

City of New Orleans, LA **Recovery Plan**

State and Local Fiscal Recovery Funds

2022 Report

City of New Orleans, LA
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Executive Summary

The City of New Orleans has received \$311,742,151.00 in federal relief funds under the \$1.9 trillion American Rescue Plan, which was passed by Congress last year to help ease the economic toll the coronavirus and related restrictions has taken on individuals, governments, and businesses across the country. The funds were dispersed by the United States Department of Treasury in two equal tranches one year apart.

As the first step in setting ARPA expenditure priorities, Mayor LaToya Cantrell activated a 28 member stimulus task to focus on five key areas: case management, community services, the workforce, economic recovery investments and public health. The five working groups, made up of community stakeholders, weighed the long and short-term needs of the city's businesses and residents.

President Biden signed the American Rescue Plan Act (ARPA) into law on March 11, 2021 with \$1.9 trillion of relief and support. In the aftermath of Hurricane Katrina in 2005, then neighborhood President LaToya Cantrell saw firsthand how federal dollars did not end up in the hands of the recipients that needed it most, thus causing needs to go unmet and critical dollars being left on the table. Now sixteen years later, Mayor LaToya Cantrell is overseeing the cities response to COVID-19 and sees an opportunity for every individual, family, and business in New Orleans to get their fair share.

There are over 70 different funding sources in the Rescue Plan, administered through 18 Federal agencies. Each funding source works differently – some are competitive (like grants), some are allocated to States through a formula and then require the State to distribute locally through existing programs, application processes, or through a formula allocation.

The City of New Orleans was slated to receive \$388M in direct allocation through the city and county relief funds, largely needed to stabilize the City's financials - yet most of the public discourse was about how to allocate these funds, and not looking into the rest of the \$1.9 trillion on the table. Mayor Cantrell stood up the Stimulus Command Task Force to identify opportunities within the full \$1.9 trillion of stimulus funding in ARP legislation, and leverage those resources to support the city's priorities for meeting needs short-term, and putting us on a pathway to growth, equity, and resilience. The intent is to look beyond the \$388M the City of New Orleans is slated to receive through the city and county relief funds, and look for other funding on the table to make sure we – the people and businesses of New Orleans – are receiving our fair share.

In our initial assessment, we became aware that it was difficult for local agencies, non-profits, and community-based organizations to monitor what dollars were available, what they could be used for, and how they could be accessed. Special interest groups were closely watching the funding options related only to their own interest and thus were missing opportunities in other funds that could support their mission. For example: housing and homeless prevention funding was coordinated through multiple agencies and not done through a specific formula.

As the City received updates on each of these pots of money, we worked hard to ensure those updates were made available to the public about opportunities and resources available for support, and to the Stimulus Command Task Force to identify the best way to maximize funding flowing to the City of New Orleans, including:

- Identifying unmet needs in the community, and searching for potential funds that might be available to meet that need
- Outreach to eligible recipients (agencies, individuals, businesses)
- Ensuring eligible recipients are aware of and complete any required registration or preparation to receive funds (include the City, departments and agencies, businesses, individuals, organizations)
- Coordinating stakeholders to create a more competitive application – for example, regional collaboration instead of individual cities and jurisdictions

Stimulus Command Task Force:

The Stimulus Command Task Force is a diverse group of City leadership, external partners and stakeholders, and members of every corner of our community. The Task Force is chaired by Mayor Cantrell and is responsible for coordinating all the information and opportunities from each Working Group.

The Task Force began at the beginning of the COVID-19 pandemic as coordinating committees to bring together the various sectors of local government and our external partners. These coordinating committees were extremely effective in improving our communications between the different industries and sectors.

As the pandemic continued, coordinating committees grew into the COVID-19 Advisory Panel, structured to tackle ongoing issues, and engage more community representation to continue coordination among partners, but also ensure the needs on the ground are being identified and met, and ensuring that we could dedicate some brain power to long-term recovery even while emergency response was still on the ground.

When the ARP was signed into law, the coordinating committees were naturally repurposed into the Stimulus Command Task Force, in which their charge was to identify the various funding sources and connect them to unmet needs throughout the community. Additionally, the Stimulus Command Task Force was critical in getting the word out about resources that individuals, businesses, and families could apply for, and giving the City visibility on implementation roll out and identifying obstacles to raise to State and Federal agencies administering these funds.

Structure of Stimulus Command Task Force:

The structure we developed for the Stimulus Command Task Force is the intersection of the funding available through ARP, and the City's priorities that have already been mapped out in the Generational Economic Transition Plan, Youth Master Plan, and Road to Recovery planning document – representing thousands of hours of community engagement and input.

There was no need to reinvent the wheel, as a lot of work had already been done and was already happening throughout our community and throughout the City. We used what we already had, and what was already working, and applied it to the \$1.9 trillion in stimulus funding.

Based on our experience with the COVID-19 Reopening Advisory Panel, we knew there could be tension between long-term strategy and the urgency of meeting peoples' needs right now – both are critically important, so sub-committees and working groups were designed to allow for immediate response coordination and parallel groups tackling long-term goals and direction.

Lessons learned from post-Katrina recovery were also formative in the structure of Stimulus Command – for example, prioritizing case management to navigate individuals and businesses through all the confusing and complex applications for resources and support. These barriers and obstacles meant desperately needed resources didn't make it into the hands of those who needed it the most. The first Working Group launched was Case Management for both businesses and individuals.

Working Groups & Subcommittees:

Under the Task Force there are five Working Groups that represent key issues in our community, and are tasked with tracking ARPA funding availability, identifying opportunities and challenges, coordinating relevant agencies and organizations, and responding to evolving community needs. Underneath the five working groups are various topic specific sub-committees.

Please see below for more details.

1. Case Management Working Group

Provides case management for individuals, families, and businesses to ensure access to all available funding and support. Additionally, this group will identify those with unmet needs and connect them to available resources.

a. Recent Accomplishments and Discussions:

- i. Designing an implementation plan to utilize Resilience Force Neighborhood Navigator program to work directly with individuals and businesses to help connect them to any and all available resources.

2. Public Health Working Group

Monitor emerging research and data about SARS-CoV-2 and pandemic response, public health interventions, and epidemiology trends to develop recommendations for future public health guidelines and health-related programs.

a. Recent Accomplishments and Discussions:

- i. Developing a mental health crisis center to address mental health and drug abuse-related health issues in the City.
- ii. Established a COVID Variants Lab in New Orleans to provide more visibility on the status of COVID-19 in our region, and create jobs of the future in priority industries with bioscience, higher education, and healthcare system partners

b. Social Determinants of Health Sub-committee

Determine those conditions in the places where New Orleanians live, learn, work, and play that affect a wide range of health and quality-of life-risks and outcomes, starting with COVID-19 vaccine accessibility and uptake.

i. Recent Accomplishments and Discussions:

1. Advising Vaccine Equity working group with vaccine education, access, and deployment

c. COVID-19 Response & Vaccine Equity Sub-committee

Collaborate with local and state partners to plan and implement COVID-19 vaccine distribution throughout Region 1.

i. Recent Accomplishments and Discussions:

1. New Orleans vaccine rate far outpaces any other parish in the State, with over 80% of adults having received at least one dose
2. Access to vaccines – bringing vaccines into communities to meet people where they are – at pop-up community events, churches, airports, rental assistance events, at major employment centers like hotels and restaurants

3. Community Services Working Group

Coordination with on-the-ground service providers for vulnerable populations, including education, childcare, meals, and other family support.

a. Basic Needs Sub-Committee

Coordinate directly with on-the-ground service providers for housing, childcare, food, schools, and internet access for remote work and education

b. Digital Equity Sub-Committee

Working with internet providers to extend high speed, low or no-cost internet access to everyone, including hotspots, routers, and devices

i. Recent Accomplishments and Discussions:

1. Established learning hubs at libraries and recreational centers to provide supervised places for distanced learning
2. Launched outreach campaign through schools, childcare, and library systems to ensure families were aware of and could access the expanded child tax credit under ARP

4. Economic Recovery Investments Working Group

Working towards a robust and equitable recovery for New Orleans' businesses and entrepreneurs, especially those disproportionately impacted by the pandemic. Innovation in priority growth industries, and supporting pandemic-responsive entrepreneurship.

a. Recent Accomplishments and Discussions:

- i. Piloted outreach to music venues with Resilience Force.
- ii. Working to provide business support for the Employee Retention Tax Credit, which is a CARES Act tax credit through the IRS.
- iii. Creating a small business survey on topics such as vaccine hesitancy and business support needs.

5. Workforce and Employment Working Group

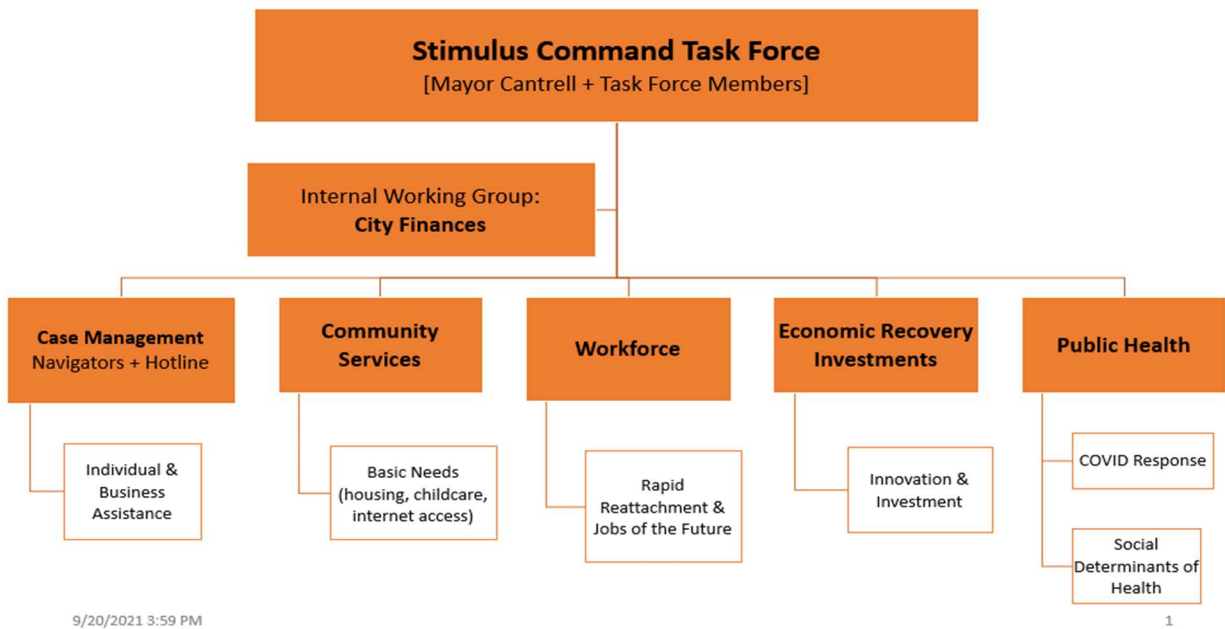
Creating and implementing innovative strategies to improve the quality of life for the local workforce. By collaborating with a diverse group of stakeholders, we are working towards increasing wages and benefits for people reentering the workforce after the pandemic.

a. Rapid Reattachment to current employment opportunities

Providing job fairs, training programs, and other match-making services for people looking for short-term opportunities to get through the pandemic (for example, hiring musicians to deliver meals), people looking to pivot their careers (bartenders retrained as Community Health Workers), and other immediately available jobs

b. Jobs of the Future Sub-committee

Focuses on increasing quality of jobs (wages, benefits), creating new jobs especially within growth sectors, and preparing our residents with education and trainings to ensure a robust local workforce.



Meeting Cadences and Participants:

The members of the Stimulus Command Task Force and Working Groups is that it brings together people from all walks of life, and every corner of our community. The group looks like the people we serve, and the collaboration and mutual respect and capacity we have built through the Advisory Panel allowed us to move quickly and decisively in creating a structure for bringing leaders together on behalf of the residents, visitors, and businesses in our community.

The Stimulus Command Task Force, originally purposed as the coordinating committees to plan for the Re-Opening of New Orleans, began initial meetings in May of 2020. As the pandemic continued and the ARPA was signed into law, the focus shifted in April of 2021, but the weekly meeting cadence continued. To date, the Mayor has held roughly 35 Re-Opening New Orleans meetings and then an additional 15 Stimulus Command Task Force meetings.

The Stimulus Command Task Force has a total of 29 external members. These members consist of representatives and leaders from a multitude of industries, including people who are directly on the ground working with constituents to solve pandemic related problems. Industries that are represented within the Task Force include local colleges and universities, bar and restaurant owners, hospitality leaders, small business owners and business support

organizations, public health professionals and hospital leaders, local banking institutions, religious leaders, and community partners such as Urban League of Louisiana and the Regional Black Chamber of Commerce.

The Working Groups were led by City Department Leaders and held mostly on a weekly basis with some groups meeting bi-weekly. In total, the five working groups were able to actively engage with over 230 business and non-profit leaders, city representatives, and members of the community.

Case management services focusing on helping to connect individual residents to services that will help them financially or otherwise, are critical, as one of the biggest lessons learned from Hurricane Katrina and other past crises is that residents often didn't know where to turn to receive help that was available.

The case management working group created a team of people who can inform residents of the help that is available to them under the relief bill. That group operated like the City's "neighborhood navigators," teams that who have worked throughout the pandemic to tell people how they can sign up for unemployment or get help paying for housing.

A separate community services working group focused specifically on resources that can help families and children. The group is currently focusing on getting the word out to parents about the up to \$3,600 child tax credit that will be paid out in monthly installments beginning this summer under the relief bill.

The task force also plans to convene a subgroup that can expand children and adults' access to Wi-Fi and broadband in the City, as the Rescue Plan provides support for that purpose.

Key in the task force discussions has been how the City can diversify its workforce to better withstand any future event that requires shutdowns of public-facing businesses or the cancellation of major events.

New Orleans was very proactive from the beginning of the pandemic to take aggressive measures to curb the coronavirus's spread. It set up drive through test sites as well as creating mobile test sites to bring availability of testing to historically underserved neighborhoods. Those programs were then expanded to include vaccination sites to rapidly dispense vaccines to the hardest hit population. The City also developed a variety of incentive programs to encourage people to be vaccinated.

The enormous impact on the city's economy created widespread food insecurity. In response, NOLA created the Meal Assistance Program, which provided twice-daily, restaurant-made meals to COVID-vulnerable residents for an entire year.

The pandemic hit New Orleans hard early on and we needed to ensure that our most vulnerable people could stay home and have food on their tables. We are grateful to our partners at FEMA who agreed that meal delivery during the height of the pandemic was a priority to keep people safe. This truly historic program has served our residents, workers, and restaurants well.

It has provided nearly 4M meals to over 24,000 New Orleanians who, due to age or medical condition, had an elevated health risk if exposed to COVID. Providing home delivery, the program allowed vulnerable residents to limit their exposure to others while ensuring access to food. The program was also open to residents who were COVID positive or under quarantine.

“The program has filled a valuable gap that Second Harvest and other non-profits have not been able to take on -- that being the focus on delivery to high-risk, homebound seniors and those with special medical needs,” said **Second Harvest Food Bank of Greater New Orleans President and CEO Natalie Jayroe**. “This has been instrumental in protecting at-risk New Orleanians and has been an essential tool in our fight against COVID-19.”

In addition to serving residents in need, the program had the added benefit of supporting the 88 local restaurants who produced the local fare that made up the delivery boxes. According to a survey done by Chef's Brigade, the meal program helped to re-employ at least 500 New Orleanians, who may have otherwise been out of work during the height of the pandemic, in food production alone. Additional jobs were also created in the delivery and administration components of the program.

The meal program was developed and managed by the City's Project Delivery Unit in conjunction with the New Orleans Office of Homeland Security and Emergency Preparedness, with vendor Revolution Foods and its partners, Chef's Brigade, the New Orleans Culinary and Hospitality Institute (NOCHI) and d'livery NOLA. Community based organizations, philanthropic partners, and existing government programs continue to coordinate food resources for residents in need.

The Covid-19 public health emergency has doubled as an economic crisis in the communities across the city. Both households and businesses in the city continue to struggle to pay their bills and stay solvent. New Orleanians across the city are struggling to make ends meet, and housing is their single biggest budgetary cost.

New Orleans was the first City in the State to start an emergency rental assistance program in response to the COVID-19 pandemic. The program originally began with \$1.5 million in funding from a local millage. Beginning the program early on allowed the City to develop the infrastructure to administer Treasury funds prior to issuance.

The Treasury funded program began in February 2021 with an online application that allowed applicants to submit through a web-based portal. Applicants at risk for eviction are also accepted through referral such as by the City Circuit Court and nonprofit legal aid organizations. The program has been successful in averting approximately 500 imminent threat evictions. A City employee works onsite at the court to help tenants and landlords.

The City has focused on meeting tenants within their communities at Community-Based Rental Assistance events that are held over several days. Approximately 1,500 tenants attend each event with most of the attendees found to be program eligible. Those that are not eligible are usually coming from other parishes or have already been assisted. The events have been proven to be successful as we are able to approve applicants at the event and have enlisted the

assistance of other partners that also provide assist such as legal aid, clerk of court office, Volunteers of America, utility providers and a vaccination station.

As the City anticipates the allocation of underutilized funding from the State, outreach is occurring to landlords to provide bulk payments. New Treasury guidance issued in late August specifically encourages bulk payments to landlords and utility providers. The City of New Orleans is preparing to work closely with landlords and utility providers to make sure housing remains stable. Funding to landlords is divided into pools to make funding remains eligible to small landlords who have been especially impacted by the eviction moratoriums.

The City of New Orleans remains flexible and continues to evaluate the program in keeping with the latest Treasury guidance. To date approximately 4,500 households have been served and approximately \$20 million dollars disbursed to tenants.

It has also provided homeless assistance, utilizing the Hotel Initiative to provide non-congregate shelter.

The City set strict guidelines to encourage social distancing and mitigation strategies. Recognizing the negative impact on businesses, the hard hit services industry in particular, the city created the Parklet Pilot Program, allowing restaurants to set up sidewalk cafes utilizing parking lanes in front of businesses.

The ARPA funding is a great opportunity to rebuild our local economy, and to truly take advantage of all the wonderful assets we possess as a city, in a fashion that is both inclusive and equitable.

The City has received the first one-half of the city's \$388 million allocation from the American Rescue Plan Act (ARPA); the \$193 million represents more than 25% of the 2021 general fund budget. The monies will be used for budgetary support and future pandemic response efforts, with the majority targeted for replenishment of revenue losses through 2025 (the city's current estimate of remaining revenue impact from the coronavirus pandemic). The allocation has not yet been appropriated.

Uses of Funds

Revenue Replacement (EC 6)

Despite ongoing growth and diversification, the New Orleans' area remains heavily concentrated in the tourism industry, with a large proportion of jobs in retail and hospitality. Beginning in late February or early March 2020, the COVID-19 pandemic began having a severe impact on visits to the city. As a result, the pandemic has significantly reduced sales tax revenues, which is reflective of economic activity in the city. In fiscal year 2019, the city collected \$261 million in sales and general receipt tax revenues, and in fiscal year 2020 (unaudited), the city collected \$208 million. Consequently, the fiscal year 2021 City of New Orleans general fund budget was reduced by \$95 million.

2021 Mid-Year Budget Adjustment

In September, the City plans to present a \$70M mid-year budget ordinance that will leverage received ARPA funds to fill existing gaps from revenue loss.



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The City's general fund revenue isn't expected to return to its pre-pandemic levels until fiscal year 2025. Therefore, the City of New Orleans is expected to allocate \$194 million in federal aid to be used to restore services and support budget balances for FY2021 through FY2024.

The City adopted the request in October 2021. Following the official adoption, the city has utilized ARPA funding to replenish the budgets of the New Orleans Police Department (NOPD), the New Orleans Fire Department (NOFD), and the Emergency Medical Services department (EMS). These allocations were necessary to provide the proper funding to address the pandemic related increases in violent crime and medical emergencies the City is experiencing.

Promoting equitable outcomes

At the time of this report, the City of New Orleans ARPA allocations have not been appropriated or expended and potential uses have not been finalized.

Community Engagement

At the time of this report, the full City of New Orleans ARPA allocations have not been appropriated or expended and potential uses have not been finalized; however, the City is engaging in a series of community meetings in August to discuss budgetary priorities in advance of budget hearings with the New Orleans City Council scheduled this fall. The intention of these community meetings is to ensure that second tranche funding will be utilized in accordance with the priorities heard from constituents.

Labor Practices

At the time of this report, the full City of New Orleans ARPA allocations have not been appropriated or expended and potential uses for second tranche funding have been identified but not been finalized.

Use of Evidence

At the time of this report, the full City of New Orleans ARPA allocations have not been appropriated or expended and potential uses for second tranche funding have been identified but not been finalized.

Table of Expenses by Expenditure Category

At the time of this report, the full City of New Orleans ARPA allocations have not been appropriated or expended and potential uses for second tranche funding have been identified but not been finalized.

“Amount spent since last Recovery Plan” will be equal.

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.1	COVID-19 Vaccination		
1.2	COVID-19 Testing		
1.3	COVID-19 Contact Tracing		
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)		
1.5	Personal Protective Equipment		
1.6	Medical Expenses (including Alternative Care Facilities)		
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency		
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)		
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19		
1.10	Mental Health Services		
1.11	Substance Use Services		
1.12	Other Public Health Services		
2	Expenditure Category: Negative Economic Impacts		
2.1	Household Assistance: Food Programs		
2.2	Household Assistance: Rent, Mortgage, and Utility Aid		
2.3	Household Assistance: Cash Transfers		
2.4	Household Assistance: Internet Access Programs		

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
2.5	Household Assistance: Eviction Prevention		
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers		
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)		
2.8	Contributions to UI Trust Funds*		
2.9	Small Business Economic Assistance (General)		
2.10	Aid to nonprofit organizations		
2.11	Aid to Tourism, Travel, or Hospitality		
2.12	Aid to Other Impacted Industries		
2.13	Other Economic Support		
2.14	Rehiring Public Sector Staff		
3	Expenditure Category: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning		
3.2	Education Assistance: Aid to High-Poverty Districts		
3.3	Education Assistance: Academic Services		
3.4	Education Assistance: Social, Emotional, and Mental Health Services		
3.5	Education Assistance: Other		
3.6	Healthy Childhood Environments: Child Care		
3.7	Healthy Childhood Environments: Home Visiting		
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System		
3.9.	Healthy Childhood Environments: Other		
3.10	Housing Support: Affordable Housing		
3.11	Housing Support: Services for Unhoused persons		
3.12	Housing Support: Other Housing Assistance		
3.13	Social Determinants of Health: Other		
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators		
3.15	Social Determinants of Health: Lead Remediation		
3.16	Social Determinants of Health: Community Violence Interventions		
4	Expenditure Category: Premium Pay		
4.1	Public Sector Employees		
4.2	Private Sector: Grants to other employers		
5	Expenditure Category: Infrastructure		

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
5.1	Clean Water: Centralized wastewater treatment		
5.2	Clean Water: Centralized wastewater collection and conveyance		
5.3	Clean Water: Decentralized wastewater		
5.4	Clean Water: Combined sewer overflows		
5.5	Clean Water: Other sewer infrastructure		
5.6	Clean Water: Stormwater		
5.7	Clean Water: Energy conservation		
5.8	Clean Water: Water conservation		
5.9	Clean Water: Nonpoint source		
5.10	Drinking water: Treatment		
5.11	Drinking water: Transmission & distribution		
5.12	Drinking water: Transmission & distribution: lead remediation		
5.13	Drinking water: Source		
5.14	Drinking water: Storage		
5.15	Drinking water: Other water infrastructure		
5.16	Broadband: "Last Mile" projects		
5.17	Broadband: Other projects		
6	Expenditure Category: Revenue Replacement		
6.1	Provision of Government Services	\$193,761,524	
7	Administrative and Other		
7.1	Administrative Expenses		
7.2	Evaluation and data analysis		
7.3	Transfers to Other Units of Government		
7.4	Transfers to Nonentitlement Units (States and Territories only)		

Project Inventory

At the time of this report, the City of New Orleans ARPA allocations have not been appropriated or expended and potential uses have not been finalized.

Ineligible Activities: Tax Offset Provision (States & Territories Only)