

County of Los Angeles
Recovery Plan

**State and Local Fiscal Recovery
Funds**

2021 Report

County of Los Angeles
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Executive Summary

The Los Angeles County (County) Board of Supervisors (Board) approved on July 27, 2021, a spending plan for the American Rescue Plan (ARP) tranche 1 funds totaling \$975.0 million across three strategic pillars: (1) \$567.9 million for equity-based investments to position the County to recover better than before the pandemic; (2) \$239.7 million to support an equitable and inclusive recovery; and (3) \$167.4 million to preserve the County's fiscal stability and shore up our safety net programs.

Taken together, these proposed investments represent a once-in-a-generation opportunity for the County, led by this Board, to enact transformative changes in the communities hardest hit by the pandemic, and set the foundation for all our residents to share in a healthier, more equitable future.

The spending plan responds to the COVID-19 public health emergency and its economic impacts with substantial and direct investments in hard-hit disadvantaged communities and through programs to address entrenched challenges that have only grown worse during the pandemic, ranging from homelessness and deeper levels of poverty to the unique needs of immigrants, small businesses, justice-involved individuals, and survivors of trauma, including domestic violence and hate crimes.

To date, none of the ARP Projects identified in the Spending Plan have been implemented, and program design of the projects continues. Key compliance requirements and other indicators such as those related to equity are also being identified and evaluated in accordance with Treasury guidance, hence there is nothing to report related to progress, challenges, or opportunities. These elements will be reported on in the next Performance Report to the Treasury due July 31, 2022.

Uses of Funds

The County spending plan for the ARP tranche 1 funding totals \$975.0 million spread across three Board-approved strategic pillars: (1) \$567.9 million for equity-based investments to position the County to recover better than before the pandemic; (2) \$239.7 million to support an equitable and inclusive recovery; and (3) \$167.4 million to preserve the County's fiscal stability and shore up our safety net programs. Detailed information regarding each pillar is included below.

FIRST PILLAR: EMERGING FROM THE PANDEMIC BETTER THAN BEFORE THROUGH EQUITY-BASED INVESTMENTS

The first strategic pillar includes \$567.9 million to ensure the County emerges from the pandemic better than before through equity-based programs.

This pillar recognizes that the Fiscal Recovery Funds represent a once-in-a-generation opportunity to address the County's most acute and impactful inequities and proposes investments to address the social determinants which

contributed to poor public health outcomes during the pandemic. These investments include housing for people experiencing homelessness including through partnerships with cities (\$400.0 million), creation of more affordable housing (\$40.0 million), bolstering the Board’s “Care First, Jails Last” vision (\$47.1 million), reduce the digital divide (\$12.0 million), and disrupting the cycle of inter-generational poverty in communities historically left out of generational wealth gains (\$19.8 million). These are just some projects being developed that will be supported by ARP funds.

SECOND PILLAR: BUILDING A BRIDGE TO AN EQUITABLE RECOVERY

County residents in low-income communities and communities of color, have borne the brunt of the pandemic’s negative impacts. This second pillar recognizes the need to deploy supportive services through an equity lens to jumpstart recovery for those who have suffered the most and are resourced the least.

This pillar invests \$239.7 million to provide financial and other services and programs to small businesses, entrepreneurs, and nonprofits (\$70.5 million); support for artists and professionals and organizations in the creative economy (\$21.25 million); create employment opportunities for workers and youth (\$37.0 million); protect tenants from eviction and homeowners from foreclosure (\$18.5 million); fund essential childcare, recreational, early education, and home visiting programs for families (\$49.13 million); further address trauma and violence (\$10.7 million); and additional food and nutritional resources (\$32.6 million).

THIRD PILLAR: FISCAL STABILITY AND SOCIAL SAFETY NET

Throughout the pandemic, the County not only sustained but expanded its safety net programs to meet critical public health, economic, and social needs of our community, despite drastic revenue reductions and implementing approximately \$370.0 million in departmental curtailments last fiscal year. The third pillar recognizes the need to ensure the County’s system of support to residents – the “safety net” – is on firm financial footing as we emerge from the pandemic.

This pillar proposes \$167.4 million to shore up the County’s disaster services worker program (\$65.0 million), and expand the County Fire District’s Advanced Provider Response Units, which pairs a nurse practitioner with a firefighter paramedic deployed to primarily under-resourced areas, to reduce unnecessary ambulance transports and emergency room visits (\$12.3 million).

The pillar also complements other funding by setting aside \$17.6 million for ethnic and hyperlocal media and community-based outreach such as the community health worker and *promotores* program; backstops a sustained public health response to the COVID-19 emergency (\$22.5 million); and establishes \$50.0 million for eligible capital costs for infrastructure that may be needed to meet the County’s most serious public health challenges.

Promoting Equitable Outcomes

To address promoting equitable outcomes, the County has developed an Equity Toolkit to help departments to align programs with ARP funding allocations with identified communities of greatest need. The Toolkit includes a set of screening questions as part of an equity assessment, alignment, and evaluation process that directs the departments to incorporate and utilize metrics, identify geographic needs, and align budget resources with communities most affected by COVID-19 when developing their project design plans. These plans will be refined to ensure they uphold countywide equity principles and achieve equitable outcomes. The County's Anti-Racism, Diversity, and Inclusion Initiative will provide technical assistance and training to departments as part of this process, including a suite of support services and resources to increase their ability to use the Equity Toolkit to identify communities most in need of services, ensure equity is incorporated in their project design and inform equitable funding decisions and implementation. The Equity Toolkit also includes an Equity Explorer mapping tool, COVID-19 Vulnerability and Recovery Index (Index), and Equity Funding Formula (Formula) that will work in concert to identify and allocate funding to the County's most vulnerable residents.

Data shows that County neighborhoods experiencing concentrated poverty (i.e., areas with higher percentages of residents under 200 percent of the federal poverty level) have nearly three times as many COVID-19 cases than communities with higher incomes. Our Native Hawaiian, Pacific Islander, Black, and Latin populations have also most consistently faced housing, food, and economic insecurity during the pandemic, which has exacerbated the health, social, and economic circumstances experienced by low-income communities of color that pre-dated the pandemic.

To address these disparities and promote equity using both qualitative and quantitative data to achieve equitable outcomes, the County worked in collaboration with community partners to develop the COVID-19 Vulnerability and Index, and Formula as part of the Equity Toolkit to help identify the communities highly impacted by COVID-19 case rates and a myriad of economic, health, and social factors. The Index includes several proposed indicators that fall across three categories—risk, severity, and recovery—and based on those indicators, stratifies communities into five need categories, ranging from highest to lowest need. These include:

- Risk
 - Percent of essential workers
 - Percent of population under 200 percent of federal poverty level
 - Percent residing in overcrowded housing units
 - Noncitizen population
- Severity
 - Percent of population under 200 percent of federal poverty level

- Percent of population age 75+ in poverty
- Percent of uninsured population
- Heart attack hospitalization rate
- Diabetes hospitalization rate
- Asthma rate
- Recovery Need
 - Percent of essential workers
 - Percent of population under 200 percent of federal poverty level
 - Unemployment rate
 - Percent of uninsured population
 - Gun injury rate
 - Single-parent households

This Index will be a mapping layer in the Equity Explorer that will spatially show areas of greatest need across the County based on the identified indicators and help highlight need patterns, distributions, and hotspots more easily. The Formula then suggests corresponding percentages of allocated resources, the higher the Index need category, the higher the percentage of resources allocated based on community need and population size. This ensures that ARP funding is prioritized for communities that were most affected by COVID-19 and that will need the most support to recover.

County departments will be required to design their programs using the Equity Explorer and Index. In addition, other data mapping layers will be available to help prioritize community investments for specific projects, and to geographically locate the highest, high, and moderately need communities. This will guide prioritizing programs based on availability of resources, as well as promote equitable access to and distribution of ARP-funded services and resources.

Current efforts are also underway to ensure that non-geographically concentrated communities disproportionately affected by the COVID-19 pandemic are identified and prioritized for ARP allocations and programs. These include, but are not limited to, Native Hawaiian and Pacific Islander, American Indian and Alaska Native, and immigrant communities. The County has developed strategies and an implementation plan to collect data, use indicators, and adopt practices to ensure ARP funding supports non-geographically concentrated communities highly affected by the COVID-19 pandemic, but that are frequently overlooked based on current data collection and reporting methods that underrepresent their COVID-19 related risk, severity, and recovery needs. These data strategies range from integrating additional validated indicators to identify disproportionately affected and hard-to-count populations to adopting alternative methods for data mapping like Public Participation

Geographic Information Systems analysis and specifically targeting outreach and engagement strategies to reach these communities.

To address the ability of residents and/or businesses to know the services funded by State and Local Fiscal Recovery Funds, the County is developing an Equity Explorer mapping tool and public-facing website with a dashboard that reports on the County's highly affected communities, available ARP contracting opportunities (i.e., planned requests for proposals or competitive bids) ARP-funded projects, and their service locations. The County will leverage many outward facing communication platforms and stakeholder networks to elevate these funding opportunities and funded projects through:

- Department listservs, websites, and social media to amplify messaging and create linkages to the ARP dashboard.
- Board field deputies and County Commissioners who serve, identify as, and/or regularly interact with stakeholder groups that are most hurt by the COVID-19 pandemic.
- Department-sponsored or affiliated community boards, councils, and taskforces.
- County and contracted community health workers who directly engage residents and small business owners to ensure outreach to those limited by the digital divide.

County departments will also be required to articulate in their project design plans how they will promote equitable awareness of their projects, including a description of how limited English-proficient communities will be aware of funding opportunities and available services that they are eligible for.

To address outcomes, the County has drafted the countywide Equity Guiding Principles, along with ARP-specific budget principles, to help County departments weigh considerations throughout the budgeting process and ensure that program, policy, and funding decisions align with the Board's equity goals for ARP fund expenditures. Several of the Countywide Equity Guiding Principles and ARP-specific budget principles articulate the County's underlying goal of closing gaps in COVID-19 community resiliency and recovery outcomes using ARP funds. The equity principles are:

Countywide Equity Guiding Principles

- Reduce racial disparities in life outcomes and disparities in public investment to shape those outcomes.
- Develop and implement strategies that identify, prioritize, and effectively support the most disadvantaged geographies and populations.

- Authentically engage residents, organizations, and other community stakeholders to inform and determine interventions (e.g., policy and program) and investments.
- Seek to improve long-term outcomes both intergenerationally and multi-generationally.
- Use data to effectively assess and communicate equity needs and support timely assessment of progress.
- Disaggregate data and analysis within racial/ethnic and other demographic subgroup categories.
- Work collaboratively and intentionally across departments and across leadership levels and decision-makers.
- Act urgently and boldly to achieve tangible results.
- Align policies, processes, practices to effectively address equity challenges throughout the County's workforce (personnel, contractors, and vendors).
- Intervene early and emphasize long-term prevention.

Additional ARP Budget Equity Principles

- Dedicate ARP funds and resources to programs and services that reduce and close race and gender equity gaps, and address root causes and drivers of inequity.
- Lead with transparency and accountability during critical stages of the program implementation by reporting out program process and seeking community input and engagement in delivering services.
- Ensure immigrants of all statuses and system-impacted communities, including those with criminal histories, are eligible for any new or existing programs funded by ARP.
- Ensure new and existing programs and services are accessible to disadvantaged communities without the fear of intimidation or judgment. Services must be culturally and linguistically accessible, near transit, available in-person/over the phone, during days and hours when working individuals can access services and delivered by trusted messengers.
- When possible, offer opportunities and technical assistance needed to support community-based organizations in accessing County funds. Leverage existing contracting reform strategies and third-party administrator programs.
- Before the allocation of additional ARP funding, assess the impact of the initial round of allocated ARP funding and programs.
- ARP funds and resources should support and uplift the health and wellness needs of communities who have experienced historic disinvestment,

over-policing, and been affected the most by the pandemic. Funds should not be used to advance suppression-based efforts via incarceration and policing.

County departments will also be required to link their project to these principles and articulate in their project design how they will promote equitable outcomes that close the gaps in economic and racial disparities.

Departments will develop programs with specific targets intended to produce meaningful equity results and strategies to achieve those targets as part of their program design plans. Applying the Index will help target resources to the geographic and hard-to-count communities that need it most.

Lastly, to address the geographic and demographic distribution of funding and as described above, the development of the Equity Tracker and Index will support programs to geographically locate the highest, high, and moderately-needed communities where they should prioritize their program services utilizing the percent-resource allocator provided in the Funding Formula. Through this process, funding will target the communities most impacted by the COVID-19 pandemic and with the greatest need for resources to recover from the pandemic. Once the funded departments complete this exercise, the County will have a better understanding of the specific distribution of funding and demographics targeted. As described, the Index and Formula prioritizes the communities most affected by the COVID-19 pandemic, which includes populations experiencing concentrated poverty and those who identify as Native Hawaiian, Pacific Islander, Black, and Latin.

Community Engagement

Departments will be expected to submit a community engagement plan as part of their program design for their individual projects. Engagement strategies will differ depending on the project and target population. A Stakeholder Engagement Toolkit will be developed and disseminated to the departments and programs to support the development and execution of their community engagement plan.

Labor Practices

The County will not be utilizing ARP tranche 1 funds for any infrastructure projects. This section does not apply. However, in other categories, the County has some of the strongest labor and minimum wage laws in California and is a leader in ensuring best practices to protect employees.

Use of Evidence

To date, none of the ARP Projects have been implemented as program design is still being finalized. Use of Evidence and/or program evaluation will be part of the program design. This section will be reported on in the next Performance Report to the Treasury due July 31, 2022.

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	0
1.2	COVID-19 Testing	0	0
1.3	COVID-19 Contact Tracing	0	0
1.4	Prevention in Congregate Settings (Nursing Homes, Prisons/Jails, Dense Work Sites, Schools, etc.)	0	0
1.5	Personal Protective Equipment	0	0
1.6	Medical Expenses (including Alternative Care Facilities)	0	0
1.7	Capital Investments or Physical Plant Changes to Public Facilities That Respond to the COVID-19 Public Health Emergency	0	0
1.8	Other COVID-19 Public Health Expenses (including Communications, Enforcement, Isolation/Quarantine)	0	0
1.9	Payroll Costs for Public Health, Safety, and Other Public Sector Staff Responding to COVID-19	0	0
1.10	Mental Health Services	0	0
1.11	Substance Use Services	0	0
1.12	Other Public Health Services	0	0
2	Expenditure Category: Negative Economic Impacts		
2.1	Household Assistance: Food Programs	0	0
2.2	Household Assistance: Rent, Mortgage, and Utility Aid	0	0
2.3	Household Assistance: Cash Transfers	0	0
2.4	Household Assistance: Internet Access Programs	0	0
2.5	Household Assistance: Eviction Prevention	0	0
2.6	Unemployment Benefits or Cash Assistance to Unemployed Workers	0	0
2.7	Job Training Assistance (e.g., Sectoral Job-Training, Subsidized Employment, Employment Supports or Incentives)	0	0
2.8	Contributions to UI Trust Funds	0	0
2.9	Small Business Economic Assistance (General)	0	0
2.10	Aid to Nonprofit Organizations	0	0
2.11	Aid to Tourism, Travel, or Hospitality	0	0
2.12	Aid to Other Impacted Industries	0	0

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
2.13	Other Economic Support	0	0
2.14	Rehiring Public Sector Staff	0	0
3	Expenditure Category: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning	0	0
3.2	Education Assistance: Aid to High-Poverty Districts	0	0
3.3	Education Assistance: Academic Services	0	0
3.4	Education Assistance: Social, Emotional, and Mental Health Services	0	0
3.5	Education Assistance: Other	0	0
3.6	Healthy Childhood Environments: Child Care	0	0
3.7	Healthy Childhood Environments: Home Visiting	0	0
3.8	Healthy Childhood Environments: Services to Foster Youth or Families Involved in Child Welfare System	0	0
3.9.	Healthy Childhood Environments: Other	0	0
3.10	Housing Support: Affordable Housing	0	0
3.11	Housing Support: Services for Unhoused Persons	0	0
3.12	Housing Support: Other Housing Assistance	0	0
3.13	Social Determinants of Health: Other	0	0
3.14	Social Determinants of Health: Community Health Workers or Benefits Navigators	0	0
3.15	Social Determinants of Health: Lead Remediation	0	0
3.16	Social Determinants of Health: Community Violence Interventions	0	0
4	Expenditure Category: Premium Pay		
4.1	Public Sector Employees	0	0
4.2	Private Sector: Grants to Other Employers	0	0
5	Expenditure Category: Infrastructure		
5.1	Clean Water: Centralized wastewater treatment	0	0
5.2	Clean Water: Centralized Wastewater Collection And Conveyance	0	0
5.3	Clean Water: Decentralized Wastewater	0	0
5.4	Clean Water: Combined Sewer Overflows	0	0
5.5	Clean Water: Other Sewer Infrastructure	0	0
5.6	Clean Water: Stormwater	0	0
5.7	Clean Water: Energy Conservation	0	0
5.8	Clean Water: Water Conservation	0	0
5.9	Clean Water: Nonpoint Source	0	0

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
5.10	Drinking Water: Treatment	0	0
5.11	Drinking Water: Transmission & Distribution	0	0
5.12	Drinking Water: Transmission & Distribution: Lead Remediation	0	0
5.13	Drinking Water: Source	0	0
5.14	Drinking Water: Storage	0	0
5.15	Drinking Water: Other Water Infrastructure	0	0
5.16	Broadband: "Last Mile" Projects	0	0
5.17	Broadband: Other Projects	0	0
6	Expenditure Category: Revenue Replacement		
6.1	Provision of Government Services	0	0
7	Administrative and Other		
7.1	Administrative Expenses	0	0
7.2	Evaluation and Data Analysis	0	0
7.3	Transfers to Other Units of Government	0	0
7.4	Transfers to Non-entitlement Units (States and Territories only)	0	0

Project Inventory

Public Health (EC 1): \$0
 Negative Economic Impacts (EC 2): \$0
 Services to Disproportionately Impacted Communities (EC 3): \$0

To date, none of the ARP Projects have been implemented as program design is still being finalized. Use of Evidence and/or program evaluation will be part of the program design. This section will be reported on in the next Performance Report to the Treasury due July 31, 2022.

Performance Report

To date, none of the ARP Projects have been implemented as the program design is still being finalized. Key indicators for the respective ARP programs are still being identified in accordance with Treasury guidance, hence there is no progress, challenges, nor opportunities to report for this report. These will be reported on in the next Performance Report to the Treasury due July 31, 2022.

Ineligible Activities: Tax Offset Provision (States and territories only)

Item	Amount
a. Revenue-reducing Covered Changes	\$0

This section does not apply.