New York City Recovery Plan

American Rescue Plan Act
State and Local Fiscal Recovery Funds

2025 Report

New York City

2025 Recovery Plan

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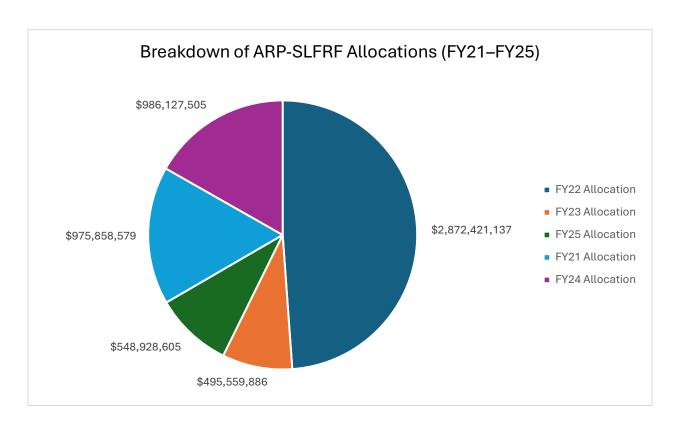
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Executive Summary

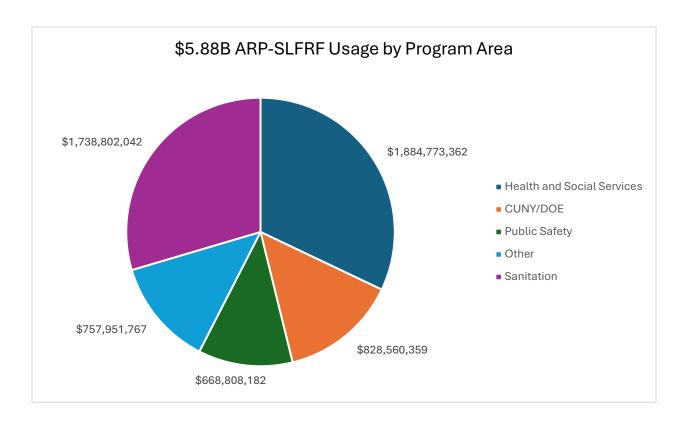
On March 11, 2021, the American Rescue Plan Act of 2021 was signed into law. Among other programs, the American Rescue Plan (ARP) authorized the State and Local Fiscal Recovery Fund (SLFRF), administered by the U.S. Department of the Treasury, which provided over \$350 billion for state, territorial, local, and tribal governments to support their response to and recovery from the COVID-19 public health emergency. New York City ("City") received \$5.88 billion of ARP-SLFRF money to be spent between March 3, 2021 and December 31, 2024. ARP-SLFRF was used to fund programs that supported pandemic response as well as recovery programs that protected public safety, helped rebuild the economy, and improved the quality of life for New Yorkers.

The City received additional federal funding, including \$7.46 billion from the Federal Emergency Management Agency (FEMA), \$7.66 billion in Education Stimulus funds, \$1.87 billion from the Centers for Disease Control and Prevention (CDC), and \$1.45 billion from the Coronavirus Relief Fund (CRF) established through the CARES Act, as well as other smaller funding streams, totaling \$27 billion of crucial federal funding.

When ARP-SLFRF was enacted a year after the pandemic began, the City was still facing immense challenges. Hospitals remained overwhelmed, businesses were navigating ongoing social distancing restrictions, and many City residents faced heightened risks of illness and joblessness. Over the first three months of this grant, nearly \$976 million was spent on urgently needed services such as childcare, rental assistance, and ensuring public spaces were clean and well-maintained. This funding served as a vital lifeline, and has continued to help offset lost revenue and cover rising costs tied to the pandemic over the last five years.



Through ARP-SLFRF, the City created 45 projects and nearly 150 initiatives across 48 City agencies. These projects funded a wide range of initiatives - from innovative programs like Open Streets, City Cleanup Corps, and Vaccine Incentives, to essential services such as waste collection and salaries for teachers, nurses, and other public sector workers. The ability to both create programs and fund existing services allowed the City to withstand, innovate, and renew in the wake of COVID-19. This laid the foundation for the robust and holistic recovery the City is experiencing today.



The City thanks the Federal Government for the passage of this grant. The City would also like to thank its residents for continuing to endure and thrive in the face of challenges. New Yorkers created, implemented, and participated in innovative programs to ensure businesses could stay open, neighbors could stay connected, and that the hardest hit among us had vital resources they could depend on. This report outlines the ways the City used ARP-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 ARP-SLFRF funded programs.

Uses of Funds in City Fiscal Year 2025

In the final six months of the ARP-SLFRF Grant, the City spent \$549 million, fully expending the \$5.88B awarded to the City in 2021. The next section of this report details how this funding was used to achieve federal and local goals of engaging and empowering communities, increasing public safety, and applying an evidence-based lens to design, implement, and assess funded programs.

In City Fiscal Year 2025 (FY25), the City continued reporting all expenditures for projects and programs under Expenditure Category 6: Revenue Replacement in the following program areas:

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

Government Operations

Like in previous years, much of the FY25 allocation went towards supplementing government services. This includes personnel costs for school nurses within the Department of Education and waste export under the Department of Sanitation. These programs ensured the City could continue to rebound from the economic headwinds created by COVID-19 and have strengthened the City's recovery.

Public Health

The FY25 allocation provided a continuation of funding for the Department of Health and Mental Hygiene (DOHMH)'s Mobile Treatment program. The Mobile Treatment program includes the Intensive Mobile Treatment (IMT) initiative and the Continuous Engagement between Community and Clinic Treatment (CONNECT) initiative. IMT teams 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 model for mental healthcare, where a community liaison, along with mental health professionals, engage with clients beyond the traditional doctor-patient intervention. This model is designed to improve the quality of care by helping those with serious mental illnesses receive treatment and support in the communities they know and trust.

Protecting New Yorkers from disease is not the only way the City safeguards its residents. Access to nutritious food is also critical for long-term well-being. Over 1.2 million city residents experience food insecurity, a problem that was heightened during COVID-19.³ The Department of Social

¹ NYC Mayor's Office of Community Mental Health, "Intensive Mobile Treatment (IMT) Teams." https://mentalhealth.cityofnewyork.us/program/intensive-mobile-treatment-imt

² NYC Health, "City Launches New Mental Health Treatment Pilot 'Connect'."

https://www.nyc.gov/site/doh/about/press/pr2022/city-launches-new-mental-health-treatment-pilot-connect.page

³ Office of the New York State Comptroller Thomas P. DiNapoli, "DiNapoli: More New Yorkers Facing Food Insecurity, Tariffs and Federal Funding Cuts Could Worsen Problem." https://www.osc.ny.gov/press/releases/2025/04/dinapoli-more-new-yorkers-facing-food-insecurity-tariffs-and-federal-funding-cuts-could-worsen

Services (DSS) used ARP-SLFRF funding to continue the Emergency Food Assistance Program (EFAP), the Supplemental Nutrition Assistance Program (SNAP), the SNAP Education Program, and the Food Assistance Program. EFAP provided administrative funding, food, and technical assistance to over 480 community kitchens and food pantries citywide and is now known as the Community Food Connection program. The SNAP Outreach Service provides community-based outreach, education, and enrollment for SNAP benefits while the SNAP Education Program provides nutrition education to SNAP eligible populations.

All these programs demonstrate the City's commitment to ensuring New Yorkers have access to healthcare and adequate nutrition.

Economic and Workforce Development

The City's recovery was also boosted by its support of local businesses. The New York City Council introduced legislation to reform the food vending program, building on the COVID-19 era program and ensuring all who want to access it can do so.⁶ In FY25, ARP-SLFRF funds supported DOHMH's Mobile Food Vending Program. This program was designed to double the number of authorized Mobile Food Vendors over a 10-year period in accordance with Local Law 18, which would provide additional economic opportunity to vendors.

The FY25 allocation continued to provide stable housing for thousands of New Yorkers. Stable housing is not only associated with a reduction in chronic conditions like asthma and diabetes, it also ensures that individuals can remain in their communities, maintain employment, and access essential services such as childcare, transportation, and education. This contributes to a more resilient workforce, as families can focus on personal and professional growth without the burden of housing instability.

Public Safety

Maintaining public safety and cleanliness was critical during the COVID-19 pandemic. Beyond the health impacts and dangers of the disease, it was also important that safe learning environments were made available to students, streets remained clean, and that New Yorkers could travel throughout the city safely.

To keep city streets clean and enhance programs like Open Streets and Open Restaurants, the FY25 allocation was used to support the New York Department of Sanitation's Waste Export program. This provided funding for essential services that kept trash off the streets and helped reduce a rodent population that had surged during the pandemic.

⁴ NYC Human Resources Administration Department of Social Services, "Food Assistance Through Community Food Connection (CFC)." https://www.nyc.gov/site/hra/help/food-assistance.page

⁵ NYC Human Resources Administration Department of Social Services, "SNAP Benefits Information." https://www.nyc.gov/site/hra/help/snap-benefits-food-program.page

⁶ The New York City Council Adrienne E. Adams Speaker, "Ensuring business licensing and regulatory compliance of all mobile food and general vendors."

https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=6558020&GUID=A32C6BA4-7084-46F9-86D5-4A99D6CCB926#:~:text=This%20bill%20would%20increase%20the,restrictions%20of%20the%20license%20holder.

⁷ NYC Department of Health & Mental Hygiene, "Housing creates health." https://a816-

<u>dohbesp.nyc.gov/IndicatorPublic/data-stories/housing-creates-health/</u>

Funds were also allocated to keep schools open and children safe. One of the first programs instituted during the pandemic was the COVID-19 Situation Room, a multi-agency coordinated effort to keep students safe in reopened public schools. Through the Situation Room, the Department of Education could conduct contact tracing, track COVID-19 outbreaks, and manage positive cases as they occurred, centralizing that information to build a clear picture of the COVID-19 threat in schools. ARP-SLFRF funds were also used to hire school nurses who would continuously monitor and protect student health. These funds were not limited to K-12 schools. The City University of New York also utilized ARP-SLFRF funds to reopen Hunter College by supporting building maintenance, paying custodial and safety staff, and providing COVID-19 testing for students.

Community Engagement

The City's response to COVID-19 highlighted the importance of community engagement. The City allocated ARP-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 throughout this process including elected Borough Presidents, Community Boards, lobbyists, advocates, and the general public.

The pandemic also prompted the City to partner with trusted local organizations, including community-based, faith-based, and cultural institutions to ensure all neighborhoods were part of the City's recovery.8 These partners were critical in sharing accurate information, supporting vaccine outreach, and distributing resources like at-home test kits and personal protective equipment. Outreach efforts included virtual and in-person events, peer-to-peer engagement, and canvassing.

These efforts are examples of the City's ongoing commitment to civic engagement and long-term community support.

Labor Practices

Throughout the lifetime of the grant, the City utilized ARP-SLFRF to fund projects that create jobs, foster upward mobility, and strengthen worker protections, which together contributed to recovering the nearly one million jobs lost during the pandemic. ARP-SLFRF funds were critical to the City's workforce recovery, allocating resources to programs like "Build On-Ramps to Green Jobs" which connected NYCHA residents to a number of different careers, while other initiatives supported training in healthcare, tech, and manufacturing.⁹

⁸ NYC Mayor's Office of Operations, "New York City COVID-19 Response Review Report", page 18. https://www.nyc.gov/assets/operations/downloads/pdf/projects/NYC-COVID-19-Response-Review-Report.pdf
9 NYC Mayor's Office of Management & Budget COVID-19 Funding Tracker, "ARP-SLFRF Revitalization and Recovery." https://www.nyc.gov/site/covid19fundingtracker/arp/revitalization-and-recovery.page?

The City also supported programs like Summer Rising, which expanded tutoring and teacher hiring in order to provide students in grades K-8 with summertime academic support, social emotional learning, and enrichment activities like arts activities, field trips, and outdoor recreation.¹⁰

To protect the City's labor force, COVID-19-specific safety protocols were instituted for construction sites throughout the city and were enforced by the Department of Buildings. Work on stimulus-funded infrastructure adhered to prevailing wage requirements.

Use of Evidence

The City used an evidence-based process to design, implement, and evaluate ARP-SLFRF-funded programs. Two of those programs include the DOHMH's Mobile Mental Health project and the New York City Economic Development Corporation's Vaccine Incentive program (VI). Programs funded within the Mobile Mental Health project such as CONNECT and IMT utilized evidence-based models to ensure New Yorkers struggling with mental health have access to help needed.

Additionally, the VI program applied a data-driven approach to incentivize vaccination. As part of this effort, 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. According to a public health study, the VI program helped provide approximately 410,000 New Yorkers with a vaccine or booster shot who may not have had one otherwise. This was critical for boosting the City's overall vaccination numbers. By September 14, 2023, over 90% of City residents had received at least one dose of a COVID-19 vaccine, and over 81% had received the two-dose primary series. Creative, evidence-based approaches like the Vaccine Incentive program have been vital for the City's recovery.

Performance Report

Lessons learned from the City's response to the pandemic will continue to enhance the City's ability to manage future emergency responses and protect its residents. For example, Take Care New York integrated community-based organizations into a centralized response to ensure that sick New Yorkers received support during isolation and quarantine. NYC Health + Hospitals, DSS, and the Mayor's Office are working together to establish a scalable outreach and support model based on lessons learned from this program. A citywide vaccination strategy is also in development to better reach underserved communities through mobile and pop-up clinics. The City is expanding wastewater surveillance to more efficiently detect public health threats. The City is formalizing supply chain monitoring to better support grocery stores and local food supplies during a crisis.

¹⁰ NYC Public Schools," Summer Rising. "https://www.schools.nyc.gov/enrollment/summer-rising

¹¹ 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

¹² NYC Department of Health & Mental Hygiene, "COVID-19 Data: Vaccines (Historical)." https://www.nyc.gov/site/doh/covid/covid-19-data-vaccines.page

On March 13, 2020, when COVID-19 was declared a national emergency, few could have imagined the devastation that would follow, and how long recovery would take. The \$5.88 billion ARP-SLFRF grant was crucial to help the City offset revenue loss and rising costs in response to the pandemic. Funding supported urgent public health initiatives, the restoration of employment, and critical government services. Although there are still challenges, the City is much better prepared today to face them than we would have been without this grant. ARP-SLFRF funding supported programs that powered the City's recovery, stabilized a cratering economy and, most importantly, flattened the curve of COVID-19 infections, bringing down the pandemic death rate. The City is now stronger, healthier, and safer.