

Memo

To: Mayor Tishaura O. Jones, Comptroller Darlene Green, President Lewis Reed, and Stimulus Advisory Board Members

From: Stimulus Advisory Board Direct Relief Subcommittee

Date: June 1, 2021

Recommendations on the Expenditure of American Rescue Plan Act (ARPA) for State and Local Fiscal Recovery Funds

Overview: The following memo details the recommendations from the Stimulus Advisory Board Direct Relief Subcommittee to Mayor Tishaura O. Jones, Comptroller Darlene Green, President Lewis Reed, and Stimulus Advisory Board Members on the spending of the first \$68 million in American Rescue Plan Act (ARPA) for State and Local Fiscal Recovery Funds, as well as additional funds through the Emergency Rental Assistance Program and E-Rate program from ARPA. This memo first outlines the task of the Stimulus Advisory Board and the framework used by the Direct Relief Subcommittee in making these recommendations, including how “Direct Relief” was defined for the purposes of focusing these recommendations. Second, this memo reviews the community needs assessment data that was used to inform these recommendations. Third, this memo details 6 Priorities for funding, as seen in Table 1, and provides recommendations for how funds may be allocated to support each funding Priority.

Table 1.

Framework Category	Amount
Priority 1: Critical Health Needs	\$9,650,000
Priority 2: Housing Assistance	\$17,891,997
Priority 3: Support for Unhoused Neighbors	\$13,086,370
Priority 4: Economic Relief	\$14,500,000
Priority 5: Youth Jobs & Programming	\$4,620,750
Priority 6: Expanding Internet Access	\$6,000,000
Administrative Costs	\$2,350,000
Total	\$68,099,117

Last, this memo discusses a path forward beyond allocating the first \$68 million in American Rescue Plan Act (ARPA) for State and Local Fiscal Recovery Funds (SLFRF), as well as additional funds through the Emergency Rental Assistance Program (ERAP) and E-Rate program from ARPA, to lay the foundation for future systems level interventions needed to build a more resilient St. Louis City. The amount of revenue received from each funding source can be found in Table 2.

Table 2.

Source of Revenue	Amount
State and Local Fiscal Recovery Funds (SLFRF)	\$53,657,120
Emergency Rental Assistance Program (ERAP)	\$12,441,997
E-RATE	\$2,000,000

Introduction

Stimulus Advisory Board: The Stimulus Advisory Board was appointed by Mayor Tishaura O. Jones to advise and assist Mayor Jones by conducting research, building processes, and providing recommendations designed to ensure that American Rescue Plan funds are invested equitably, in line with the community's priorities, and for maximum transformational impact. As such, the Direct Relief subcommittee of the Stimulus Advisory Board, using best practices, and after receiving feedback from the St. Louis community, is presenting as its preliminary and initial recommendations the following framework to Mayor Jones, Comptroller Darlene Green, President Lewis Reed, and Stimulus Advisory Board Members for consideration in the expenditure of the first \$68 million in American Rescue Plan Act (ARPA) for State and Local Fiscal Recovery Funds (SLFRF), as well as additional funds through the Emergency Rental Assistance Program (ERAP) and E-Rate program from ARPA.

Approach to Developing The Framework: While the Stimulus Advisory Board Direct Relief Subcommittee recognizes there are many needs in our community, the purpose of this portion of the work is to provide "Direct Relief" activities that deliver rapid assistance to households and businesses most in need in the City of St. Louis, in order to meet basic individual and community needs. This area of funding is intended to stabilize households and businesses during the COVID-19 pandemic and post-pandemic hardship. Additionally, this framework lays the foundation for systems level interventions to be implemented with subsequent rounds of funding so as to create a more resilient St. Louis in the face of another crisis like the COVID-19 pandemic.

Additional considerations for inclusion of activities under "Direct Relief" include but are not limited to:

- Focus on populations under-served by previous or current relief programs during the COVID-19 pandemic.
- Funds that need to be spent on a short timeframe (e.g., the Emergency Rental Assistance Program funds).
- Activities that serve multiple purposes.
- Selected pilot activities with the potential to set up longer-term programs.
- Existing capacity (within City government and/or via community partners) for program administration.
- Community input and other data reflecting community needs.

The following framework for the expenditure of the first \$68 million in American Rescue Plan Act Funds for State and Local Fiscal Recovery Funds, Emergency Rental Assistance Program, E-rate are organized by six priorities: Meeting Critical Health Needs, Housing and Utility Assistance, Support for Unhoused Neighbors, Economic Relief, Youth Programming and Childcare, and Expanding Internet Access. These Priorities are ordered numerically 1-6 from the Priority with the most community need to the least community need as determined by data received from the Direct Relief Community Needs Assessment Survey and cross referenced with requests for services from 2-1-1, St. Louis Mutual Aid, and the CARES Act as seen below in Tables 3 and 4.

Table 3. Community Needs Assessment Survey Data

Category	Median	Mean
Meeting Critical Health Needs	5	4.43
Rental, Mortgage, And Utility Assistance	5	4.35
Support for the Unhoused	5	4.29
Small and Distressed Businesses	4	4.18
Summer Youth Programming	4	3.88
Expanding Internet Access	4	3.69
Free Public Transportation	4	3.64
Targeted Direct Cash Assistance	4	3.59

Table 4. Community Requests for Services

Direct Relief Category	From 3/1/2020 - 4/30/2021		From 8/1 to 12/2/2020
	211 Requests	Mutual Aid Requests	CARES Act Requests
Rental, Mortgage, & Utility Assistance	36,339		5,718
Wrap Around Support for the Unhoused	14,371	1,579	
Targeted Direct Cash Assistance	1,838		
Feeding the Hungry	6,932	1,534	
Meeting Critical Health Needs	3,675	102	
Free Public Transportation	1,176	275	
Bridging the Digital Divide	1,019		
Small & Distressed Business Assistance	392		
Summer Youth Jobs & Programming	356	137	
Other	6,512	411	
Total	72,610	4,038	5,718
Zipcodes/Areas with Most Requests	63118, 63115, 63111	Unhoused, Carondelet/Dutchtown	63118, 63111, 63116

In addition, the Stimulus Advisory Committee Direct Relief Subcommittee used the [St. Louis City Equity Indicators](#) to evaluate each Direct Relief Priority. A summary is below, in Table 5, with average Equity Scores as aligned to Direct Relief Priorities. A lower score indicated greater inequity in the City of St. Louis between Black and white residents. One hundred would indicate “equity.” This helped the Direct Relief Subcommittee make funding recommendations to address the greatest inequities in our City.

Table 5.

Direct Relief Priority	Total Average Equity Score
Rental, Mortgage, & Utility Assistance	23
Targeted Direct Cash Assistance	28
Wrap Around Support for the Unhoused	29
Meeting Critical Health Needs	31
Feeding the Hungry	31
Bridging the Digital Divide	37
Summer Youth Jobs & Programming	48
Free Public Transportation	63
Small & Distressed Business Assistance	68

Priorities

The following sections outline the six priorities-- Meeting Critical Health Needs, Housing and Utility Assistance, Support for Unhoused Neighbors, Economic Relief, Youth Programming and Childcare, and Expanding Internet Access-- identified through the community needs assessment. The suggested funding recommendations to meet these priorities are also detailed in each of the following six sections. Last, recommendations for the administrative support necessary to ensure successful monitoring and compliance of the implementation of each of these priorities are made.

Priority 1: Meeting Critical Health Needs

During the pandemic, about [4 in 10](#) adults in the U.S. have reported symptoms of anxiety or depressive disorder. The pandemic has [impacted the well-being of households](#), particularly mothers, children, young people, older adults, and people with disabilities in having poorer mental health and women adversely impacted by the economic downturns, such as [job loss](#). For us as a community to survive the COVID-19 pandemic, we need to put resources towards ongoing testing, vaccine education, vaccinations, and mental health support. With about [28 percent of City of St. Louis residents](#) having completed vaccinations, there is a long way to go before we are out of this pandemic. Additionally, rates of [community violence have continued to increase throughout the pandemic](#) with 2021 already [outpacing 2020 homicide rates](#) indicating a greater need for investments in evidenced-based community violence intervention programs.

The data received from the public indicated meeting critical health needs as the top priority. As such, the Stimulus Advisory Board Direct Relief Subcommittee is recommending funding be allocated toward mobile vaccination clinics, public education, and community canvassing efforts to increase vaccination rates in low-income communities. It is also recommended that the city hire Community Health Workers and establish a fund for recruitment and retention of Home Healthcare Workers and Direct Support Professionals to support individuals with disabilities

living in the community. Additionally, it is suggested that funding be directed towards behavioral health providers to expand capacity in addressing community mental health needs. Finally, it is recommended that funds be allocated toward evidence-based community violence intervention programs—such as [Cure Violence, which is already showing promise in select neighborhoods](#)—to address the violence epidemic in our City. Suggested allocations for each critical health need are detailed below in Table 6.

Table 6. Funding Recommendations to Meet Critical Health Needs

Category	Department	SAB Recommendations	Line Item	Source of Funds
Meeting Critical Health Needs	Department of Health	\$500,000	Canvassing & Community Outreach	SLFRF
	Department of Health	\$1,750,000	Community Health Workers	SLFRF
	Department of Health	\$2,250,000	Behavioral Health Providers	SLFRF
	Department of Health	\$1,500,000	Direct Support Care Workers	SLFRF
	Department of Health	\$2,000,000	Community Violence Intervention Programs	SLFRF
	Department of Health	\$1,000,000	Mobile Vaccination Clinics	SLFRF
	Department of Health	\$150,000	Vaccine Education & Marketing	SLFRF
	Department of Health	\$500,000	Contingency	SLFRF
			\$9,650,000	TOTAL

Priority 2: Housing and Utility Assistance

St. Louisans across the city are struggling to make ends meet, and housing is their single biggest budgetary cost and the second priority need identified by residents in our city. Thus far, the city has struggled to disburse funds in a timely or accessible manner. In addition to the American Rescue Plan funds, the city will be receiving Emergency Rental Assistance Program and State and Local Fiscal Recovery Funds.

It is recommended these stimulus funds be used to expand and improve assistance programs. Specifically, disbursement should be centralized in a trusted partner, an online application portal should be created, and the city should invest in door-to-door outreach and case management. It is also suggested that a fund be created to assist those who are at risk of losing their homes due to being behind on property taxes. Legal Services of Eastern Missouri found that 33 percent of properties listed for tax sale may be owner-occupied, which leads to families potentially losing the opportunity to build generational wealth. Additionally, the overwhelming majority of low-income tenants lack legal representation in eviction proceedings. Legal assistance can be a critical intervention to reduce evictions and homelessness. Mediation

supports tenants and landlords in resolving conflicts and disputes. Suggested allocations for housing and utility assistance can be seen in Table 7.

Table 7. Funding Recommendations for Housing and Utility Assistance

Category	Department	SAB Recommendations	Line Item	Source of Funds
Housing Assistance	St. Louis Housing Authority	\$12,441,997	Rental/utility assistance	ERAP
	Department of Human Services	\$1,500,000	Mortgage Assistance	SLFRF
	Department of Human Services	\$150,000	Real Property Tax Assistance Fund	SLFRF
	Department of Human Services	\$250,000	Accounting & Legal Compliance	SLFRF
	St. Louis Housing Authority	\$250,000	Online Portal	SLFRF
	Department of Human Services	\$250,000	Call Hotline	SLFRF
	Affordable Housing Trust Fund	\$1,500,000	Public Benefits Navigators & Case Managers	SLFRF
	Affordable Housing Trust Fund	\$250,000	Legal Assistance	SLFRF
	Affordable Housing Trust Fund	\$300,000	Mediation	SLFRF
	Department of Human Services	\$1,000,000	Contingency	SLFRF
			\$17,891,997	TOTAL

Priority 3: Support for Unhoused Neighbors

As soon as the eviction moratorium runs out, hundreds, and possibly thousands of city residents will be left without a home. It is our hope that the rental assistance outlined above will mitigate this harm, and realize that homelessness will remain a major concern. In January 2020, 1260 persons were experiencing homelessness. Despite the availability of beds for the chronically homeless subpopulation, around 30 percent of individuals in this group were unsheltered on a single night in January 2020. Black residents are also nearly four times as likely to be homeless as white residents. In September 2020, the St. Louis City Continuum of Care COVID-19 Community Impact Survey found there were four times more Black-headed households experiencing a housing crisis due to COVID-19, compared to White-headed households. It is essential supportive services are designed to meet the needs of all unhoused individuals. At the same time, it is important to recognize that we must provide a variety of housing and support services to meet our unhoused population where they are and address their diverse needs.

To this end, the Stimulus Advisory Board Direct Relief Subcommittee recommends funding the establishment of an intentional encampment for those who prefer to live outside or are not ready for a shelter environment. Additionally, it is also recommended that funds are allocated toward the establishment of a safe haven to provide a 24-hour, 7 day per week walk-in option for those seeking shelter and additional emergency shelter space. Investments should also be made in community outreach to assist unhoused community members in accessing services, case management, and wrap around services. Bridge housing will support individuals who are newly evicted or leaving the justice system in finding temporary housing at a hotel/motel. Rapid rehousing will provide support for finding housing quickly for households by providing funding, such as rent, utilities, and case management. Permanent supportive housing supports affordable housing assistance with support services to address the needs of chronically homeless people. Suggested allocations for support for the unhoused can be seen in Table 8.

Table 8. Funding Recommendations for Supporting Unhoused Neighbors

Category	Department	SAB Recommendations	Line Item	Source of Funds
Support for Unhoused Neighbors	Department of Human Services	\$2,000,000	Intentional Encampments	SLFRF
	Department of Human Services	\$1,386,370	Safe Haven	SLFRF
	Department of Human Services	\$1,500,000	Emergency Shelter	SLFRF
	Department of Human Services	\$200,000	Centralized Intake	SLFRF
	Department of Human Services	\$1,250,000	Wrap Around Services	SLFRF
	Affordable Housing Trust Fund	\$750,000	Case Management	SLFRF
	Affordable Housing Trust Fund	\$250,000	Community Outreach	SLFRF
	Department of Human Services	\$1,000,000	Bridge Housing	SLFRF
	Department of Human Services	\$2,500,000	Rapid Rehousing	SLFRF
	Department of Human Services	\$1,500,000	Permanent Supportive Housing	SLFRF
	Affordable Housing Trust Fund	\$750,000	Contingency	SLFRF
			\$13,086,370	TOTAL

Priority 4: Economic Relief

Both businesses and households in our city continue to struggle to pay their bills and stay solvent. Stimulus funds can be used to expand small business grants, to provide start ups and small businesses ready to scale with technical assistance - including tax filing assistance, web design, legal advice, and HR support - and to provide special support to restaurants, venues, and other hospitality sector businesses hit particularly hard by the pandemic. Additionally, with the State of Missouri blocking federal unemployment benefits, funds can be used to support emergent needs of those whose benefits are ending. At the same time, funds can be used to support workforce development in our community in order to address employment gaps and ensure that the skills sets of our community meet the skills needed by employers and prepare our community for living wage jobs.

To this end, the Stimulus Advisory Board Direct Relief Subcommittee recommends funds be directed toward targeted small business and non-profit grants to restaurants, venues, and other hospitality sector businesses hit particularly hard by the pandemic. Additionally, it is recommended that a technical assistance hub for minority and women owned businesses be created to provide tax filing assistance, web design, legal advice, and HR support. Investments should also be made in expanding the workforce development capacity. Last, a City unemployed worker assistance program should be created to provide one-time \$350-\$500 payments to the [estimated 10,000 St. Louis City residents](#) who are being impacted by the State of Missouri blocking federal unemployment benefits.

In addition, early care and education costs and capacity issues are creating challenges with families being able to fully participate in the workforce and all of our children getting a great start on life. Specifically, St. Louis City has [22,224 children under 6 years old with a total licensed capacity of 10,559 and a total licensed exempt capacity of 1,282, thus presenting a service gap of 47%](#). Suggested allocations for Economic Relief can be seen in Table 9.

Table 9. Funding Recommendations for Economic Relief

Category	Department	SAB Recommendations	Line Item	Source of Funds
Economic Relief	Department of Human Services	\$5,000,000	City Worker Unemployment Assistance Program	SLFRF
	St. Louis Development Corporation	\$2,500,000	Small Business and Non-Profit Grants	SLFRF
		\$1,500,000	Technical Assistance Hub	SLFRF
	St. Louis Development Corporation	\$1,000,000	Workforce Development	SLFRF
	St. Louis Agency on Training & Employment	\$1,000,000	Child Support Arrears For Individuals Entering the Workforce	SLFRF
	Affordable Housing Trust Fund	\$1,000,000	Community Driven Food Production, Processing and Distribution	SLFRF
	Community Development Administration	\$2,000,000	Supporting Providers of Early Childhood Education & Childcare	SLFRF
	Department of Human Services	\$500,000	Personal Property Tax Assistance Fund	SLFRF
		\$14,500,000	TOTAL	

Priority 5: Youth Programming

52% of children in the city live in female-headed households, 53% of children live in households that receive some form of public assistance, and 42% of children live in households below the poverty level. Unfortunately, only a third of the city’s children participate in out of school programs. Kids across the city need support: engaging educational opportunities, stimulating internship programs, trauma informed counseling, and more. We can use stimulus funds to partner with St. Louis Public Schools and community stakeholders to create a variety of out-of-school learning and enrichment experiences for youth.

In partnership with St. Louis Public Schools, the Stimulus Advisory Board Direct Relief Subcommittee recommends funding summer youth programs and summer youth jobs. Additionally, the Stimulus Advisory Board Direct Relief Subcommittee recommends expanding youth programming at recreation centers to create programming focused on nature and gardening, innovation and coding, and health and sports, adding social workers to recreation centers to address the behavioral and mental health needs of young people in St. Louis, and making our recreation centers access points for vaccination efforts as more young people become eligible to become vaccinated. Additionally, the Gateway Go program provides free public transit to youth so that they may access recreational activities and youth jobs.

Suggested allocations for Youth Programming and Childcare can be seen in Table 10.

Table 10. Funding Recommendations for Youth Programming

Category	Department	SAB Recommendations	Line Item	Source of Funds
Youth Jobs & Programming	SLATE	\$1,500,000	Summer Youth Jobs	SLFRF
	Parks, Recreation & Forestry	\$464,100	Learning Labs	SLFRF
	Parks, Recreation & Forestry	\$406,650	Midnight Basketball League	SLFRF
	SLPS	\$1,500,000	Year Round Youth Jobs	SLFRF
	BiState	\$250,000	Gateway Go	SLFRF
	Department of Health/Parks, Recreation & Forestry	\$500,000	Behavioral Health Recreation Programming	SLFRF
			\$4,620,750	TOTAL

Priority 6: Expanding Internet Access

The rapid move to online education for students because of COVID-19 laid bare the disparity in internet access for the most vulnerable populations. Access to health care information, government and other public assistance, work support, transportation, all diminished or shut off completely to those without broadband internet access. Equitable access to the internet will assist in an equitable recovery for the City of St. Louis.

To this end, the Stimulus Advisory Board Direct Relief Subcommittee recommends dedicating resources mapping the digital divide in our city to better understand the disparities that exist. Next, the Stimulus Advisory Board Direct Relief Committee suggests employing a two pronged approach to addressing the digital divide based on the data that is collected. First, in a partnership with St. Louis Public Library, access to devices such as phones, tablets, routers, and mobile hotspots should be expanded. Second, public Wifi access points should be established and expanded at city parks and community centers, with priority installation given to parks and community centers located in areas of our cities with less internet access. Suggested allocations for expanding internet access can be found in Table 11.

Table 11. Funding Recommendations for Expanding Internet Access

Category	Department	SAB Recommendations	Line Item	Source of Funds
Expanding Internet Access	SLPL	\$2,000,000	Mobile phones, tablets, routers, hotspots	E-Rate
	Board of Public Service	\$3,750,000	Wi-Fi Access Points on Parks & Other Public Property	SLFRF
	SLPL	\$250,000	Digital Literacy Education	SLFRF
		\$6,000,000	TOTAL	

Funding Implementation, Oversight and Planning for Long-Term Resiliency:

The Stimulus Advisory Board Direct Relief Subcommittee recognizes that successful implementation of the aforementioned Priorities will require that resources also be dedicated to building out staff capacity to oversee and manage these priorities. Additionally, funds will need to be dedicated to program compliance, monitoring, auditing, and administration.

At the same time, the Stimulus Advisory Board Direct Relief Subcommittee recognizes that there are systems level interventions that need to be made to our local economy to build economic resiliency that require greater investments than \$68 million. As such, it is recommended that funds be allocated toward the planning and development of systems level interventions including, but not limited to, a guarantee income and/or premium pay for essential workers program, a universal child care program, expanded public transit options, and increasing the capacity of affordable housing to address critical infrastructure needs and service gaps as subsequent ARPA funding becomes available. Table 12 details suggested allocations for administrative support for implementation and oversight of Priorities 1-6 and future planning to build long-term resiliency for our City.

Table 12. Funding Recommendations for Implementation, Oversight, and Planning

Category	Department	SAB Recommendations	Line Item	Source of Funds
Administrative Costs	Mayor's Office	\$250,000	Financial Services - Compliance & Sub-Recipient Monitoring	SLFRF
	Mayor's Office	\$250,000	Legal Services - Annual & Quarterly Reporting	SLFRF
	Mayor's Office	\$250,000	Consulting Services - Project Manager & Transparency Portal	SLFRF
	Comptroller	\$150,000	Auditing Services	SLFRF
	Comptroller	\$150,000	Accounting & Monitoring Staff	SLFRF
	Mayor's Office	\$150,000	Project Management Staff	SLFRF
	Mayor's Office	\$100,000	Translation Services	SLFRF
	Mayor's Office	\$50,000	Stimulus Advisory Board Facilitation Services	SLFRF
	ITSA	\$500,000	Data Analytics & Software	SLFRF
	Various Departments	\$500,000	Contingency for Departmental Administrative Costs	SLFRF
			\$2,350,000	TOTAL

In summary, the Stimulus Advisory Committee Direct Relief Subcommittee recommends that the first \$68 million in American Rescue Plan Act (ARPA) for State and Local Fiscal Recovery Funds, as well as additional funds through the Emergency Rental Assistance Program and E-Rate program from ARPA, be allocated toward six Priority Areas: Meeting Critical Health Needs, Housing and Utility Assistance, Supporting Unhoused Neighbors, Economic Relief, Youth Programming, and Expanding Internet Access. Additionally, the Stimulus Advisory Committee Direct Relief Subcommittee recommends that funds be allocated to ensure adequate management and oversight of ARPA funds and to lay the foundation for systems-level interventions to be implemented with future funds.