



**Consolidated City of Indianapolis/Marion County
State and Local Fiscal Recovery Funds
American Rescue Plan Act
2021 Recovery Plan Report
August 31, 2021**

Executive Summary

On March 21, 2021, the United States Congress authorized the American Rescue Plan Act (ARPA), which directs the United States Treasury to award federal funds to states and local governments for the purposes of responding to and recovering from the effects of the coronavirus pandemic. The City of Indianapolis and Marion County, Indiana were allocated \$419,769,453, of which half the funds were received on May 21, 2021. During this initial phase of the grant period, staff have been involved in the following activities, ensuring appropriate administration and compliance with Treasury guidance.

1. In building off the successful distribution of the Coronavirus Relief Fund, initial planning activities focused on prioritizing those areas of greatest need, including services for individuals experiencing homelessness rental assistance, food relief, and support for small businesses and the hospitality industry.
2. Consistent with ARPA priorities, new projects include those that focus on reducing violence in the community, assisting neighborhoods in qualified census tracts/zip codes, and investments in stormwater infrastructure.
3. Aside from identifying ARPA funding priorities, staff are working to ensure compliance with federal grant management guidelines, such as following procurement standards, negotiating contracts with subrecipients, establishing a formal process for reimbursements to community partners, and planning for upcoming subrecipient monitoring.

Uses of Funds

Expenditure Category 1: Public Health

Indianapolis is planning to spend public health investment dollars to expand behavioral mental health services.

Expenditure Category 2: Negative Economic Impacts

Indianapolis plans to use ARPA funds to support the following programs: food relief, tenant assistance, job training, small business assistance, tourism, travel, and hospitality assistance, and hiring staff to alleviate the backlog of court cases.

Expenditure Category 3: Services to Disproportionately Impacted Communities

Indianapolis plans to implement the following programs: aid to high poverty districts, mental health services, community violence intervention, public parks improvements, and hiring additional law enforcement officers.

Expenditure Category 4: Premium Pay

Indianapolis is assessing premium pay to essential city employees from the Indianapolis Metropolitan Police Department, Indianapolis Fire Department, and Department of Metropolitan Development.

Expenditure Category 5: Water, sewer, and broadband infrastructure

Indianapolis is currently assessing and prioritizing projects under this expense category. Further details will be provided in forthcoming reports.

Expenditure Category 6: Revenue Replacement

As reported through Treasury's portal, data for revenue replacement was only recently calculated, thus replacement funds will not be allocated until the third quarter of 2021. The City did not report revenue loss in 2021; however Marion County reported \$21,493,450 in estimated revenue loss.

Other Recovery Funds: Emergency Rental Assistance Program Update

In addition to ARPA funds, Indianapolis is a recipient of Emergency Rental Assistance I & II funds, from CARES Act II and ARPA, respectively. Indianapolis was awarded two separate allocations of funds: \$28,880,903.80 (ERA I) and \$33,422,259.50 (ERA II). As of July 31, 2021, Indianapolis has spent a total of \$17,271,967.93, approved an additional \$2,769,132.77 in applications, and served 6,890 unique households. Applicants may apply for rental assistance at <https://indyrent.org>. The application software prioritizes in real time applications completed by households at or below 50% average medium income, or where at least one family member has been unemployed for 90 days at the time of application.

Beginning in September 2021, Indianapolis will manage, obligate, and distribute an additional \$91.4 million in CARES Act II Emergency Rental Assistance in partnership with the State of Indiana.

Promoting equitable outcomes

As noted above, Indianapolis leadership has spent the first quarter of the grant period planning and prioritizing grant activities; therefore, program metrics and data are not available. However, prior to launching programs, the following parameters were used to establish those groups disproportionately affected by the pandemic, and these groups will be prioritized through programs and services.

- Indianapolis will define ***disproportionately affected communities*** in two ways:
 - Communities that are located in qualified census tracts (QCTs), low-income areas designated by the United States Department of Housing and Urban Development, are automatically defined as disproportionately impacted.
 - Additionally, based on research from data experts at the Polis Center at IUPUI, Indianapolis zip codes were assessed to determine which neighborhoods were affected most by COVID-19. Residents living in zip codes with above average impact scores will automatically be defined as disproportionately impacted. Researchers are also assessing zip codes that have been disproportionately affected by crime and will identify those zip codes in an upcoming report.
- ***Negative economic impacts*** can be applied to those households or individuals who report any of the following.
 - **Unemployment:** Residents who have been without a job at any point since March 14, 2020, or are unable to secure enough employment, are defined as suffering economic harm from COVID-19.
 - **Housing Insecure:** Housing insecurity is defined as those individuals who have trouble paying rent or mortgage, live in an overcrowded residence, move frequently, stay with relatives, spend the majority of household income on housing, experience an eviction/foreclosure, or experience homelessness.

- **Food Insecure:** Food insecurity is defined as those who are unable to acquire adequate food for one or more household members because they had insufficient money and other resources for food.
- **Low or Moderate Income:** Low income is less than 50 percent of the area median income, while moderate income is at least 50 percent, and less than 80 percent, of the area median income. In 2019, the Marion County Area Median Household Income was \$50,707 meaning low- to moderate-income would be any individual who made less than \$40,565.60 during 2020. Additionally, individuals who receive Temporary Assistance to Needy Families (TANF), Social Security Income (SSI), Indiana Energy Assistance Program (EAP), Supplemental Nutrition Assistance Program (SNAP), or the Healthy Indiana Plan (HIP) will be considered low- to moderate-income and be presumed to have suffered economic harm from COVID-19.

Upcoming reports will provide specific programming related to how Indianapolis is promoting equitable outcomes, intended goals and outcomes, as well as awareness, access, and distribution of services.

As noted below, Indianapolis has prioritized programs that are designed to address Expense Category 2 (negative economic impacts) and Expense Category 3 (disproportionately impacted communities). Program details are summarized below, and additional data will be reported in forthcoming reports and once programs have launched.

Expenditure Category 2: Negative Economic Impacts:

The following proposed programs are intended to address the negative economic impacts that resulted from the pandemic. While not inclusive, as program planning is ongoing, these programs include food relief, tenant assistance, job training, small business assistance, tourism, travel, and hospitality assistance, rehiring public sector staff, and hiring staff to alleviate the backlog of court cases. Key programs include the following:

1. Home delivery of prepared meals to those residents who are food insecure;
2. Tenant assistance and advocacy efforts for housing insecure residents in danger of being evicted;
3. Homeowner repair programs;
4. Rental improvement fund for small business landlords;
5. Relief grants for independent music venues;
6. Marketing campaign to support recovery and cultural tourism;
7. Restart and recovery grants for independent artists;
8. Re-entry financial coaching and credit repair;
9. Job training programs for displaced workers with necessary skills to acquire promising jobs; and,
10. Temporary staff increases for criminal justice agencies, such as the prosecutor's and public defender's offices.

Expenditure Category 3: Services to Disproportionately Impacted Communities

The following proposed programs are intended to address disproportionately impacted communities. While not inclusive, as program planning is ongoing, these programs include aid to high poverty districts, mental health services, community violence intervention, support for homeless residents, and hiring additional law enforcement officers. Key programs include the following:

1. Non-congregate housing for homeless residents;
2. Neighborhood beautification of public spaces in impacted neighborhoods;
3. Mental health services for high-risk groups, such as homeless, at-risk juveniles, and residents with behavioral health and substance use disorders;
4. Expansion of community-based violence prevention grants;
5. Gun violence intervention programs; and,
6. Hiring additional law enforcement officers.

Community Engagement

Community Engagement activities that have occurred during this quarter, or are planned in the upcoming months, include the following:

- In April and May of this year, all City-County Councillors were engaged to understand feedback they were receiving from their constituents.
- On May 11, 2021, a fiscal ordinance was introduced to the Administration and Finance Committee of the Indianapolis/Marion County Council that detailed a small portion of ARPA funds (\$3,621,300), and public comment was taken during this meeting.
- In May and June, 2021 city leadership engaged civic stakeholders, and on June 30 received proposals from over 20 organizations of suggested program investments.
- On August 10 and 17, 2021, city leadership presented initial ARPA priorities to the Administration and Finance Committee of the Indianapolis/Marion County Council and heard public testimony at both meetings.
- Hosted a series of meetings with community stakeholders prior to, and following, introduction of ARPA priorities to Indianapolis/Marion County Council.

Labor Practices

Information regarding labor practices will be provided in forthcoming reports, as city leadership is still in the planning stages regarding workforce and infrastructure projects.

Use of Evidence

The City of Indianapolis recognizes the importance of evidence-based programming, and where appropriate, will include such programming in ARPA activities. For example, anti-violence, behavioral health, and mental health programming will be based on strategies that have been rigorously tested and found to be effective. As noted earlier, additional details will be provided in forthcoming reports, once programs and activities are finalized.

Table of Expenses by Expenditure Category

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.1	COVID-19 Vaccination	\$0.00	\$0.00
1.2	COVID-19 Testing	\$0.00	\$0.00
1.3	COVID-19 Contact Tracing	\$0.00	\$0.00
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)	\$0.00	\$0.00
1.5	Personal Protective Equipment	\$0.00	\$0.00
1.6	Medical Expenses (including Alternative Care Facilities)	\$0.00	\$0.00
1.7	Capital Investments or Physical Plant Changes to Public Facilities that respond to the COVID-19 public health emergency	\$0.00	\$0.00
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)	\$0.00	\$0.00
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19	\$0.00	\$0.00
1.10	Mental Health Services	\$0.00	\$0.00
1.11	Substance Use Services	\$0.00	\$0.00
1.12	Other Public Health Services	\$0.00	\$0.00
2	Expenditure Category: Negative Economic Impacts		
2.1	Household Assistance: Food Programs	\$0.00	\$0.00
2.2	Household Assistance: Rent, Mortgage, and Utility Aid	\$0.00	\$0.00
2.3	Household Assistance: Cash Transfers	\$0.00	\$0.00
2.4	Household Assistance: Internet Access Programs	\$0.00	\$0.00
2.5	Household Assistance: Eviction Prevention	\$0.00	\$0.00
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers	\$0.00	\$0.00
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)	\$0.00	\$0.00
2.8	Contributions to UI Trust Funds*	\$0.00	\$0.00
2.9	Small Business Economic Assistance (General)	\$0.00	\$0.00
2.10	Aid to nonprofit organizations	\$0.00	\$0.00

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
2.11	Aid to Tourism, Travel, or Hospitality	\$0.00	\$0.00
2.12	Aid to Other Impacted Industries	\$0.00	\$0.00
2.13	Other Economic Support	\$0.00	\$0.00
2.14	Rehiring Public Sector Staff	\$0.00	\$0.00
3	Expenditure Category: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning	\$0.00	\$0.00
3.2	Education Assistance: Aid to High-Poverty Districts	\$0.00	\$0.00
3.3	Education Assistance: Academic Services	\$0.00	\$0.00
3.4	Education Assistance: Social, Emotional, and Mental Health Services	\$0.00	\$0.00
3.5	Education Assistance: Other	\$0.00	\$0.00
3.6	Healthy Childhood Environments: Child Care	\$0.00	\$0.00
3.7	Healthy Childhood Environments: Home Visiting	\$0.00	\$0.00
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System	\$0.00	\$0.00
3.9.	Healthy Childhood Environments: Other	\$0.00	\$0.00
3.10	Housing Support: Affordable Housing	\$0.00	\$0.00
3.11	Housing Support: Services for Unhoused persons	\$0.00	\$0.00
3.12	Housing Support: Other Housing Assistance	\$0.00	\$0.00
3.13	Social Determinants of Health: Other	\$0.00	\$0.00
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators	\$0.00	\$0.00
3.15	Social Determinants of Health: Lead Remediation	\$0.00	\$0.00
3.16	Social Determinants of Health: Community Violence Interventions	\$0.00	\$0.00
4	Expenditure Category: Premium Pay		
4.1	Public Sector Employees	\$0.00	\$0.00
4.2	Private Sector: Grants to other employers	\$0.00	\$0.00
5	Expenditure Category: Infrastructure		
5.1	Clean Water: Centralized wastewater treatment	\$0.00	\$0.00
5.2	Clean Water: Centralized wastewater collection and conveyance	\$0.00	\$0.00
5.3	Clean Water: Decentralized wastewater	\$0.00	\$0.00
5.4	Clean Water: Combined sewer overflows	\$0.00	\$0.00
5.5	Clean Water: Other sewer infrastructure	\$0.00	\$0.00

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
5.6	Clean Water: Stormwater	\$0.00	\$0.00
5.7	Clean Water: Energy conservation	\$0.00	\$0.00
5.8	Clean Water: Water conservation	\$0.00	\$0.00
5.9	Clean Water: Nonpoint source	\$0.00	\$0.00
5.10	Drinking water: Treatment	\$0.00	\$0.00
5.11	Drinking water: Transmission & distribution	\$0.00	\$0.00
5.12	Drinking water: Transmission & distribution: lead remediation	\$0.00	\$0.00
5.13	Drinking water: Source	\$0.00	\$0.00
5.14	Drinking water: Storage	\$0.00	\$0.00
5.15	Drinking water: Other water infrastructure	\$0.00	\$0.00
5.16	Broadband: “Last Mile” projects	\$0.00	\$0.00
5.17	Broadband: Other projects	\$0.00	\$0.00
6	Expenditure Category: Revenue Replacement		
6.1	Provision of Government Services	\$0.00	\$0.00
7	Administrative and Other		
7.1	Administrative Expenses	\$0.00	\$0.00
7.2	Evaluation and data analysis	\$0.00	\$0.00
7.3	Transfers to Other Units of Government	\$0.00	\$0.00
7.4	Transfers to Nonentitlement Units (States and Territories only)	\$0.00	\$0.00

Project Inventory

As noted previously in this report, the City of Indianapolis is still in the planning phase for all ARPA projects. The information requested in this section is not available for this reporting period; however, will be reported in subsequent reports. As reported through Treasury’s State, Local, and Tribal portal, no expenditures and obligations are reported through July 31, 2021.