

Edwards,Michelle

From: Tess Brooks <tebroo3@gmail.com>
Sent: Monday, January 10, 2022 1:58 PM
To: Bennett,Duke A
Cc: Elliott,Earl; Loudermilk,Cheryl; Auler,Amy; Azar, George; Boland,Tammy; Crossen,Martha; Garrison,Neil; Nation,Todd; DeBaun,Curtis; Edwards,Michelle; Felling,Darrell
Subject: Re: *Ext!* Vigo County's Economic Equity Inclusion Plan
Attachments: Vigo County Economic Equity Initiative Master Plan (7 Dec 2021).pages

Good morning all,

Here is a reply to the email sent by Mayor Bennett:

a. In your original proposal, there were 8 categories of proposed investment (Hope Business Center, Arts, Athletics, Child Care, Education, History, Housing & Sidewalks and Medical & Substance Abuse) and in your newest proposal I find 10 categories (HCC, Myers Surgical Associates, Phenrooks LLC, Morgue, Bodga, STIRR, Black Gold, C&C Imagining, Davis-Ross BLK History Museum and LDC). I can easily compare these with some of the initial proposal categories but there a few new ones and no available details (other than income and expenses categories). I am seeking some clarification.

The initial proposal was rejected by you in the meeting with group members Sept of 2021. Mayor Bennett indicated a need for a business plan. Mayor Bennett then reached out to Courtney Richey of SBA (Terre Haute area) and asked her to give me a call.

I met with Courtney Richey and she indicated a need for me to use account software for spreadsheets. Courtney also commented on the components offered at Hope Community Center are needs SBA, LAUNCH of Terre Haute, and the Chamber of Commerce do not offer or are unable to provide by law. Courtney suggested cross relationships between all organizations would provide a full benefit package to participants. I informed Courtney our group would not be opposed to committing membership to those organizations and hope those organizations would commit membership to Hope Community Center as well. We scheduled a business plan writing workshop with Courtney and followed the format suggested. Enclosed is the business plan and budget for 12M request.

The business plan transposes the previous categories into viable entities operated by inaugural entrepreneurs participating in this groundbreaking movement to secure financial equity. Each component previously identified except the sports complex (rejected by Mayor Bennett) has been given an entity title and ownership. All businesses fall within the guidelines of the ARP Interim Final Rule. I hope this provides some clarity, I also included an excerpt from the Interim Final Rule below to establish support.

"Finally, these resources lay the foundation for a strong, equitable economic recovery, not only by providing immediate economic stabilization for households and businesses, but also by addressing the systemic public health and economic challenges that may have contributed to more severe impacts of the pandemic among low-income communities and people of color."

b. The City of Terre Haute will need detailed business plans from any organization(s) seeking funding. Projected project income and expense spreadsheets are one small piece of a proposal. A detailed description of each program/project along with the formal organizational structure, how the projected revenues and expenses were determined, marketing plans, business operations plans, and implementation timelines for each program/project will be the minimum information required.

We have submitted a business plan in the format taught by SBA which concurred with the format previously used. If the Mayor's office prefers a different format than business plan format we respectfully request s template be provided.

2. It is very important that you send your e-mails regarding ARPA funds to every City Council member at their city e-mail address. Note: I have copied the City Council on this response. Your previous messages and this current message are not getting to all members due to some incorrect e-mail addresses or because some council members are left off the list. In addition, it is important to use official city e-mail addresses so that these communications are a part of the official record and are transparent to the public. Here are the official City Council member, City Clerk and Mayor e-mail addresses:

We concur transparency is of the utmost importance hence our request for "Vigo County Economic Equity Initiative" placed on the city council agenda. Moving forward we will make updates to our current email list. Enclosed below is the Interim Final Rule on transparency.

"Implementation of the Fiscal Recovery Funds also reflect the importance of public input, transparency, and accountability. Treasury seeks comment on all aspects of the Interim Final Rule and, to better facilitate public comment, has included specific questions throughout this Supplementary Information. Treasury encourages State, local, and Tribal governments in particular to provide feedback and to engage with Treasury regarding issues that may arise regarding all aspects of this Interim Final Rule and Treasury's work in administering the Fiscal Recovery Funds. In addition, the Interim Final Rule establishes certain regular reporting requirements, including by requiring State, local, and Tribal governments to publish information regarding uses of Fiscal Recovery Funds payments in their local jurisdiction. These reporting requirements reflect the need for transparency and accountability, while recognizing and minimizing the burden, particularly for smaller local governments. Treasury urges State, territorial, Tribal, and local governments to engage their constituents and communities in developing plans to use these payments, given the scale of funding and its potential to catalyze broader economic recovery and rebuilding."

3. The Federal Government has still not provided the final rules related to spending of the ARPA Funds. The City Council recently approved the spending of some funds in 2021 to reimburse the city for 2020 revenue losses, payment of past COVID related expenses and a performance pay stipend for full & part time employees who worked in 2020/2021. These time sensitive detailed expenditures were reviewed by our outside financial consultants and attorneys prior to submitting them to the City Council for approval. If we find out later that something is not qualified then we will be required to repay the ARPA Fund. Note: We will not be making any additional (outside of city government) spending decisions until the final rules are official.

The Interim Final Rule is the final guideline governing the legislation passed by both the House & Senate and signed into law by President Biden. American Rescue Plan is a monetary transferring document created to expedite funding to much needed areas without delay. American Rescue Plan funding is transferred by the IRS to State, Local, and Tribal governments for transfer and or development by both government agencies and private, nonprofit entities. The delay by the Bennett administration increases the challenge to have fund requests exhausted by the deadline given in legislation. Enclosed is the supported verbiage from the Interim Final Rule.

"Unfortunately, the pandemic also has reversed many gains made by communities of color in the prior economic expansion.¹⁵

B. The Statute and Interim Final Rule

On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law by the

President.¹⁶ Section 9901 of ARPA amended Title VI of the Social Security Act¹⁷ (the Act) to add section 602, which establishes the Coronavirus State Fiscal Recovery Fund, and section 603, which establishes the Coronavirus Local Fiscal Recovery Fund (together, the Fiscal Recovery Funds).¹⁸ The Fiscal Recovery Funds are intended to provide support to State, local, and Tribal governments (together, recipients) in responding to the impact of COVID-19 and in their efforts to contain COVID-19 on their communities, residents, and businesses. The Fiscal Recovery Funds build on and expand the support provided to these governments over the last year, including through the Coronavirus Relief Fund (CRF).¹⁹

¹⁴ Emma Dorn et al., COVID-19 and student learning in the United States: The hurt could last a lifetime (June 2020), https://webtest.childrensinstitute.net/sites/default/files/documents/COVID-19-and-student-learning-in-the-United-States_FINAL.pdf; Andrew Bacher-Hicks et al., Inequality in Household Adaptation to Schooling Shocks: Covid-Induced Online Engagement in Real Time, J. of Public Econ. Vol. 193(C) (July 2020), available at <https://www.nber.org/papers/w27555>.

¹⁵ See, e.g., Tyler Atkinson & Alex Richter, Pandemic Disproportionately Affects Women, Minority Labor Force Participation, <https://www.dallasfed.org/research/economics/2020/1110> (last visited May 9, 2021); Jared Bernstein & Janelle Jones, The Impact of the COVID19 Recession on the Jobs and Incomes of Persons of Color, https://www.cbpp.org/sites/default/files/atoms/files/6-2-20bud_0.pdf (last visited May 9, 2021).

¹⁶ American Rescue Plan Act of 2021 (ARPA) § 9901, Pub. L. No. 117-2, codified at 42 U.S.C. § 802 *et seq.*

¹⁷ 42 U.S.C. 801 *et seq.* ¹⁸ §§ 602, 603 of the Act.

¹⁹ The CRF was established by the section 601 of the Act as added by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Pub. L. No. 116-136, 134 Stat. 281 (2020).



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Through the Fiscal Recovery Funds, Congress provided State, local, and Tribal governments with significant resources to respond to the COVID-19 public health emergency and its economic impacts through four categories of eligible uses. Section 602 and section 603 contain the same eligible uses; the primary difference between the two sections is that section 602 establishes a fund for States, territories, and Tribal governments and section 603 establishes a fund for metropolitan cities, nonentitlement units of local government, and counties.

Sections 602(c)(1) and 603(c)(1) provide that funds may be used:

1. a) To respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
2. b) To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
3. c) For the provision of government services to the extent of the reduction in revenue due to

the COVID–19 public health emergency relative to revenues collected in the most recent

full fiscal year prior to the emergency; and

4. d) To make necessary investments in water, sewer, or broadband infrastructure.

In addition, Congress clarified two types of uses which do not fall within these four

categories. Sections 602(c)(2)(B) and 603(c)(2) provide that these eligible uses do not include, and thus funds may not be used for, depositing funds into any pension fund. Section 602(c)(2)(A) also provides, for States and territories, that the eligible uses do not include:

“directly or indirectly offset[ting] a reduction in the net tax revenue of [the] State or territory resulting from a change in law, regulation, or administrative interpretation.”

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The ARPA provides a substantial infusion of resources to meet pandemic response needs and rebuild a stronger, more equitable economy as the country recovers. First, payments from the Fiscal Recovery Funds help to ensure that State, local, and Tribal governments have the resources needed to continue to take actions to decrease the spread of COVID-19 and bring the pandemic under control. Payments from the Fiscal Recovery Funds may also be used by recipients to provide support for costs incurred in addressing public health and economic challenges resulting from the pandemic, including resources to offer premium pay to essential workers, in recognition of their sacrifices over the last year. Recipients may also use payments from the Fiscal Recovery Funds to replace State, local, and Tribal government revenue lost due to COVID-19, helping to ensure that governments can continue to provide needed services and avoid cuts or layoffs. Finally, these resources lay the foundation for a strong, equitable economic recovery, not only by providing immediate economic stabilization for households and businesses, but also by addressing the systemic public health and economic challenges that may have contributed to more severe impacts of the pandemic among low-income communities and people of color.

Within the eligible use categories outlined in the Fiscal Recovery Funds provisions of ARPA, State, local, and Tribal governments have flexibility to determine how best to use payments from the Fiscal Recovery Funds to meet the needs of their communities and populations. The Interim Final Rule facilitates swift and effective implementation by establishing a framework for determining the types of programs and services that are eligible under the ARPA along with examples of uses that State, local, and Tribal governments may consider."

" VI. Transfer

The statute authorizes State, territorial, and Tribal governments; counties; metropolitan

cities; and non entitlement units of local government (counties, metropolitan cities, and non entitlement units of local government are collectively referred to as “local governments”) to transfer amounts paid from the Fiscal Recovery Funds to a number of specified entities. By permitting these transfers, Congress recognized the importance of providing flexibility to governments seeking to achieve the greatest impact with their funds, including by working with other levels or units of government or private entities to assist recipient governments in carrying out their programs. This includes special-purpose districts that perform specific functions in the community, such as fire, water, sewer, or mosquito abatement districts.

Specifically, under section 602(c)(3), a State, territory, or Tribal government may transfer funds to a “private nonprofit organization . . . a Tribal organization . . . a public benefit corporation involved in the transportation of passengers or cargo, or a special-purpose unit of State or local government.”¹⁸⁰ Similarly, section 603(c)(3) authorizes a local government to transfer funds to the same entities (other than Tribal organizations).

The Interim Final Rule clarifies that the lists of transferees in Sections 602(c)(3) and 603(c)(3) are not exclusive. The Interim Final Rule permits State, territorial, and Tribal governments to transfer Fiscal Recovery Funds to other constituent units of government or

¹⁸⁰ § 602(c)(3) of the Act.



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private entities beyond those specified in the statute. Similarly, local governments are authorized to transfer Fiscal Recovery Funds to other constituent units of government (e.g., a county is able to transfer Fiscal Recovery Funds to a city, town, or school district within it) or to private entities. This approach is intended to help provide funding to local governments with needs that may exceed the allocation provided under the statutory formula.

State, local, territorial, and Tribal governments that receive a Federal award directly from a Federal awarding agency, such as Treasury, are “recipients.” A transferee receiving a transfer from a recipient under sections 602(c)(3) and 603(c)(3) will be a subrecipient. Subrecipients are entities that receive a subaward from a recipient to carry out a program or project on behalf of the recipient with the recipient’s Federal award funding. The recipient remains responsible for monitoring and overseeing the subrecipient’s use of Fiscal Recovery Funds and other activities related to the award to ensure that the subrecipient complies with the statutory and regulatory requirements and the terms and conditions of the award. Recipients also remain responsible for reporting to Treasury on their subrecipients’ use of payments from the Fiscal Recovery Funds for the duration of the award.

Transfers under sections 602(c)(3) and 603(c)(3) must qualify as an eligible use of Fiscal Recovery Funds by the transferor. Once Fiscal Recovery Funds are received, the transferee must abide by the restrictions on use applicable to the transferor under the ARPA and other applicable law and program guidance. For example, if a county transferred Fiscal Recovery Funds to a town within its borders to respond to the COVID-19 public health emergency, the town would be bound by the eligible use requirements applicable to the county in carrying out the county’s goal. This also means that county A may not transfer Fiscal Recovery Funds to county B for use in

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county B because such a transfer would not, from the perspective of the transferor (county A), be an eligible use in county A.

Section 603(c)(4) separately provides for transfers by a local government to its State or territory. A transfer under section 603(c)(4) will not make the State a subrecipient of the local government, and such Fiscal Recovery Funds may be used by the State for any purpose permitted under section 602(c). A transfer under section 603(c)(4) will result in a cancellation or termination of the award on the part of the transferor local government and a modification of the award to the transferee State or territory. The transferor must provide notice of the transfer to Treasury in a format specified by Treasury. If the local government does not provide

such notice, it will remain legally obligated to Treasury under the award and remain responsible for ensuring that the awarded Fiscal Recovery Funds are being used in accordance with the statute and program guidance and for reporting on such uses to Treasury. A State that receives a transfer from a local government under section 603(c)(4) will be bound by all of the use restrictions set forth in section 602(c) with respect to the use of those Fiscal Recovery Funds, including the prohibitions on use of such Fiscal Recovery Funds to offset certain reductions in taxes or to make deposits into pension funds"

Moreover additional funding and rules have been signed and implemented for education, & sewer pipe replacement.

4. As you can imagine, the city has received numerous requests for financial assistance on many different projects and programs. The total informal inquiries/requests to date far exceed the available funds. The process we use to determine local entity funding eligibility has not yet been finalized. The final federal rules will confirm the structure we will work within and then the Indiana State Board of Accounts will confirm the state accounting rules that apply to the City of TH along with the detailed reporting mechanisms required and the audit process for the expended funds. We are pausing further spending until we get that final legal guidance.

Our group believes we are in position with adequate experience to understand the needs of Black & Brown people of color. We are not aware of what organizations have made requests and how many of those organizations are Black owned and operated. Without knowing what organizations are making requests we can not address whether or not those organizations have been effective in changing the economic equity of people of color.

5. I believe that the ARPA Review Team will begin meeting sometime during the first quarter of 2022 to start discussions regarding future community funding opportunities. Please keep in mind that the ARPA team's role is to review information and make recommendations to the entire City Council for their review, discussion and eventual approval. The City Council will have the opportunity to review all formal proposals and have the final vote on what is actually funded. There will be one spending appropriation made each fiscal year to encumber and allocate funds in that specific year only. All appropriated funds must be spent by 12/31 of the year they were appropriated or they will automatically revert back to the ARPA fund and will have to be appropriated by the City Council all over again the next fiscal year. Note: **All** ARPA funds must be encumbered by 12/31/2024 and spent by 12/31/2026.

We are not sure how to respond to the above statement for several reasons:

1. We need clarity and transparency on the process with a specific timeline.
2. The timeline for approval coincides with the funding deadline and project implementation.
3. A procedure with detailed requirements and timeline has not been made publically.
4. An appeal process or commitment process has not been identified for organizations requesting funding.

Our committee would love the opportunity to meet with Mayor Bennett as well as address City Council members. Enclosed is another copy of the business plan for further review. Thank you and we look forward to working with this administration.

On Tue, Jan 4, 2022 at 3:53 PM Bennett,Duke A <Duke.Bennett@terrehaute.in.gov> wrote:

Tess,

Here is my response to your recent e-mail:

1. I have reviewed your recent submission of a proposal now called the V.C.M.E.E.P. I have the following initial question and request:

a. In your original proposal, there were 8 categories of proposed investment (Hope Business Center, Arts, Athletics, Child Care, Education, History, Housing & Sidewalks and Medical & Substance Abuse) and in your newest proposal I find 10 categories (HCC, Myers Surgical Associates, Phenrooks LLC, Morgue, Bodga, STIRR, Black Gold, C&C Imagining, Davis-Ross BLK History Museum and LDC). I can easily compare these with some of the initial proposal categories but there a few new ones and no available details (other than income and expenses categories). I am seeking some clarification.

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2. It is very important that you send your e-mails regarding ARPA funds to every City Council member at their city e-mail address. Note: I have copied the City Council on this response. Your previous messages and this current message are not getting to all members due to some incorrect e-mail addresses or because some council members are left off the list. In addition, it is important to use official city e-mail addresses so that these communications are a part of the official record and are transparent to the public. Here are the official City Council member, City Clerk and Mayor e-mail addresses:

Earl Elliott earl.elliott@terrehaute.in.gov

Cheryl Loudermilk cheryl.loudermilk@terrehaute.in.gov

Amy Auler amy.auler@terrehaute.in.gov

George Azar george.azar@terrehaute.in.gov

Tammy Boland	tammy.boland@terrehaute.in.gov
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Michelle Edwards	michelle.edwards@terrehaute.in.gov
Duke Bennett	duke.bennett@terrehaute.in.gov

3. The Federal Government has still not provided the final rules related to spending of the ARPA Funds. The City Council recently approved the spending of some funds in 2021 to reimburse the city for 2020 revenue losses, payment of past COVID related expenses and a performance pay stipend for full & part time employees who worked in 2020/2021. These time sensitive detailed expenditures were reviewed by our outside financial consultants and attorneys prior to submitting them to the City Council for approval. If we find out later that something is not qualified then we will be required to repay the ARPA Fund. Note: We will not be making any additional (outside of city government) spending decisions until the final rules are official.

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I hope this information is helpful. I look forward to further dialog and much more detailed information (full business plan) clearly describing your project/program proposal.

Sincerely,

Mayor Duke A Bennett



Mayor Duke A. Bennett
17 Harding Avenue, City Hall
Terre Haute, Indiana 47807
P: 812-244-2303 F: 812-244-2305
Mayor@TerreHaute.IN.Gov



From: Tess Brooks <tebroo3@gmail.com>

Sent: Saturday, December 25, 2021 9:32 PM

To: outside email <Mayor@terrehaute.in.gov>; Martha Crossen Gmail <marthacrossen1@gmail.com>; Bennett,Duke A <Duke.Bennett@TerreHaute.IN.Gov>; Neil Garrison <nvgarrison@gmail.com>; Witt, Steve <switt@terrehauteedc.com>; Boland,Tammy <Tammy.Boland@TerreHaute.IN.Gov>; Felling,Darrell <Darrell.Felling@TerreHaute.IN.Gov>; earl.elliott@terrehaute.in; Cheryl.Loudermilk@gmail.com; george.azar@terrehaute.in; Edwards,Michelle <Michelle.Edwards@TerreHaute.IN.Gov>

Cc: Denise Batton <denisebatton1@yahoo.com>; Terry Clark <pastorterrym@yahoo.com>; t1m5@vigoschools.org; Perll Group <theperllgroup@gmail.com>; Theodore Brewer <teddybrewer812@gmail.com>; jbmymers3@hotmail.com; Mary Howard-Hamilton <Mary.Howard-Hamilton@indstate.edu>; crystal reynolds <crystalmreynolds@yahoo.com>; William Morris <wimorris.attorney@gmail.com>; juwbaby22@yahoo.com; stephensconnects@gmail.com; Wendell Holman <wendellholman1@gmail.com>; hfgarrett47802@gmail.com; Lenore G. Williams <rev.lenore@gmail.com>; Elaine Gordon <southdistrict.indiana@gmail.com>; Rev. Maurice Reed <popp50@aol.com>

Subject: *Ext!* Vigo County's Economic Equity Inclusion Plan

****External Email - Think Before You Click****

- Helpdesk

"LDC" HCC Minority Infrastructure Plan

HCC EXP 1

HCC EXP 2

HCC EXP 3

HCC EXP 4

HCC EXP 5

HCC EXP 6

HCC EXP 7

HCC EXP 8

HCC EXP 9

HCC EXP 10

HCC EXP 11

Good evening all,

I hope all were able to enjoy this Christmas season. Many are aware of the ongoing economic impact of the Pandemic on the lives of people in this nation. Economically disenfranchised individuals struggle with poor health care, food insecurity, housing instability, deficiency in educational technology, and high mental & addiction situations. LDC and community partners have developed a strategic comprehensive plan by use of Hope Community Center to impact Vigo County presently and generations to come.

Respectfully, we request 12M in ARP funds. Please see the following attachments. We look forward to an opportunity at the next City Council meeting. Please add our request to the agenda. We have made a request for an appointment with Mayor Bennett as well.

Thank you,

Economic Equity Inclusion Committee

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