

U.S. DEPARTMENT OF THE TREASURY

# Driving Equity with State and Local Fiscal Recovery Funds



## **Economic recovery from the pandemic is a top priority for the Biden-Harris Administration and the Treasury Department.**

- **Across the country, a strong economic recovery is taking hold, but concerted work is still needed to ensure that recovery is swift, equitable, and sustainable.**
- **The pandemic also laid bare the need for rapid, highly-effective implementation of relief programs.**
- **Reflecting the urgency of this work, Treasury created the new Office of Recovery Programs to:**
  - **Implement recovery programs as expeditiously, effectively, and equitably as possible;**
  - **Ensure a coordinated, cohesive approach – both within Treasury and with our partner agencies – to implementing these programs and supporting the recovery; and**
  - **Provide accountability and transparency for outcomes in these programs.**



## An “Ambitious” Mandate

*“Our country faces converging economic, health, and climate crises that have exposed and exacerbated inequities, while a historic movement for justice has highlighted the unbearable human costs of systemic racism. Our Nation deserves an ambitious whole-of-government equity agenda that matches the scale of the opportunities and challenges that we face.” –President Biden*

Three key principles should ground agency activities pursuant to EO 13985:

- Advancing equity must be a core part of management and policy making processes.
- Successful equity work yields tangible changes that positively impact American lives.
- Equity benefits not just some of us, but all Americans.



# Coronavirus State and Local Fiscal Recovery Funds Overview

The American Rescue Plan Act of 2021 created the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program to deliver \$350 billion for state, territories, municipalities, counties, and Tribal governments much needed aid.

The key objectives for SLFRF are to:

- Support the urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control;
- Replace lost revenue for eligible recipients to strengthen support for vital public services and help retain jobs;
- Support an equitable recovery through immediate economic stabilization for households and businesses; and
- Address systemic public health and economic challenges that have contributed to the inequal impact of the pandemic on certain populations.



# State and Local Fiscal Recovery: Reporting Guidance

The Reporting Guidance addresses priority areas to ensure a speedy and equitable recovery.



**Equity Focused**



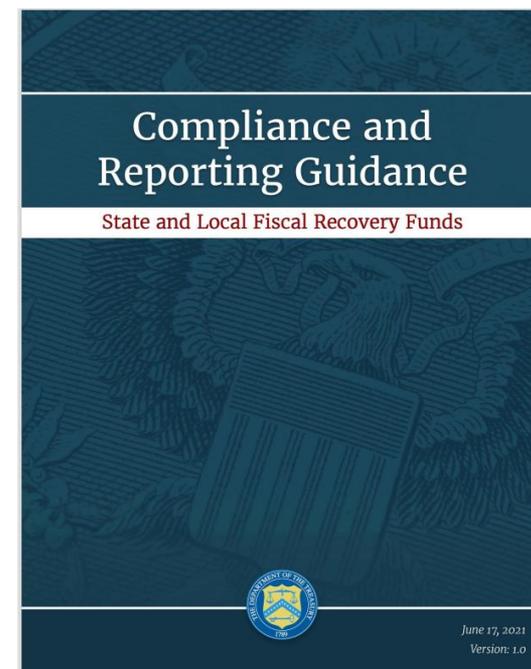
**Community Empowering**



**Worker-Centered**



**Results and evidence focused**



Detailed information on reporting requirements and deadlines is available at:

[www.treasury.gov/SLFRP](http://www.treasury.gov/SLFRP)

# Activity for Participants

- Think about the highest impact service you provide.
- How do you know if those services are reaching the intended beneficiaries and those most in need?
- Who else could you talk to/engage to learn more than you know now?



## Panel Discussion

- **Kim Leary:** Senior Equity Fellow, White House Office of Management and Budget (Moderator)
- **Veronica Briseno:** Chief Economic Recovery Officer, City of Austin
- **Ashleigh Gardere:** Executive Vice President, PolicyLink
- **Leila Al-Hamoodah:** Operations Advisor, Colorado Governor's Office





# Leading with Equity in Austin's Economic Recovery Programs



## Starting with Equity

*“Equity is the condition when every member of the community has a fair opportunity to live a long, healthy, and meaningful life. Equity embedded into Austin’s values system means changing hearts and minds, transforming local government from the inside out, eradicating disparities, and ensuring all Austin community members share in the benefits of community progress.” - Austin Strategic Direction 2023*



- The Austin City Council adopted a resolution in 2015 directing the City Manager to evaluate the impact of existing city policies and practices on racial equity and develop an Equity Assessment Tool that can be used across City departments during the budget process.
- Austin established an Equity Office in 2016 to focus on advancing equity in all aspects of City operations. The first Chief Equity Officer began this work in October 2016.
- Austin’s Chief Equity Officer is part of the City’s COVID-19 Economic Recovery Core Directors Team.



# Economic Recovery Program Impact

- Distributed \$115M through 13 programs since April 2020
- Served over 204,580 households and 1,640 businesses
- Assisted thousands of Austinites through additional supportive services and programs:
  - Austin Civilian Conservation Corps
  - Austin Mental Wellness Support Line
  - Healthcare Access Program
  - No-Cost Business Coaching
  - Deferred City Property Tenant Payments
  - Utility Disconnection Moratorium



# Equitable Program Administration Strategies



- Translated applications to several languages including Spanish, Chinese, Arabic, and Vietnamese.
- Partnered with local multi-ethnic Chambers of Commerce (Austin Asian, Austin Hispanic, Austin Black and Austin Gay & Lesbian Chambers of Commerce) to inform local businesses about relief opportunities.
- Funded community-based organizations to advertise relief programs and help locals apply for relief opportunities.
- Published application questions and documentation requirements several days before grants opened - ensuring applicants had time to prepare materials.
- Promoted grant programs via community-specific media outlets (e.g., Univision).
- Partnered with the City of Austin's Equity Office to ensure guidelines did not disproportionately disadvantage business owners of color.



## Examples of Equity-Oriented Program Guidelines

The Austin Live Music Venue Preservation Fund required applicants to **attend three racial equity workshops and create an Equity Strategic Plan** before receiving grants up to \$40,000 a month for six months (not to exceed \$140,000).

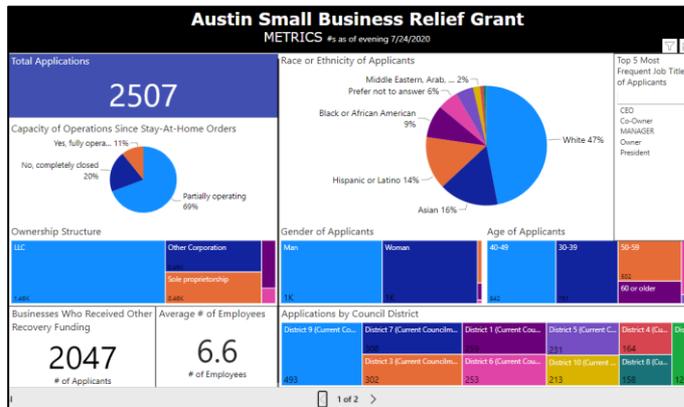
The Austin Non-Profit Relief Grant and the Austin Small Business Relief Grant **scored applicants using a matrix that included criteria for need, vulnerability, and equity.**

The Austin Childcare Provider Relief Grant **awarded additional grant funds to childcare operators located in historically marginalized communities.**

The Austin Mental Wellness Support Line **provided mental health counseling in English, Spanish, and over 150 other languages.**

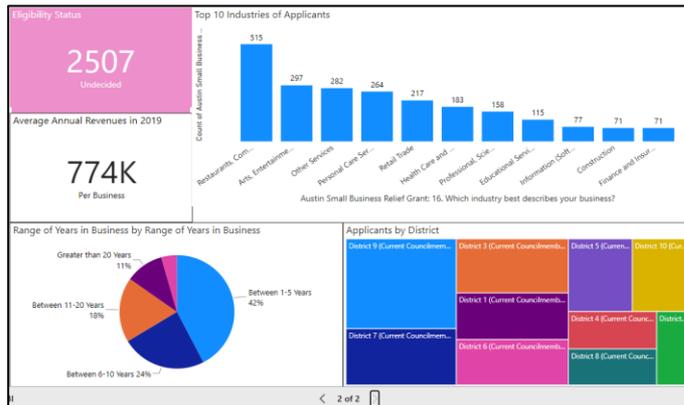


# Economic Recovery Program Dashboards



Launched several interactive dashboards, available at [ATXrecovers.com](http://ATXrecovers.com):

- [Austin Childcare Provider Relief Grant](#)
- [Austin Creative Space Disaster Relief Program](#)
- [Austin Economic Injury Bridge Loan Program](#)
- [Austin Music Disaster Relief Fund](#)
- [Austin Non-Profit Relief Grant](#)
- [Austin Small Business Relief Grant](#)



Types of information includes:

- Number of applicants
- Applicant profiles
- Applicant City Council districts
- Approval/denial rates
- Industry sectors
- And much more



# Diverse Economic Recovery Focus Groups

- Convened diverse focus groups to inform City of Austin's economic recovery and resiliency efforts:
  - Personal services (e.g., salons/barbers, cleaners, etc.)
  - Manufacturing
  - Experience (e.g., festivals, hospitality, nightlife, etc.)
  - Creative (e.g., arts, media, entertainment, etc.)
  - Food/Restaurants
  - Cross-Sector (e.g., workers rights, chambers, etc.)
- The focus groups identified 45 opportunities to foster a more equitable, competitive, and resilient post-pandemic economy.



# Driving Equity Through Data

State of Colorado



# #BuildBackStrongerCO

## Regional Meetings



**Pueblo & Southern Colorado**



**Western Slope**  
Sunday, March 28th



**Northern Colorado**

Build Back Stronger [Listening Tour](#)

## Community Meetings



**African American**



**Latino Community**



**AAPI Community**



# Data and Evidence in State Government

The State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act requires us to:

- Establish a **performance management system** for managing state agencies
- Incorporate continuous process improvement
- Ensure state employees are trained in performance management and process improvement

**Theory of Change Model**

What problem are you trying to solve?  
This is the problem or opportunity you see in your agency or with your stakeholders

What is (inputs to) add/ solve?  
Example: personnel funding, stakeholder relations

Assumptions:  
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• [Assumption-2]  
• [Assumption-3]

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Adapted from Innovation for Social Change

**Colorado Performance Management Guidelines**  
Updated January 2021

**Introduction**  
What's New  
Key Deadlines  
Overview of Colorado's Performance Management System  
The SMART Act  
The Governor's Office of Operations  
The Governor's Dashboard  
Wildly Important Goals (WIGs)

**WIG Development**  
WIG Content & Format  
FY 2021-22 & FY 2022-23 WIGs  
Developing Lead Measures  
Developing a Theory of Change  
WIG Maturity Continuum  
Identifying Appropriate Data  
Equity, Diversity, and Inclusion  
Reimagine State Government  
Process for Modifying WIGs

**Performance Plan Development**  
Performance Plan Timeline  
SMART Act Checklist  
Developing Plan Components

**Performance Plan Evaluations & Reporting**  
Performance Evaluations  
Annual Reports

**Appendices**  
Appendix A - Governor Policy  
Appendix B - Organizational  
Appendix C - Customer Ident  
Appendix D - Process Improv  
Appendix E - Definitions of T  
Appendix F - WIG & Annual R  
Appendix G - SMART Act Re  
Appendix H - Theory of Cha  
Appendix I - Key Questions

[LINK](#) to Colorado Performance Management Guidelines

# Using an Equity, Diversity, and Inclusion Lens

Performance management should advance equity, diversity, and inclusion.

When developing your performance goals, ask yourself:

- Could this goal proposal unintentionally burden traditionally underserved or disadvantaged communities?
- How will this goal proposal benefit traditionally underserved or disadvantaged communities?
- What would the impacted communities say about your goal and its strategies, and are they able to provide feedback without language, accessibility, or technological barriers?
- Do the impacted communities have the means to hold my agency accountable?
- What additional data will I collect to make sure my activities are benefitting a broad range of Coloradans and/or serving particular populations of interest?



# Identifying Stimulus Metrics

Metric Type	Proposed Metrics to Track	Can you collect:	
		Geographic Detail? (Y/N)	Demographic Detail? (Y/N)
<i>Performance</i>			
Output(s)			
Outcome(s)			
Required metric(s) (per Treasury guidance)			
<i>Operational (optional at this stage)</i>			
Throughput/ Process			
Customer Experience			
<i>Other</i>			
Other/Misc.			



# 10 Priorities for Advancing Racial Equity Through the American Rescue Plan Act

*A Guide for City and County Policymakers*

**PolicyLink**



# A Guide for City and County Policymakers

## 10 Priorities for Advancing Racial Equity Through the American Rescue Plan Act

1	Explicitly name racial equity as a goal, with specific targets to produce results at scale	6	Invest in frontline, Covid-impacted, and disinvested communities
2	Engage historically underserved communities in prioritizing investments	7	Prevent displacement and increase community ownership of land and housing
3	Connect unemployed and low-wage workers with good jobs and careers	8	Strengthen civic infrastructure that builds the power and capacity of marginalized communities
4	Stabilize and grow businesses owned by people of color and immigrants	9	Prioritize a few deep, cross-sector, high-impact equity investments
5	Restore and expand public services that deliver critical physical and care infrastructure to disadvantaged communities	10	Track disaggregated data to ensure accountability to equity goals

Developed in partnership with community leaders, chief equity officers, policymakers, economic development practitioners, research and policy organizations, and philanthropic partners, **the report suggests municipal strategies for deploying ARPA funds equitably, efficiently, and strategically.**

### Website:

<https://www.policylink.org/resources-tools/american-rescue-plan-10-priorities>

**PolicyLink**



# A Guide for City and County Policymakers

## American Rescue Plan Act – Equity Worksheet

The guide lays out a framework for equitable decision-making around ARPA spending and investments with prompts that local leaders can use to not only ask hard questions around racial equity, but also seek to address them.

**American Rescue Plan Project Equity Worksheet**

The American Rescue Plan (ARP) provides \$1.9 trillion in investments in local communities struggling to recover from the effects of the Covid 19 pandemic. With city and county governments across the nation scheduled to receive hundreds of millions of dollars in federal funding, ensuring that investment decisions align with and support the Biden Administration's executive orders to address racial equity must be a high priority for local elected officials. While there are myriad policies and regulatory requirements governing federal spending, the American Rescue Plan Project Equity Worksheet is intended to offer local officials a framework for equitable decision-making around ARP spending and investments. The worksheet is not intended to supersede or supplant local, state, or federal regulatory requirements, offering instead a mechanism for ensuring that racial equity is a factor in decision-making—that the hard questions around racial equity are asked, and answered.

**1. Explicitly name racial equity as a goal, with specific targets**

- What are the overarching racial equity goals of the project (i.e., expand the availability of permanently affordable housing, expand transit mobility in communities of color, etc.)
- What are the project's racial equity targets?

**2. Engage historically underserved communities in prioritizing investments**

- What community engagement strategies will be utilized?
- How will residents of the impact community be engaged? Will engagement with residents of the impact community be prioritized?
- What mechanisms will be utilized to capture input and feedback from residents of the impact community?
- How is the jurisdiction prepared to receive reactions to the project from residents of the impact? How will the jurisdiction respond to opposition and/or resistance to the project?
- What changes or adjustment to the project (if any) will be made based on input or feedback from the impacted community?

**3. Connect unemployed and low-wage workers with good jobs and career pathways**

- For infrastructure projects:
  - What are the local hire or targeted hiring goals for the project or investment?
  - What mechanisms will be utilized to connect workers with good jobs? What programs are funded by ARP to connect job seekers to jobs on the project (i.e., pre-apprentice program, on-the-job training, etc.)
  - Who is responsible for monitoring and reporting attainment of hiring goals?
  - Who is responsible for monitoring compliance with Davis Bacon wage and minimum wage requirements?
- Do investments in hospitality industry recovery require compliance with minimum-wage requirements? How is this enforceable?
- Minimum-wage compliance is a complaint-based policy. Who will be responsible for managing complaints?
- For small and rural jurisdictions, are regional intermediaries engaged in monitoring and enforcement of workforce development programs? Are partners being funded to enhance capacity at the county level?

**4. Stabilize and grow businesses owned by people of color and immigrants**

- For infrastructure projects:
  - What goals for utilization of businesses owned by people of color (or Disadvantaged Business Enterprises) have been established for the project?
  - What statutory authority governs the Disadvantaged Business Enterprise requirements for the Project (i.e., USDOT, EPA, HUD, etc.)?
  - Who is responsible for monitoring attainment of the goal?
  - What enforcement mechanisms are in place to ensure accountability?
  - What procurement mechanism will be utilized (i.e., invitation to bid, request for proposals, request for qualifications, etc.)?

10 Priorities for Advancing Racial Equity Through the American Rescue Plan 12

- For best-value contracting and/or solicitations for professional services, what is the scoring rubric? What is the scale (i.e., 10 points, 100 points, etc.)? How many points are applicable for values around equity and inclusion (i.e., targeted hire, minority business utilization, etc.)?
- What mechanisms will be utilized to provide contract financing for disadvantaged businesses?
- What is the prompt payment policy? How will the implementing agency ensure prompt payment to prime contractors and to lower-tier contracts?

- For investments in financing and technical assistance for businesses owned by people of color:
  - What funding and technical assistance is targeted to businesses owned by people of color?
  - How will funding and technical assistance be deployed?

**5. Restore and expand public services that deliver critical care and infrastructure to disadvantaged communities**

- Does the funding prioritize restoration of services to communities that are most impacted by the pandemic?
- Does the funding invest in activities that negatively target communities of color (i.e., policing, jails and prisons, etc.)?
- Are jobs created by infrastructure projects required to provide living wages?
- Are jobs created by infrastructure projects priorities targeted to unemployed and low-wage workers?

**6. Invest in frontline, Covid-impacted, and disinvested communities**

- What is the impact area for the project?
- What is the racial/ethnic makeup of the impact area? Of the adjacent area?
- Are people of color overrepresented in the impact area?
- Are low-income persons overrepresented?
- Is there a historical predicate of intergenerational poverty, segregation, or environmental racism in the impact community?
- For transit projects, what percentage of persons have access to a vehicle? What percentage are reliant on public transit? How far do residents have to walk to access public transit?

**7. Prevent displacement and increase community ownership of land and housing**

- For housing investments, what is the percentage of homeownership? What percentage of the population are renters? What is the availability of affordable housing?
- Have there been changes in the socioeconomic status of residents in the impact area that indicate displacement and dispossession?
- Does the project have an anti-displacement strategy?
- Does the project expand the inventory of permanently affordable housing or social housing?
- Does the project require nonprofit and/or community-based development partners?
- Is there a goal for utilization of developers of color?
- What is the goal for utilization of businesses owned by people of color for construction (if applicable)?
- What are the targeted hiring goals?
- Who is responsible for monitoring and enforcement of racial equity goals for hiring and contracting?

- Do water infrastructure projects take into account the potential for drought, sea-level rise, and flooding in a community? Do they plan to protect natural water ecosystems?
- Does the proposal provide funding for a development activity that exacerbates inequity?
- To what extent does the investment have the potential to lessen disparity?
- Does the proposal have funding for intentional investments in racial equity?
- Were multiple options considered for the investment? If yes, does the selected option proactively address issues of poverty and/or racial equity? Does the selected project provide the greatest benefits to hardest-hit disadvantaged communities? Does the selected project address historic inequities, intergenerational poverty, or racial segregation?

10 Priorities for Advancing Racial Equity Through the American Rescue Plan 13

**Q&A**

# More Information

To Explore Austin's Equity Tool:

<http://austintexas.gov/department/equity>

To Explore Colorado's Listening Tour:

<https://www.buildbackstrongerco.com/>

For More Information on Colorado's  
Performance Management Guidelines:

<https://docs.google.com/document/d/1Or51AkWJx3BAD0NP-xfPHzkJq8ZEaS3voMah9NfojI0/edit>

To Explore PolicyLink's Equity Tools and  
Resources:

<https://www.policylink.org/resources-tools/american-rescue-plan-10-priorities>

For More Information on Treasury COVID-19  
Economic Relief & Recovery Programs:

<https://home.treasury.gov/policy-issues/coronavirus>

To Request State & Local Fiscal Recovery  
Funds:

Please visit [www.treasury.gov/SLFRP](http://www.treasury.gov/SLFRP)

For General Inquiries on State & Local Fiscal  
Recovery Funds:

Please email [SLFRP@treasury.gov](mailto:SLFRP@treasury.gov)

