

Looking Back on ARPA and America's Cities

The Menino Survey of Mayors details insights and perspectives shared by a representative sample of over 100 mayors leading U.S. cities with populations of more than 75.000 residents. Now in its eighth year, the Menino Survey is based on live interviews with mayors on their pressing challenges, priorities, and expectations for the future. The Survey continues with the support of Citi and The Rockefeller Foundation.

AUTHORS

Katherine L. Einstein David M. Glick Maxwell Palmer

Associate Professors of Political Science, Boston University On March 11, 2021, the American Rescue Plan was signed into law. It stands as one of the largest federal spending stimulus bills ever passed, with \$350 billion in total funds directed to help transform American states, cities, and towns. A look in the rearview mirror reminds us of the bleak outlook presented by mayors prior to its passage.

American cities have been on the frontlines of the COVID-19 pandemic. They have borne disproportionate economic, social, and physical harms from the pandemic's ravages. Mayors were forced to make economic, health, and social policies – all while facing sizable budget crunches. To better understand how America's urban leaders approached this crisis, our team at BU's Initiative on Cities surveyed hundreds of mayors of large- and mid-sized cities to learn their concerns, challenges, and priorities. As part of the Menino Survey of Mayors, we interviewed a nationally representative set of mayors from all cities over 75,000 in the summers of 2020, prior to the bill's passage, and again in 2021, as mayors were beginning to apportion local funds.

During the summer of 2020, many of America's mayors were deeply pessimistic about their cities' futures.² They worried about the <u>well-being of many communities in their cities due</u> to the health and economic effects of COVID-19. They believed that many critical cornerstones of urban life – including arts and cultural institutions, colleges and universities, public schools, mass transit systems, childcare, hospitals, and locally owned businesses – <u>would take years to return to normal</u>, if ever.

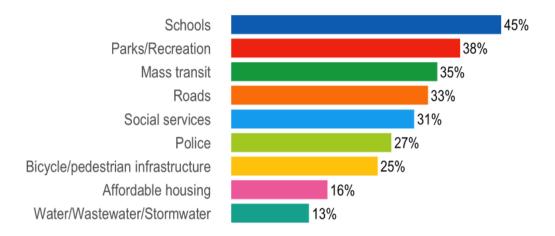
They also predicted "dramatic cuts" in a variety of policy areas, such as schools, parks and recreation, mass transit, roads, and social services – as well as significant, but less severe cuts in other areas. As one mayor put it, "[Those two] are the dramatic cuts, but expect to see cuts on many others" and another said "everything is going to be cut, but unsure of which cuts will be 'dramatic.'" Mayors also mentioned a variety of initiatives that they would have to put on hold due to the pandemic induced budget pressures.

^{1 &}lt;a href="https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments">https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments

² https://www.surveyofmayors.com/files/2020/12/Final 2020-Menino-Survey COVID-Report.pdf



Figure 1: Dramatic Budget CutsIn which of the following areas, if any, do you expect to make or see dramatic financial cuts in your community?



In response to the disproportionate harm the COVID-19 pandemic imposed on American cities and local governments, the Biden Administration made urban recovery an important component of the 2021 package and set aside \$350 billion in state and local fiscal recovery funds. These funds bolstered COVID-19 response efforts, replaced lost revenue, and supported economic stabilization and broader efforts to address systemic inequalities.³ They were unusual both in their scope and the flexibility with which they provided cities.

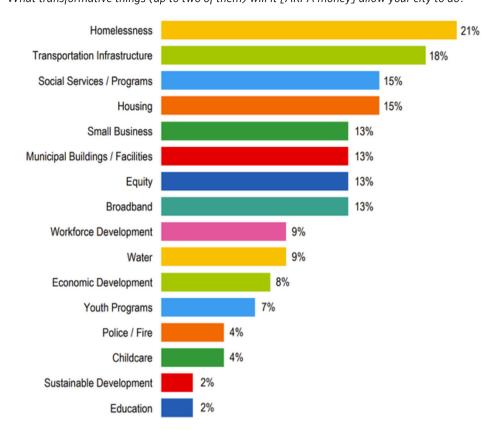
In summer 2021, we interviewed 126 mayors about the potential of this massive federal investment to reshape their communities. Mayors were broadly positive about the American Rescue Plan. Some mayors had specific plans for how to spend the funds, while others were setting up processes to figure out how they would do so. A striking 78 percent of mayors told us they would use the money from the American Rescue Plan to accomplish "transformative" things that would reshape their cities' long-term futures. As one mayor put it, "I want to take these one-time dollars...and we want to do something very un-sexy [and] pay it forward to our kids and grandkids, in terms of really shoring up our infrastructure, in terms of transportation, transit investment, trails...and also water infrastructure." Another mayor focused on housing: "The rescue plan has allowed us to take on projects that were not before funded. For example, we've expanded our homeless outreach to remove encampments and find temporary supportive housing for the homeless population."

Mayors planned to use these dollars in a variety of critical policy areas. In response to an openended query in which they could name two "transformative things" the money would enable them to do, a plurality of mayors (21 percent) highlighted homelessness, with another 15 percent each citing housing and social services. Other popular areas include transportation infrastructure (18 percent) and small business (18 percent).

^{3 &}lt;a href="https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds">https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds

⁴ https://www.surveyofmayors.com/files/2021/11/2021-Menino-Survey-BBB-Report.pdf

Figure 2: Transformative Uses of American Rescue Plan FundsWhat transformative things (up to two of them) will it [ARPA money] allow your city to do?



Note: Only includes responses from mayors who answered that they would do transformative things. Bars correspond to percent of mayors who named [category] as one of their top two transformative planned investments.

In short, stimulus funding from the Biden Administration provided pivotal support for America's cities. In 2020, mayors felt cash-strapped and limited in their ability to remedy the enormous social, physical, and economic harms wrought by the COVID-19 pandemic. One year later, they still had a number of concerns about the long-term impacts of the pandemic. But, they were considerably more optimistic about having the fiscal resources to redress some of those impacts – and had already invested in a number of transformative programs.

To learn more about the Menino Survey of Mayors, visit www.surveyofmayors.com

Boston University Initiative on Cities

The Boston University Initiative on Cities leads research in, on, and with cities in pursuit of sustainable, just, and inclusive urban transformation. We marshal the talents and resources of wide-ranging disciplines across Boston University spanning the social, natural, computational, and health sciences. The Menino Survey is named for the late Mayor Tom Menino, who co-founded the Initiative on Cities in 2014 following 20 years as mayor of Boston.

Initiative on Cities

Boston University 75 Bay State Road Boston, MA 02215

bu.edu/ioc @BUonCities 617-358-8080 IOC@bu.edu