



Department of Administration

Tom Barrett
Mayor

Sharon Robinson
Director of Administration

MEMORANDUM

IMPORTANT

TO: Honorable Members of the Common Council
FROM: Sharon Robinson, Director, Department of Administration
Dennis Yaccarino, Director, Budget and Management Division
Nikki Purvis, Chief Equity Officer, Office of Equity and Inclusion
DATE: October 11, 2021
RE: Common Council American Rescue Plan Act Requests

This memorandum is responsive to Common Council File Number 210732, a Substitute motion pertaining to the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF) provided under the American Rescue Plan (ARP) Act. Specifically, the file establishes a procedure for allocating a portion of the first tranche of the City of Milwaukee's CSLFRF award totaling \$197.1 million. As adopted by the Common Council on September 1, 2021, this legislation states that ARP "requests shall be prepared in the order received and submitted to the Department of Administration – Budget and Management Division and the Office of Equity and Inclusion for comment."

The Department of Administration has reviewed all of the ARP requests received to date pursuant to Common Council File 210732 and offers the following comments.

ARP Reporting and Compliance

The Department of Administration recommends that the ARP requests submitted to date pursuant to Common Council File 210732 be further developed using the ARP Request Form. Budget Director, Dennis Yaccarino, sent the form to every member of the Common Council on July 29, 2021 along with ARP Request Form Instructions and U. S. Department of Treasury ARP guidelines. The form was prepared by the Budget and Management and Community Development Grants Administration Divisions and Office of Equity and Inclusion. It was reviewed by the Office of the City Comptroller.

As the Department of Administration noted in its ARP Allocation and Accountability Process communication released on March 26, 2021, the ARP involves substantial reporting and auditing requirements. The ARP Request Form was created to ensure that City departments follow the rules promulgated by the federal government at every step including when making ARP requests. The questions included in the form largely align with ARP compliance and reporting

requirements. Moreover, the form was used by City departments to recommend projects for inclusion in Phase I of the Milwaukee Recovery and Resilience Plan. This plan was created in response to Common Council File Number 201571 which directed the Department of Administration to create an ARP Plan and meet other standards that are reflected in the ARP Request Form.

Because the scale of the ARP is enormous – and not simply because of the amount of money involved – it is important that every decision maker within City government exercise great diligence when making ARP requests. The Department of Administration encourages Council members, with support from the Legislative Reference Bureau, to complete the ARP Request Form for each project request prior to the October 15, 2021 Special Finance and Personnel Committee ARP Meeting that was set in accordance with Common Council File Number 210732.

Although this special meeting appears to replicate the City’s annual budget amendment process, unfortunately, U. S. Treasury Department ARP rules, regulations and processes do not. By honoring this request, we will be able to ensure full ARP compliance and mitigate audit risks and de-obligation of funding.

Racial Equity and Inclusion

The Department of Administration recommends that the ARP requests submitted to date be further developed to include a thorough racial equity assessment. This request is consistent with the legislative intent of the ARP and the U. S. Treasury Department directive that all ARP award recipients work to foster a strong, inclusive and equitable recovery.

Furthermore, in 2019, the City made the commitment to address racial equity by embedding best practices into our actions and practices. We affirmed our commitment when joining the Government Alliance on Race and Equity (GARE). Therefore, the Office of Equity and Inclusion developed a racial equity tool for ARP requests. The tool is included in the ARP Request Form. A racial equity tool is a set of questions that incorporate racial equity considerations into a decision-making process and provides a structure for institutionalizing racial equity.

Through the use of the racial equity tool included in the ARP Request Form, the Department of Administration infused racial equity considerations into Phase I of the Milwaukee Recovery and Resilience Plan to an unprecedented extent. Our approach has been recognized by the National League of Cities (NLC) as a model for other cities to follow. Later this month, both Administration Director, Sharon Robinson, and Chief Equity Officer, Nikki Purvis, will be featured panelists at an NLC convening on how city governments can integrate a racial equity and data-oriented framework into their ARPA planning and decision making process.

We encourage all Council members to follow this framework when making ARP requests. By honoring our request, we will be able to ensure a more racially conscious and inclusive ARP process and meet the high equity standards set by the U. S. Treasury Department. As always,

Chief Equity Officer Nikki Purvis, stands ready to offer further advice and guidance if needed. She will follow up with a separate and more detailed memorandum in this regard.

Prioritizing Requests

Because the ARP requests submitted by Common Council members to date total approximately 80 in number and exceed more than \$1 billion (more than quadruple the size of the first tranche of the City's direct CSLFRF ARP award), we recommend that both the Executive Branch and Legislative Branch of our City government work together to prioritize these requests.

When creating Phase I of the Milwaukee Recovery and Resilience Plan, we carefully listened to recommendations and suggestions – both formal and informal – from Council members and residents, and our community engagement efforts are ongoing. To date, we have received more than one hundred letters of support from residents and community leaders in support of the plan.

Clearly, there are synergies between the plan and the current list of Common Council ARP requests. By working in partnership with each other, we believe we can put together a strategic and fiscally responsible package that brings together multiple high impact approaches in a coordinated way.

Thank you for the opportunity to offer these comments. It is our hope that you will embrace the considerations and recommendations outlined in this memorandum. We look forward to working together to build on the City's momentum to bring COVID-19 under control, address the needs of residents, families and neighborhoods hardest hit by the pandemic, and put our city on a path to a strong, inclusive and equitable recovery.