



# RESIDENTS' GUIDE TO The American Rescue Plan (ARP)

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## What is the American Rescue Plan (ARP)?

The American Rescue Plan is a \$1.9 trillion federal response to the economic devastation and public health crisis caused by the COVID-19 global pandemic. These funds give the state, cities and parishes resources that can be used to close budget holes and spur recovery.

# \$388 Million



About 59% of the City's usual annual operating revenue

New Orleans is receiving a total of \$388 million, in two payments. The first half was received by the City in 2021, and the remaining \$194 million will arrive in May 2022.

While the funds are not a silver bullet, they are flexible, and present an opportunity to meet our immediate needs while advancing equity in our long-term recovery.

## What can ARP Funds be used for?

Funds are to be used for expenses from 2021 to 2024, and must be expended by 2026. Allowable uses include:



### PUBLIC HEALTH

Supporting public health efforts to end the spread of Covid-19 and distribute vaccinations;



### REPLACING LOST TAX REVENUE

for state and local governments and funding essential public services;



### ECONOMIC RELIEF

Providing economic relief and stability to households and businesses;



### ADDRESSING INEQUITIES W/ INFRA.

incl. by investing in frontline workers and in water, sewage, and broadband infrastructure.

## How has COVID impacted New Orleans?

COVID had far-reaching impacts in our personal lives and across our communities; from the loss of over 1,000 loved ones, to the loss of jobs, stable housing, businesses, and more. The pandemic also exacerbated our city's long-standing inequities, with COVID's tragic consequences again falling disproportionately on New Orleans' historically disadvantaged communities, particularly black seniors, black adults, and low-income families. Learn more at [cbno.org/justrecovery](http://cbno.org/justrecovery).

## How has New Orleans used ARP funds so far?

In 2020, the City's tax revenue dipped by about 20% compared to 2019, and the general fund revenue isn't expected to return to its pre-pandemic levels until fiscal year 2025 (though more recent projections show a quicker bounce-back). Therefore, the first \$194M was allocated to replacing lost revenues. The City has not announced a comprehensive plan for the use of the second \$194M payment, which is expected to arrive in May.

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## How local & national experts say ARP funds should be used

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The Bureau of Government Research (BGR) provided these recommendations for ARP funds to achieve desired results in New Orleans:

### The City Administration should:

- Provide residents with a multi-year spending plan and regular updates
- Maintain a dashboard that tracks ARP expenditures and results

### The City Council should:

- Create a special fund for ARP dollars to facilitate auditing and transparency
- Alert the public to proposed expenditures
- Require sufficient detail and explanation for individual spending requests
- Maintain a dashboard that tracks ARP appropriations

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### National League of Cities recommends:

- Assess government operations AND community needs to develop a plan for recovery - Include resident voice. Get to know the community's needs at all levels: individuals, families, organizations and businesses, and each level of government.
- Maintain records and document impact - Build in feedback loops and process improvement to adjust along the way. Create long-term information infrastructure for future city leaders. Plan for tracking and reporting from the start. Use data to tell the story and to show the impact of these funds in your community.
- Your Congressional Delegation is part of your success!

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## How will decisions be made?

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### Who are the decisionmakers?

- Mayor LaToya Cantrell and Chief Administrative Officer, Gilbert Montano, will set priorities, in coordination with City Department heads and New Orleans City Council members.
- City Council has to approve the allocation of the funds.

### How do I get involved?

1. **Tell your councilmember** what issues are important to you by calling, sending an email, or attending a town hall meeting.
2. **Tell your Neighborhood Liaison** what issues are important to you by calling or emailing, or attending Community Office Hours.
3. **Sign up to receive updates** and calls to action at [cbno.org/justrecovery](https://cbno.org/justrecovery).

### An Opportunity for Equity

The last two years' crises have shined a spotlight on the inequities in New Orleans, and across the nation. New Orleans has an opportunity to invest recovery money in our hardest-hit communities, to build an equitable future. Learn more at [cbno.org/justrecovery](https://cbno.org/justrecovery)

### Learn more & Get Involved

Visit [cbno.org/justrecovery](https://cbno.org/justrecovery) to learn more about the City's approach to the American Rescue Plan and other sources of Federal recovery funds; and find out how you can make your voice heard.

