

How American Rescue Plan Funds Are Driving Local Innovation in Ohio Cities

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As we enter the last four months of 2023, memories of the COVID-19 pandemic-era lockdowns and their economic devastation are starting to fade. Indeed, unprecedented job creation, along with steady economic and wage growth, have dominated 2023. The impacts, both personal and economic, of the pandemic, however, continue to impact cities and city residents. Inequalities exacerbated by the pandemic disproportionately harm people of color, families in low-income neighborhoods, and workers in first responder and other frontline professions. The federal government, led by the Biden administration, created the State and Local Fiscal Recovery Fund as part of the American Rescue Plan in March 2021, seeking to ensure that cities and local governments across the country would have the resources necessary to recover quickly and equitably. Ohio cities are taking advantage of this once-in-a-generation opportunity to use an infusion of federal resources to transform their cities for the better.

During the year between March 2022 and March 2023, cities in the Ohio Mayors Alliance (OMA), a bipartisan coalition of 30 of Ohio's largest cities and suburbs, greatly stepped up their use of fiscal recovery funds after a slow start in the first year of implementation. As of March 31, 2023, OMA's 30 cities had obligated over half of their total allocation of fiscal recovery funds, and had spent 72 percent of those obligated funds. In the project details and plans, we can finally start to see a glimpse of how those funds have driven innovation and allowed cities to accelerate plans for revitalization and development that were mere dreams before the devastating impact of the pandemic brought them into urgent focus and the American Rescue Plan made them feasible.

This report summarizes overall fiscal recovery fund data reported to the U.S. Department of Treasury by our cities, and highlights some of the interesting, novel, or innovative ways that our cities are allocating and spending these funds. The State and Local Fiscal Recovery Fund was broadly intended to support state and local governments' responses to and recovery from the COVID-19 pandemic. In particular, the funds were intended to "build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity." In many cases, recovery funds went directly to pandemic recovery like public health initiatives or emergency loans and grants to struggling businesses and communities. In many other cases, funds supported essential city services, in the form of replacement revenue, like public safety, infrastructure, and payroll. In our 2022 report on how OMA cities were spending their American Rescue Plan (ARPA) money, we highlighted and dove into some of those essential uses. You can read that report at www.ohiomayorsalliance.org/publications. In this report, in contrast, we seek to lift up and share the ways our cities are making investments in projects, programs, and initiatives that support long-term growth, build opportunity, and create more resilient, equitable communities.

Data in this report comes from the reports OMA cities sent to the U.S. Department of Treasury, reporting cumulative obligations and expenditures of fiscal recovery fund money as of March 31, 2023.

The Big Picture



TOTAL ALLOCATION
TO OMA CITIES

\$1,975,263,751

TOTAL CUMULATIVE OBLIGATIONS

\$1,087,498,680 55% of the total allocation

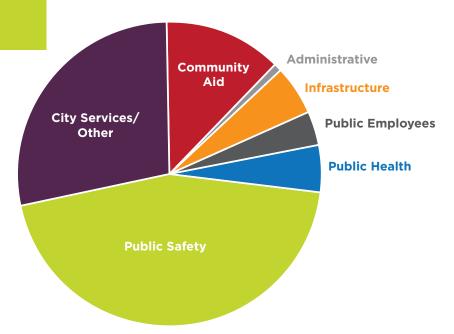
TOTAL CUMULATIVE EXPENDITURES

\$784,095,326

72% of obligations

OMA's 30 cities were allocated almost \$2 billion in fiscal recovery funds in March 2021. As of March 31, 2023, two years later, they have obligated 55 percent of those funds. Included in that number are some projects that were planned for and then abandoned due to changing priorities or needs, as well as some big projects that are still planned but have not yet begun. Under U.S. Treasury rules, cities must allocate all of their money by the end of 2024, and spend it all by the end of 2026.

OMA cities have obligated a little over \$1 billion in American Rescue Plan fiscal recovery funds. Those obligations break down into the following categories:



The largest single category of expenditures is public safety, which tracks with OMA data showing that cities spend, on average, over half of their total city revenue generally on public safety expenses. Funds obligated in the public safety category include equipment purchases, including police cruisers, firearms and accessories, fire trucks, communications technology, and facilities upgrades and renovations. It also includes costs to hire new police officers, an expense that reflects cities' optimistic view of the likelihood of economic recovery in coming years.

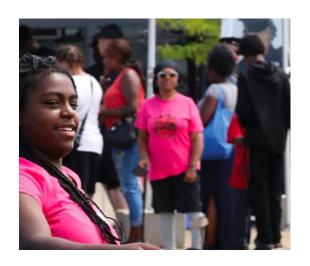
The Community Aid category includes a wide range of investments in local businesses, community non-profits, hunger relief programs, housing aid, and investments in community assets like green space, arts, and youth programming. City services/Other includes everything from trash removal, cybersecurity and network upgrades for public buildings, touchless faucets, and HVAC system upgrades. Infrastructure funds are primarily focused on drinking water and water/sewer system upgrades and repairs, as well as some road and bridge work, engineering plans, and expanding broadband services. The public employees category includes premium pay for first responders and city workers during the pandemic, as well as investments in public sector capacity. These investments are all in line with the fiscal recovery fund's mission to ensure that Ohio cities recover and rebuild from the pandemic with a focus on repairing harms, resolving inequities, and providing ceaseless city services and neighborhood safety in all communities.



CLEVELAND

Crisis intervention teams

Between 2015-2020, a quarter of all fatal police shootings involved someone with a mental illness.¹ And setting aside fatal encounters, people with mental illnesses are 11.6 times more likely to experience police use of force than people without mental illnesses.² With this in mind, in November 2022 Mayor Justin Bibb asked the City of Cleveland to dedicate \$5 million of the city's fiscal recovery funds to double the size of its crisis intervention teams. A pilot program sending mental health responders in response to 911 calls had been in place for several years, and the city's ARPA funds provided an excellent opportunity to expand the program. The pilot program's data showed that 98% of crisis incidents were resolved without making an arrest.

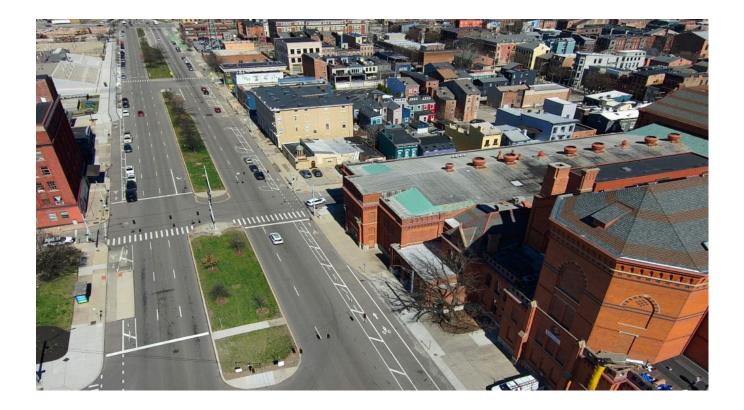




LORAIN / ELYRIA

State American Rescue Plan funds foster collaboration in developing a new community violence intervention program

The cities of Elyria and Lorain took advantage of state fiscal recovery funds, which were subgranted to local governments and law enforcement agencies through the state's Violence Reduction Grants, to develop a program called Save Our Streets ("S.O.S.").³ Combining state American Rescue Plan funds with private grant money, Lorain, Elyria, and the Lorain County Urban League built on the evidence base and experience of existing community violence intervention programs to develop a local program in which community mentors work directly with youth who are most at risk of being recruited into committing crime in their cities, with a focus on preventing violent crime. The cities plan to collect data and have committed to a plan to ensure continued funding for the program as it develops and grows.



CINCINNATI

Safe and Clean Neighborhood Grants and Complete Streets

At a time when many cities in Ohio and across the country are experiencing increased gun violence, Ohio cities have been severely constrained by

the Ohio General Assembly with regard to their ability to regulate guns in their cities. The state's preemption of local gun control regulations is an ongoing source of frustration for Ohio cities, but they are finding ways to innovate, and ARPA funds are driving some of that innovation. Cincinnati's plans for its ARPA funds has included a focus on ensuring that it does everything it can to foster safe, clean neighborhoods that deter crime, engage residents, and prevent factors that lead to gun violence. Its innovative Safe and Clean Neighborhood

Grants address gun violence by providing funding directly to city residents and community groups to eliminate blight, enhance public spaces, and improve pedestrian safety. The Safe and Clean Neighborhoods Grant Program has existed for years, but in 2023, Cincinnati allocated \$500,000 in ARPA funds to the program to create the

Accelerate Grant, which makes the funds more accessible to organizations and groups that don't have matching funds. Supporting vulnerable residents and neighborhoods most impacted by gun violence are priorities that are bearing fruit for public safety in Cincinnati.

In addition to the funds for safe and clean neighborhood grants, the City of Cincinnati has dedicated more than \$2 million to strategies for creating jobs, reducing poverty, and generating economic opportunity. Adding to the city's investments, a \$20 million RAISE grant through

the Infrastructure Investment and Jobs Act (the bipartisan infrastructure law) is helping Cincinnati address pedestrian and bike safety and improve access to its streets for all forms of transportation.

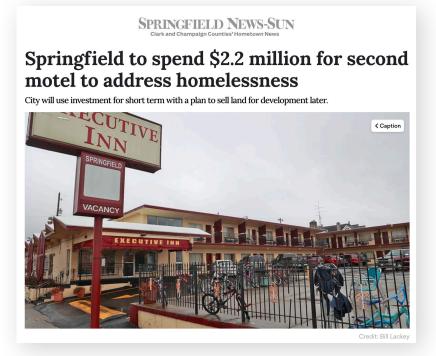
Cincinnati's innovative Safe and Clean Neighborhood Grants address gun violence by providing funding directly to city residents and community groups to eliminate blight, enhance public spaces, and improve pedestrian safety.



SPRINGFIELD

Alleviating homelessness and making long term development investments

The City of Springfield, which has been led for over 25 years by retiring Mayor Warren Copeland, used some of its fiscal recovery funds to implement both short and longer term plans to address homelessness in the region: by allocating a little less than \$4 million in ARPA funds to purchase two motels in the city's downtown area. In the short term, the motels have been used to house homeless families during a time when congregate and group shelter living was reduced due to the spread of COVID-19. In the longer term, the city intends to make the properties available for sale, hoping to spur redevelopment-and hopefully new housing options-in the city's core downtown area.



Accelerating completion of longstanding recreation and water safety plans

The City of Toledo has invested significant fiscal recovery funds in youth programming, recreation, and parks—about \$40 million in total of its \$183 million fiscal recovery fund allocation has gone to various parks and recreation programming. About half of that \$40 million—\$19 million—has been allocated to one project, the reconstruction of a new central Toledo YMCA facility that will greatly enhance recreational and community activities and opportunities in the city. The project, which has also received funding commitments from the county's ARPA funds, as well as private investment,



is exactly the type of community development that was hoped for and planned for the future, but which ARPA funds were able to bring into fruition much sooner than had been anticipated.

Similarly, the city of Toledo had long planned to fund the replacement of all lead water lines in the city over a span of approximately 30 years, but thanks to its fiscal recovery funds, was able to do so in one fell swoop with a \$10 million obligation of ARPA funds, ensuring safe and clean water for Toledo residents now and in the future at no additional cost to homeowners and city residents.





LORAIN

Downtown Renaissance

Lorain Mayor Jack Bradley knows that one key component to revitalizing the core downtown of any city, including his, is to ensure that business owners, workers, and visitors feel safe. Lorain used some of its fiscal recovery funds to hire additional police officers and invest in its public safety equipment and workforce, and the result has been the continued renewal of Lorain's historic downtown. Plans to redevelop a historic downtown hotel and attract new businesses downtown that were made before the COVID-19 pandemic were able to continue during and following the pandemic's lockdowns due to Lorain's prioritization of supporting businesses and ensuring adequate funding for its public safety resources.

Creating community health improvement zones, addressing health holistically

The City of Youngstown invested almost \$2.5 million in city fiscal recovery funds, along with funding from a grant from the Ohio Department of Health, into creating four community offices in new health improvement zones, where community health workers will work directly with



local populations to address a wide range of issues that impact individual and family' health. Issues workers will tackle include property conditions, availability and use of green space for recreation, cleaning up debris and other waste, and other programming aimed at improving local residents' health outcomes.⁴ This holistic approach to addressing health in low-income communities is a best practice and is being replicated across the state.

Additionally, the City of Youngstown has dedicated an additional \$10.5 million of its fiscal recovery funds to its Park and Recreation Department, to improve and repair facilities in city parks, using resident input to prioritize playground equipment, walking trails, and other amenities that will provide healthy recreation for residents.

COLUMBUS

Helping city high school students graduate and continue their education and ensuring broader access to child care

Columbus is home to the largest public school district in Ohio, and has prioritized ensuring that thousands of Columbus City Schools students and graduates are well prepared to compete for the myriad of jobs coming to the region in light of Intel's and the federal government's historic investments in creating a domestic semiconductor industry in Central Ohio. In addition to federal investments in Ohio workforce development



through its selection of Columbus as a federal workforce hub,⁵ the City of Columbus has invested million of dollars in ARPA funds to ensure that city high school seniors get credits needed to graduate and prepare for jobs. With those funds, the Workforce Development Board of Central Ohio and I Know I Can have collaborated to provide universal free access to Columbus State Community College for city high school graduates, as well as youth employment programs and job training needed to ensure financial stability for Columbus' youth and future workforce.

Additionally, Columbus has used its fiscal recovery funds to ensure access to high quality child care for its residents, creating the RISE program to provide scholarships for child care for essential workers and stable funding for child care providers, and expanding funding to its universal, free pre-kindergarten programs.



CLEVELAND

Creating a site readiness fund to spur development

Cleveland, like many post-industrial cities, has hundreds of empty factory and warehouse buildings within its city limits. These decaying properties stymy development in their surrounding neighborhoods and pose safety threats to neighbors. Earlier this year, Mayor Justin Bibb announced plans to invest \$50 million of Cleveland's fiscal recovery funds in a Site Readiness Fund, which will be used to demolish vacant and obsolete buildings and prepare sites for future development with water and infrastructure connections. The intent is for the city's \$50 million investment to be matched by state and private sources, doubling the city's investment and multiplying its impact. The city has already taken possession of most of these lots; in fact, the City of Cleveland owns almost one quarter of the city's land. These American Rescue Plan funds will turn a city obligation into an investment in the city's future.

DAYTON

Funding affordable housing

Dayton plans to pair some of its \$138 million in fiscal recovery funds with private development investments to build new affordable and workforce housing in reimagined neighborhoods across the city, in ways that will not only expand access to housing in neighborhoods that most need it, but also to implement holistic plans that will improve green space, alternative transportation amenities, and improve lighting and safety. This holistic, "yes-and" approach improves and expands housing availability, improves public safety, and creates new and improved public infrastructure in neighborhoods that were struggling before the pandemic, and that most need a boost post-pandemic.



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Conclusion

The examples in this report are meant to be a snapshot of the types of innovative ways that cities in Ohio are leveraging ARPA funds to ensure that development moves ahead, communities are supported and engaged, and neighborhoods are safe. This report does not fully capture the many ways cities are making use of the opportunities ARPA funds present to upgrade public utilities, including significant upgrades to water and sewer systems in Lakewood, Lancaster, Huber Heights, Beavercreek, and Findlay, for example. It also doesn't account for the over \$38 million in funds obligated to support premium/hazard pay for city first responders and to support city employees and assets, or the \$300 million that went toward balancing city budgets decimated by the pandemic, ensuring that city trash collection and other types of services continued throughout the downturn and subsequent effects.

In short, ARPA funds have kept Ohio cities running, preserved jobs, and ensured the continued operation of essential city services at the same time that they have fostered and accelerated innovation—ensuring Ohio cities' citizens, neighborhoods, and families are safe, supported, and prepared for Ohio's bright future.

Endnotes

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