qualify per item 4 above, or does not otherwise qualify per the guidelines above.

Please note, if an employee took approved vacation, sick, management leave, floating holiday, banked holiday, COVID leave, etc. during this fiscal year, this does not impact their premium pay eligibility. However, if they are on extended leave such as long-term FMLA (FFRCA, Paid Temporary Disability, other FMLA leaves), military leave, parental leave or worker's comp, they should not receive premium pay for this time.

As additional allocations are made, subsequent reports will include more detailed project inventories and performance reports.