

New York City

Recovery Plan

American Rescue Plan Act

State and Local Fiscal Recovery Funds

2024 Report

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Executive Summary

The U.S. Treasury’s American Rescue Plan Act (ARPA) has provided over \$350 billion in State and Local Fiscal Recovery Funds (SLFRF) to state, local, territorial, and Tribal governments between 2021 and 2025 to stimulate recovery from the COVID-19 pandemic. Over the past four years, the City of New York (“City”) has directed \$5.88 billion in stimulus funding towards pandemic response and recovery programs that protect public safety, rebuild our economy, and make the City more livable for working people.

This report outlines the ways the City used SLFRF funding to meet federal and local goals of engaging and empowering communities, increasing public safety, and using an evidence-based lens to design, implement and assess SLFRF-funded programs. Because of the flexibility offered by SLFRF funds, the City has been able to meet its most immediate needs while supporting prosperous and equitable long-term goals. The City thanks the Biden-Harris administration, Majority Leader Schumer, Speaker Emerita Pelosi, and the entire New York Congressional delegation for their leadership in ensuring that the City received stimulus funds essential to the City’s recovery.

Overall federal stimulus aid, including SLFRF funds, has bolstered the City’s pandemic recovery, helped balance the budget, and supported government operations that may have otherwise been severely impacted by the fiscal headwinds caused by the pandemic. With each year that the City publishes its report, the recovery becomes clearer: 100% of pandemic-related job losses have been recovered,¹ and over 62 million tourists visited in 2023, with a pre and post-pandemic record 68 million visitors projected by 2025.² While there are still challenges ahead, the City will continue to work towards a safer, cleaner, more equitable city. The projects discussed in this report illustrate some of the ways SLFRF funding has been applied towards achieving those goals.

¹ Mayor’s Office of Management and Budget, *Message of the Mayor: The City of New York Executive Budget, Fiscal Year 2025*, (April 24, 2024), page 15, <https://www.nyc.gov/assets/omb/downloads/pdf/mm4-24.pdf>

² Office of the New York State Comptroller, *Tracking the Return: The Tourism Industry in New York City*, (May 2024), page 1, <https://www.osc.ny.gov/files/reports/pdf/report-04-2025.pdf>

Uses of Funds

The \$5.88 billion in SLFRF funds represents a significant portion of the federal stimulus funding directed towards the City, including approximately \$7.24 billion from the Federal Emergency Management Agency (FEMA), \$7.66 billion in Education Stimulus funds, \$1.87 billion from the Center for Disease Control and Prevention (CDC), and \$1.45 billion from the Coronavirus Relief Fund (CRF) established through the Coronavirus Aid, Relief, and Economic Security Act (CARES), and other smaller funding streams.

The City continues to report all expenditures for projects and programs under Expenditure Category 6: Revenue Replacement under the following program areas:

- Government Operations
- Public Health
- Economic and Workforce Development
- Housing
- Public Safety

Government Operations

The pandemic-driven economic headwinds increased the need for essential services in the City, while also driving revenue forecasts downward. SLFRF investments in public sector capacity and operational support in previous fiscal years included funds for uniformed personnel costs for the New York City Police Department, the Fire Department of the City of New York and the provision of citywide sanitation services performed by the New York City Department of Sanitation (DSNY).

In FY24, SLFRF funding continued to support critical government services aimed at both the City's public schools and citywide waste export services. The New York City Department of Education received funds that were used to cover personnel costs. Additionally, SLFRF funds supported the Waste Collection and Removal project at DSNY, funding over 32 million tons of waste export.

Public Health

In addition to supporting government operations, the City continues to prioritize its public health response to address the long-standing inequalities that led to COVID-19's disproportionate impacts on communities of color and low-income populations. The FY24 allocation represents a continuation of this commitment through the maintenance of funding for the Department of Health and Mental Hygiene's (DOHMH) Mobile Treatment Program. This program includes the Intensive Mobile Treatment (IMT) initiative and the Continuous Engagement between Community and Clinic Treatment (CONNECT) initiative. IMT teams comprise of mental health, substance use, and peer specialists who provide counseling, advocacy, and connections to housing and services. These specialists help divert people in mental health crises from unnecessary hospitalizations or follow up with them after hospital discharge to connect them with community care. CONNECT is an innovative, holistic model for mental healthcare that engages with clients beyond the traditional doctor-patient intervention. It is designed to improve the quality of care by helping those with serious mental illness receive treatment and support in the communities they know and trust.

SLFRF also funded the School Health and Safety project in FY24, which continues to ensure student safety in schools. SLFRF funds provided free take-home COVID test kits, sanitizing supplies, and on-site nursing staff in schools, and kept students safe and healthy with health screenings and more frequently cleaned surfaces.

Economic and Workforce Development

SLFRF funds have been used on programs crucial to the growth and recovery of NYC businesses. One key program was The Department of Transportation's (DOT) Open Restaurant program. This program ensured businesses could remain open during the height of the pandemic by offering outdoor seating that complied with social distancing regulations. Not only did this help keep businesses afloat during the pandemic, it also provided additional capacity that promoted the recovery after regulations were lifted.

In the summer of 2023, the City adjusted this program and made it permanent with the Dining Out NYC initiative. This program created regulations and options for year-round Sidewalk Cafes and seasonal (April – November) Roadway Cafes, to ensure restaurants and residents would continue to benefit from the additional seating capacity and the flexibility offered by outdoor dining. In FY24, DOT used SLFRF funds to assist in the design of modular, safe and compliant café structures which make it easier for restaurants to adhere to updated regulations and ensure that structures on city streets and sidewalks are clean, stable and secure.

SLFRF also funded the DOHMH Mobile Food Vending program in FY24, which supports costs associated with the implementation of Local Law 18 which aims to double the number of authorized Mobile Food Vendors (MFV) over a 10-year period and provide additional economic opportunities to vendors throughout the City. DOHMH began the MFV program in 2022, and SLFRF funding has supported it annually since.

Housing

Over the course of the grant, SLFRF funds were deployed through several programs designed to support unhoused people, and those at risk of losing housing. Projects funded included Support to Unhoused Persons, Rental Assistance Voucher Funding, Eviction Counsel Access, and NYC Housing Connect Enhancements.

In FY24, the City allocated SLFRF funding towards Rental Assistance vouchers for New Yorkers experiencing homelessness in order to help them move into stable housing. Over the course of FY24, the Department of Social Services helped place over 9,000 households – representing 18,885 New Yorkers – into permanent housing. This voucher funding has provided secure housing for vulnerable New Yorkers and mitigates a housing crisis that was exacerbated by the pandemic.

Public Safety

The COVID-19 pandemic transformed the City's streetscape in many ways. Now more than ever, New Yorkers are looking for alternate ways to travel, and SLFRF funds have contributed to DOT's Green Wave program, which aims to make streets more accessible and safer for cyclists, bus users, and pedestrians.

In 2023, there were 35 million Citi Bike customer trips³, and 16 miles of bike lanes were built in FY24 alone. This funding does not just go towards constructing new bike lanes, but supports upgrades for old ones – using sturdy materials to protect cyclists, better delineating bike and bus lanes and building towards a safer future for all modes of transportation.

In addition to promoting safety for cyclists, SLFRF funding has been used to improve pedestrian access through DOT's Open Streets program. Enormously successful during the height of the pandemic, Open Streets has connected communities across the City, bringing economic prosperity and pedestrian safety to over 25 miles of streets as of 2023, covering over 400 city blocks. In 2024, DOT adopted rules to codify this program's application process and requirements, establishing a regulatory framework for how the program would be managed and operated moving forward.⁴ Programs like Green Wave and Open Streets have reshaped public life in the City, and this investment of SLFRF funding promotes a safer, more prosperous future for all those who use New York's streets.

Promoting Equitable Outcomes

Communities of color throughout the City have been disproportionately impacted by long-term and widespread inequities in public health, housing, jobs, and more⁵. To combat these impacts, the City launched the Taskforce on Racial Inclusion and Equity (TRIE) in April 2020. The taskforce brought over 100 leaders from 67 agencies and offices together to review the COVID-19 response and identify solutions for the most impacted communities. TRIE's work formed the basis for much of SLFRF's allocations and outcomes.

The crucial work done by TRIE during the early days of the pandemic has grown and expanded into citywide efforts to operationalize and institutionalize a racial equity lens to policymaking. In the spring of 2022, the Mayor launched the Mayor's Office of Equity (MOE). In October of 2023, fulfilling the promise made when New Yorkers voted to create an office dedicated to racial equity, MOE expanded into the NYC Mayor's Office of Equity and Racial Justice (MOERJ), with the following mission:

"With an overarching and unrelenting commitment to equity for all, the City of New York will ensure that every resident can thrive. The NYC Mayor's Office of Equity & Racial Justice (MOERJ) will dismantle explicit and implicit bias in municipal government functions, provide meaningful, unburdened access to resources, and create avenues of economic support for mobility, health, housing and social well-being across all boroughs."⁶

This office includes: NYC Her Future, the NYC Commission on Gender Equity, the NYC Unity Project, and the NYC Young Men's Initiative as well as multi-agency bodies like the NYC Pay Equity Cabinet and TRIE.

The MOERJ, following much of the blueprint established during the immediate aftermath of the COVID-19 pandemic, will draft a Citywide Racial Equity Plan which will provide a roadmap for the City to address systemic inequities through concrete goals, strategies and structural reforms, working across

³ New York City Department of Transportation, *Bike Share Usage Data Report: Q1 2024*, (page 7), <https://www.nyc.gov/html/dot/downloads/pdf/bike-share-usage-data-report-q1-2024.pdf>

⁴ New York City Department of Transportation, *NYC DOT Open Streets Overview*, <https://www.nyc.gov/html/dot/html/pedestrians/openstreets.shtml>

city agencies to set goals and make ongoing improvements to end racial disparities and advance equity throughout the city.

More specific measures to advance racial equity across programs and processes in the City can be found at the agency level and are reflected in the biannual Mayor's Management Report. Please see the Uses of Funds section within this report to learn more about how equitable outcomes are related to SLFRF funding.

Community Engagement

The City has allocated SLFRF funds through the City's budget process, which consists of financial plans that are released in November, January, April, and June and provide multiple opportunities for community and agency engagement. Over the course of these plans, City Council committees hold public hearings with the commissioners of City agencies, who testify about their plans for service delivery. All are welcome to voice their concerns during this process including elected Borough Presidents, Community Boards, lobbyists, advocates, and the general public. The City's use of SLFRF funding is frequently discussed during the budget process.

SLFRF funds have also allowed the City the financial flexibility to continue community-led processes such as Participatory Budgeting. This process placed \$24 million of the City's FY24 capital budget directly in the hands of community members throughout the city and empowers everyday New Yorkers to shape their communities based on what their districts need.⁵ Dozens of projects were funded over the past year, covering everything from improved lighting at NYCHA Parks, to Bus Countdown Clocks, to accessibility upgrades at schools and libraries.

Labor Practices

Over the last four years of the grant, the City utilized SLFRF to fund projects that create jobs, foster upward mobility, and strengthen worker protections, which contributed to the recovering of nearly one million jobs lost during the pandemic. SLFRF funds were critical to the City's workforce recovery, allocating money to projects like Jobs for the 21st Century, which provided NYCHA residents and New Yorkers from economically disadvantaged communities with a sustainable pathway to green building jobs, and connected individuals at risk of gun violence with a climate-technology startup.

Additionally, all work on stimulus funded infrastructure investments adhered to applicable wage requirements, and new, COVID-19-specific safety protocols were instituted for construction sites throughout the city, enforced by the Department of Buildings.

⁵ New York City Council, *Participatory Budgeting*, <https://council.nyc.gov/pb/>

Use of Evidence

As prior SLFRF Recovery Plans have reported, the City uses an evidence-based lens to design, implement and evaluate SLFRF-funded programs. Two notable programs include the New York City Economic Development Corporation's Vaccine Incentive program, and the DOHMH Mobile Mental Health project.

The Vaccine Incentive program played a critical role in the City's recovery from the pandemic, using a data-driven approach to incentivize New Yorkers to get the COVID-19 vaccine. The City offered \$100 prepaid debit cards to get as many vaccinated as possible, and the program was rolled out primarily to high-risk populations with low vaccination rates, such as those residing in shelters, working in public hospitals, and immigrant populations that are more insulated from traditional outreach. Through this program, approximately 900,000 people received a vaccine or booster shot that may not have had one otherwise. This program was so successful, it was featured in a peer-reviewed Lancet article as an example of how proof-of-vaccination requirements, incentive payments and employer-based mandates could be used to measurably increase vaccination rates.⁶ SLFRF funding formed the backbone of the Vaccine Incentive program, and evidence-based approaches like this were vital for the City's recovery.

The COVID-19 pandemic also had a profoundly negative impact on the mental health of the City. In FY24, SLFRF funding supported the DOHMH Mobile Mental Health Project which led to release of a landmark report in May 2024 on the state of mental health of New Yorkers. This report presented data across all age groups that addressed measures of well-being and environmental factors that impact mental health outcomes, such as access to resources and use of mental health services.⁷ Programs funded within the Mobile Mental Health project include CONNECT and Mobile Crisis Teams. These programs utilize evidence-based models to ensure every dollar spent created the best outcomes possible for New Yorkers.

Performance Report

Throughout the four years of this grant award, the City has used its SLFRF funding to support urgent public health initiatives, restore employment, fund critical government services, and help people meet their basic needs like food, housing, and healthcare. SLFRF funds have helped the City withstand the impacts of the COVID-19 pandemic, and the investments made throughout the past four years will strengthen the City's economy.

New York City was on a path of strong economic growth and increasing equity before the pandemic. The economic disruption of the pandemic and especially its disproportionate impacts on people of color and low-income communities have affirmed the City's commitment to building an economy with more and better opportunities for all. The City maintains a focus on performance goals that intersect with its SLFRF program objectives.

⁶ Ezra Cohn, Michael Chimowitz, Theodore Long, and Jay K Varma, "The effect of a proof-of-vaccination requirement, incentive payments, and employer-based mandates on COVID-19 vaccination rates in New York City: a synthetic-control analysis," *The Lancet* 7, no.9 (2022),

[https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667\(22\)00196-7/fulltext](https://www.thelancet.com/journals/lanpub/article/PIIS2468-2667(22)00196-7/fulltext)

⁹ Hamwey M, Norman C, Suss R, et al. "The State of Mental Health of New Yorkers." New York City Department of Health and Mental Hygiene, (May 2024), <https://www.nyc.gov/assets/doh/downloads/pdf/mh/state-of-mental-health-new-yorkers.pdf>