10 Priorities for Advancing Racial Equity Through the American Rescue Plan

PolicyLink

A Guide for City and County Policymakers

In 2020, the extreme inequalities of the Covid-19 pandemic and the outcry against police brutality and systemic racism following the murder of George Floyd pushed racial equity to the forefront of public consciousness and policy debate. Many local leaders acknowledged how current and historic policies have contributed to racial inequities and pledged to focus on advancing racial equity. On his first day in office, President Biden signed an executive order to address racial equity and redress systemic racism in federal policies, laws, and programs.

With about 250 million Americans vaccinated, the $1.9 trillion American Rescue Plan Act of 2021 (ARP) underway, and the next stimulus bill being crafted in Congress, 2021 offers hope for recovery. After a year of fighting for fiscal relief amidst budget shortfalls and federal austerity during the previous administration, the current recovery package delivers significant, flexible resources to local and state governments. Beginning this month, city and county governments will have $130 billion in one-time federal resources, through the Coronavirus Local Fiscal Recovery Fund, to fill budget holes and pay back borrowed funds, address health and economic issues exacerbated by the pandemic, and invest in critical water, sewer, and broadband infrastructure.

This infusion of public money to the local governments that are closest to the low-wage workers and communities of color who've lost the most in this unequal pandemic is sorely needed, and a crucial step forward. But equity has never been achieved without a fight or a plan, and the lessons from past recovery efforts are clear: absent a race-conscious approach and sharp focus on delivering measurable benefits to those most impacted, recovery efforts will leave frontline communities and communities of color behind and further entrench racial inequities.

We cannot let this happen: this initial allocation of ARP funds should be used to make a downpayment on an equitable recovery and redesigning our communities to work for all.

PolicyLink defines **equity** as just and fair inclusion into a society in which all can participate, prosper, and reach their full potential. We will have achieved racial equity when race no longer predicts life outcomes.

Racial equity is a moral imperative, and also an economic one: as research from the National Equity Atlas, the Federal Reserve, and others have shown, eliminating racial inequities will strengthen local economies. If the San Antonio region had eliminated its racial inequities in income in 2017, for example, the regional economy would have seen $48 billion more in total economic output—that's 37 percent additional economic growth. Equity is the superior growth model, and crucial to securing our economic future.

To meet the urgency and potential of this moment, municipalities must invest the recovery resources to both stabilize the hardest-hit workers and businesses and make targeted, catalytic investments to advance racial equity and build an equitable economy: one in which working-class people and people of color have good jobs, dignified and rising standards of living, and equal voice, power, and ownership.

To bridge from recovery to equity, local jurisdictions seeking long-term transformative impacts must recognize that threats, risks, and trauma are daily conditions experienced in low-income communities and communities of color and deploy recovery resources in a manner that begins to address the underlying conditions that perpetuate disadvantage.

Ten priorities and accompanying worksheet provide guidance and support to city and county policymakers who seek to deliver on their racial equity commitments and spur an equitable recovery. These equity priorities were developed in consultation with chief equity officers, policymakers, community leaders, economic development practitioners, research and policy organizations, and philanthropic partners that are part of learning and planning networks that span dozens of cities. While our focus is on the distribution of the flexible American Rescue Plan resources, these recommendations apply to all public investments.

The Coronavirus Local Fiscal Recovery Fund can be used for the following activities:

1. Respond to the Covid-19 emergency and address its economic effects, including through aid to households, small businesses, nonprofits, and industries such as tourism and hospitality.

2. Provide premium pay to essential employees or grants to their employers deemed critical to protect health and well-being of the residents. Premium pay can't exceed $13 per hour or $25,000 per worker.

3. Provide government services affected by a revenue reduction resulting from Covid-19.

4. Make investments in water, sewer, and broadband infrastructure.

Most local jurisdictions will receive half of their funds in early May, with the second disbursement in May 2022. They have until the end of 2024 to spend the money, regardless of when it was received.

10 Priorities for Advancing Racial Equity Through the American Rescue Plan

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

1 Explicitly name racial equity as a goal, with specific targets to produce results at scale

Every city and county in this country faces the challenge of eliminating racial inequities, and every city and county should use these recovery resources to remove barriers to full participation and proactively advance racial equity and inclusion. Recovery plans should explicitly prioritize racial equity as a goal, name specific targets that produce meaningful equity results at scale, and articulate the strategies to achieve those targets. Targets must be defined locally and they should address documented racial inequities (the National Equity Atlas provides extensive metrics that could be used to do this). For illustrative purposes, targets might look like this: 10,000 unemployed and low-wage workers connected to good jobs, with demographics mirroring those of the overall unemployed and low-wage workforce; 15 percent of total contracted resources go to businesses owned by Black people. Publicly naming equity as the goal is just a first step, but it is important that equity is at the center of the debate around how to allocate these resources.

Consider a Community Reparations Program. In March of this year, Evanston, Illinois, established a Restorative Housing Program fund to provide Black residents with $25,000 grants for homeownership as a form of reparations for housing discrimination via racist zoning in place from 1919 to 1969. In July 2020, Asheville, North Carolina, began the process of establishing a community reparations program focusing on redressing the harms of its urban renewal program in the 1960s and 1970s. Recognizing the significant and irreparable harms to Black residents created by past city policies, many other cities are considering local reparations programs.

2 Engage historically underserved communities in prioritizing investments

Equitable outcomes come about through equitable processes in which underserved communities that have been systematically denied full opportunities to participate in social, economic, and civic life have a meaningful say in decision-making. These new federal resources create a rare and important opportunity to strengthen multicultural democracy, build community power, and increase trust and belonging through inclusive processes. As funds are released, community demand will intensify for those funds to be used quickly to address unmet needs. Rather than quickly choosing the most “shovel-ready” projects, city and county leaders should partner with the grassroots and resident-led organizations working in the communities most impacted by structural racism to prioritize and implement recovery projects. These groups bring crucial local knowledge to inform decisions about the most impactful equity investments. Local governments should co-create policy and program strategies with them, engage them in determining how funds will be spent, and invest in the plans and demands they’ve already put forth.

3 Connect unemployed and low-wage workers with good jobs and careers

The pandemic shined a spotlight on vast inequities entrenched in our labor market: workers of color are both more likely to be in the "essential" workforce and work in sectors hardest hit by the pandemic—often earning abysmally low wages with few benefits or career advancement opportunities as well as greater exposure to Covid-19. Black and Latinx workers—and particularly women—have experienced the steepest job losses while simultaneously facing the most barriers to regaining work. This employment crisis rests atop structural issues: stagnant wages, skyrocketing inequality, an anemic workforce development system, and persistent racial discrimination and occupational segregation. Across cities and counties, Black, Latinx, and Native American workers are far less likely than their White counterparts to earn the bare minimum dignified wage of $15/hour.

Getting people back to work in good, family-supporting jobs is a major priority of the White House, and city and county governments have valuable tools to make it happen.

- **Provide premium/hazard pay to essential workers** to recognize their value and increase their economic security. Hazard pay is a key demand of frontline workers and their unions and a designated use of the ARP funds, and there is no other dedicated federal funding for it. Hazard pay should be retroactive and progressively targeted to workers earning the lowest wages (Pennsylvania's program focused on workers earning less than $20/hour).
- **Require targeted hiring and living wages** for the temporary and permanent jobs created by projects supported by recovery funding. Targeted hiring policies ensure that workers who face barriers to employment (e.g., residents of low-income neighborhoods, disconnected youth, the long-term unemployed, formerly incarcerated people, veterans, people with disabilities), as well as participants in apprenticeship and job-training programs, can access good jobs.[1] Living-wage policies set wage standards for city employees, government contractors, and companies receiving public subsidies, and can include other standards such as paid sick leave. Both can be standalone policies or a part of community benefits agreements negotiated on large development projects.
- **Fund paid, "learn and earn," community-based pre-apprenticeship programs** that have a strong track record of preparing new workers, especially women and people of color, for construction jobs and apprenticeships.
- **Fund workforce intermediary partnerships** that are effectively training and placing disadvantaged and low-wage workers in good jobs in growing industries.
- **Require that employers receiving ARP funds comply with the $15 minimum-wage requirement** established by the administration for federal contractors.

Targeted Hiring and Living Wages Deliver Good Jobs. Under a community benefits agreement on the Oakland Army Base Redevelopment project, 50 percent of apprenticeship hours have gone to veterans, people with conviction records, the long-term unemployed, and others facing barriers to unemployment—double the agreement's goals. The City of Saint Paul recently raised its living wage for public jobs to $20 per hour, elevating the base pay for 480 entry-level employees, 40 percent of whom are people of color.

1. While the federal government currently prohibits local hiring on federally funded projects (see Section 200.319 "Competition" in the Uniform Administrative Requirements for Federal Awards), targeted hiring is permitted and can effectively advance racial equity goals since workers of color are disproportionately among the accepted categories of disadvantaged workers.

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

Covid-19 devastated many small businesses, and disproportionately those owned by people of color and immigrants. Because of systemic inequities in access to capital and business services, entrepreneurs of color are more concentrated in sectors like retail, restaurants, childcare, and other services that have lower capitalization requirements—the same sectors that were most impacted by stay-at-home orders and social distancing. Between February and April 2020, the number of Black-owned businesses dropped 41 percent, followed by immigrant-owned businesses at 36 percent, Latinx-owned businesses at 32 percent, Asian-owned businesses at 26 percent, and White-owned businesses at 17 percent. Business owners of color were in a more precarious position to begin with, and the design of the Paycheck Protection Program (PPP) largely failed them. Entrepreneurs of color have been less likely to receive PPP loans and less likely to receive the full amount they applied for.

Local recovery efforts should help build "inclusive entrepreneurial ecosystems"—comprehensive systems of business support to help people of color start and scale up businesses. The Nowak Metro Finance Lab describes five key approaches: 1) Provide entrepreneurial support through intermediaries that effectively serve business owners of color; 2) Increase access to capital through new products and community navigators; 3) Expand supplier diversity by building the capacity of subcontractors to become prime contractors and growing intermediaries that connect purchasers to vendors; 4) Strengthen commercial corridors in communities of color; and 5) Grow and diversify sectors through targeted efforts to support and scale people-of-color-owned businesses in growing, higher paying sectors.

The American Rescue Plan Act dedicated about $50 billion to small businesses including specific funds for restaurant owners, a new "Community Navigator" program to help business owners access recovery resources, and additional PPP funding and loan assistance. Local governments should leverage their flexible ARP resources to manifest their broader plans and set the "rules of the road" for recovery spending.

- **Support plans for building inclusive entrepreneurial** ecosystems, and fund priority equity-focused activities that cannot be fully resourced through other sources.
- **Employ inclusive contracting and procurement practices on recovery spending** to ensure that underrepresented entrepreneurs have access to these opportunities, including: setting equity targets for minority-owned business enterprises (MBEs) and disadvantaged business enterprises, using "best value contracting" to require prime bidders to propose plans for maximizing utilization of MBEs and hiring practices that create opportunities for disadvantaged workers, streamlining certification processes, breaking up large contracts into smaller subcontracts, helping subcontractors grow into prime contractors, and removing onerous financial burdens for small businesses.
- **Invest in local, nonprofit community development financial institutions** to provide funding and technical assistance for neighborhood-based businesses in communities of color.

Procurement Equity in Memphis. Since a 2016 disparity study found that only 6 percent of $664 million in spending between 2010 and 2014 went to prime contractors that were minority- or women-owned, the City of Memphis has worked diligently to reduce these inequities, increasing its spending with minority- or women-owned firms by 20 percent within two years and more recently launching an "800 Initiative" focused on helping the 800 Black-owned companies with employees grow their revenue by $50 million within five years.

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

State and local governments cut an unprecedented number of jobs during the pandemic—nearly 1.4 million jobs (primarily in education) have been lost since February 2020, according to the Economic Policy Institute. These cuts disproportionately harm Black and Brown workers, who make up an outsized share of the public sector workforce, as well as low-income, frontline, and disinvested communities that rely upon public services and receive too few of them to meet needs.

Public sector services are also essential to equitable recovery. The pandemic revealed the need for strengthened public health and care infrastructure, modernized benefits services, and disaster planning and response, among other public services. Overcoming pandemic-related learning losses requires fully staffing our public schools. Building back better will also mean getting to zero carbon emissions and creating community environments that promote health, safety, and economic mobility and dignity— goals that can only be attained through a strengthened public sector.

- **Recovery projects should restore these jobs and expand services and infrastructure** in hard-hit communities. Investments should meet community needs and promote health, economic security, and neighborhood vitality, and should not support activities that harm and negatively target communities of color, such as policing, jails, prisons, and surveillance.
- **Create new, living-wage public sector jobs that deliver on community infrastructure and care** needs, such as community climate corps and public health job corps, and ensure disadvantaged workers can access them.

New York's New Deal-Style Jobs Program. In April, New York City launched the City Cleanup Corps (CCC) to directly create 10,000 new public jobs revitalizing the city's neighborhoods, public spaces, parks, green spaces, and public art, with a focus on the 33 neighborhoods hardest hit by Covid-19.

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

Where you live determines your health, well-being, and economic success. From safe drinking water and stable housing, to affordable health care, reliable broadband and healthy food, to safe parks, clean air, and quality schools it is clear that controlling the spread and withstanding the impact of a deadly virus is only possible when people's most basic human needs are being met. The pandemic reminded us that far too many Americans, disproportionately low-income people and people of color, lack the essential components of healthy communities.

These disparities are no accident, but stem from years of discriminatory land use planning, inequitable investment, racial segregation, and neglect at all levels of government. Building back better means addressing these injustices and investing heavily in the frontline and environmental justice communities that have been most impacted by the pandemic as well as systemic racism.

- **Build for resilience** by investing in household weatherization, energy efficiency, climate resilience hubs and other critical infrastructure and services communities need to withstand our changing climate, and by ensuring that infrastructure design and construction accounts for climate risk.
- **Fund water infrastructure projects** that deliver safe and affordable water and wastewater services to vulnerable communities; replace lead pipes; protect natural water ecosystems; and increase resilience in communities that are subject to drought, sea-level rise, and flooding impacts.
- **Fund projects that expand access to transportation and lessen the environmental impact of transportation systems** in the highest-poverty communities of color, including projects that connect transit-dependent communities to job centers, educational opportunities, and public, recreational, and cultural spaces and build climate-resilient transportation infrastructure.
- **Use a "cumulative impact assessment" framework** to assess the impact of the investment when added to other past, present, and reasonably foreseeable future actions.
- **Support projects that affirmatively further fair housing** by ensuring people of color have equitable access to neighborhoods with good schools and other community assets as well as by investing in low-income communities of color.
- **Evaluate "shovel-ready" projects that are already being considered for funding** and eliminate those that will cause displacement, further concentrate pollution exposure, or cause other harms to low-income communities and communities of color.

7 Prevent displacement and increase community ownership of land and housing

Even before the pandemic, over 40 million US households were spending more than they could afford on housing, and half a million people were unhoused. Women of color suffer the highest eviction rates and cost burden, and Black and Indigenous people face the highest rates of homelessness. Overcrowded housing conditions became a driver of Covid exposure and infections for low-wage workers and families of color.

The economic fallout of the pandemic created a looming eviction crisis that has been largely staved off by eviction moratoria implemented by more than 35 states and 150 municipalities, as well as the federal government, but these measures are temporary. Some 5.7 million renter households are currently behind on rent totaling nearly $20 billion and they are overwhelmingly low-income families that lost employment income during the pandemic, disproportionately people of color.

Preventing displacement and eliminating rent debt are essential to stabilize the renters hardest hit by the pandemic and make equitable recovery possible. And to build back better, local leaders need to invest in long-term solutions, including increasing our stock of community-owned, permanently affordable housing.

- **Maintain strong eviction moratoria for one year beyond the expiration of the pandemic and provide funding to eliminate rent debt** and support struggling landlords and nonprofit affordable housing providers. Landlord assistance should be paired with eviction protections, lease renewals, and protections from exorbitant rent increases, and programs should ensure undocumented people can access it.
- **Expand services and acquire permanent housing** for people who are unhoused.
- **Fund acquisition strategies to transfer housing and land to community ownership and stewardship,** including rapid-response acquisition funds, community land trusts, and land banks to quickly purchase properties that come up for sale and compete with speculators. Consider using recovery dollars to support nonprofit organizations, particularly tenant-based organizations and groups led by people of color, to acquire, operate, and maintain buildings as permanently affordable housing. Mandate that acquired properties are permanently affordable.

Communities Know How to Steward Housing. In 2020, tenants in Minneapolis partnered with a community land bank to collectively purchase five buildings from their landlords, preventing the eviction of all residents and securing more than $6 million in wealth.

8 Strengthen civic infrastructure that builds the power and capacity of marginalized communities

Amid the disruption of the pandemic, the nonprofit, grassroots community-based organizations that serve, employ, organize, and advocate for underserved residents played a crucial role in delivering needed health care and relief services, administering public aid, and spearheading vaccination campaigns. These institutions have the trust, knowledge, skills, and relationships needed to meet the needs of residents who are often neglected and harmed by other institutions. They will be critical to delivering an equitable recovery, and to ensuring residents who lack money and power can actively participate in shaping the future of their neighborhoods and communities.

More and stronger mechanisms for participation and voice in decision-making will also be needed to increase underserved communities' sense of belonging and connection to local government. In addition, larger nonprofit intermediaries that have strong administrative capacity and reach can be the connectors and glue between government agencies overseeing programs and the community-based organizations that work directly with residents.

Local governments should use their ARP resources to support these elements of essential civic infrastructure.

- **Invest directly in the grassroots, community-based organizations** that have a track record delivering needed services to underserved and marginalized residents, including organizations focused on organizing tenants and workers to advocate for their rights.
- **Invest in effective intermediaries** who have the capacity to administer larger programs and deliver resources to smaller, community-based organizations that can deploy them in underserved communities.
- **Fund participatory budgeting processes** that focus on directly engaging traditionally excluded communities in selecting investments.

Community Networks Deliver Results. In rural Kentucky, Partners for Education at Berea College combines nearly $43 million in local, state, federal, and philanthropic funding each year to serve more than 50,000 youth and their families. During the pandemic, the intermediary deployed family coordinators to connect families living across eight counties to health-care workers and financial assistance amidst spikes in unemployment. In the Mission District of San Francisco—the neighborhood historically home to the city's Latinx community—the Mission Economic Development Agency coordinated with community agencies and the City of San Francisco to distribute relief loans and grants to 419 small businesses disparately impacted by ongoing gentrification and the economic fallout from the pandemic.

9 Prioritize a few deep, cross-sector, high-impact equity investments

The ARP provides significant resources, but spreading them evenly throughout your community will water down their impact. Rather than dispersing small amounts of funding across many programs, local governments should prioritize using their flexible ARP funds to support a small number of high-impact investments that work across sectors to deliver on racial equity goals. Choosing a smaller number of larger scale equity-focused investments can serve to focus energy and attention on those strategies, galvanizing additional support from public, philanthropic, and private sources and capturing the public's imagination.

By thinking bigger, and bringing together different capacities and funding streams, local governments can leverage their ARP dollars for far greater equity impact. Cities and counties could coordinate on partnerships and projects that combine investments in both physical and civic infrastructure. For example, cities could purchase and rehabilitate vacant buildings to create more available and affordable property for county-provided services like health clinics and early learning centers. By connecting with labor unions and workforce intermediaries, they could incorporate employment programs such as apprenticeships to support and staff the projects. By blending the one-time ARP funds with annual block grants, communities can implement longer term solutions.

Piloting Guaranteed Income. The guaranteed income pilots in Stockton, California, and Jackson, Mississippi exemplify how well-crafted, bold, equity-focused programs can captivate the public and spark larger scale efforts while delivering meaningful local results.

10 Track disaggregated data to ensure accountability to equity goals

Gathering and monitoring data on program outcomes is critical to successful implementation (and continual program improvement) and to reporting to the public about results. Local leaders need to plan for this tracking from the beginning and set up programs to capture the data needed to track progress toward the equity targets described above. To know whether resources and programs are being equitably distributed and reaching targeted groups, it is critical to collect data by race/ethnicity, nativity, gender identity, socioeconomic status, and disability status, as well as by neighborhood. It will also be important to use qualitative methods like focus groups and interviews, to include residents' experiences and perspectives. The data collected on recovery spending and program progress should be made available to the public via a recovery dashboard. In addition, local governments should directly invest in the data infrastructure of community-based organizations to track disaggregated data related to strategies and facilitate data-sharing agreements with agencies. They should also fund tools, technology, and data partners that provide local jurisdictions a mechanism for assessing and monitoring intermediate and long-term impacts.

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.)?

- —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?
- 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?

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?

8. Strengthen civic Infrastructure that builds the power and capacity of marginalized communities

- What methods of community engagement are being utilized to get community input and feedback?
- How will grassroots organizations and advocates be engaged?
- How will the stakeholders of the impact community for the project be engaged in the decision-making process?
- Does civic infrastructure exist in the impact area? What does it look Like?
- What investments are planned to provide direct financial support for and build the capacity of community-based and grassroots organizations in the project's impact area?

9. Make high-impact, cross-sector equity investments

- What other projects or investments are planned or forecasted for the impact area (including private sector and nonprofit investments)?
- What additional funding sources can be aligned with ARP funds, including other emergency funds that need to be spent immediately as well as those with a longer spending life?
  —To support Universal Pre-K?
  —To create pathways of opportunity for students to good jobs?
  —To create broadband networks as a universal public good?
- Development projects generally have economic growth as an outcome, often at the price of dispossession. Do other planned projects exacerbate segregation and/or dispossession?
- Do other planned projects have investments in racial equity and anti-displacement strategies?
- Do investments in human capital address issues of poverty? To what scale? Can measurable reductions in poverty be achieved (i.e., child tax credit)?
- Does leveraging other projects enhance racial equity or exacerbate inequity and dispossession?

10. Track disaggregated data to ensure accountability to equity goals

- To what extent is data disaggregated? Where can disaggregation be improved to capture race, ethnicity, gender identity, socioeconomic status, and disability status?
- How often is data collected?
- What processes are in place to support the use of disaggregated data to assess the efficacy of projects and iterate strategies?
- What agency of government has responsibility for collecting and monitoring certified payroll data?
- Do the individual agencies collect data per program (i.e., airport, transit, housing, etc.) or is labor compliance centralized?
- What tool is used?
- What tool is utilized to collect and update socioeconomic impact data? Where is this work institutionalized? What partners are involved in oversight of monitoring impacts around racial equity and poverty reduction?
- Does the capacity for data collection and monitoring exist at the county level? For small and rural jurisdictions, are regional intermediaries engaged in and funded for data collection and monitoring? Are partners engaged in and funded to enhance data collection and monitoring capacity?

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