Introduction

How can local governments pursue a just and resilient recovery in response to Covid-19?

Disasters and attendant economic contractions exacerbate pre-existing inequities by disproportionately affecting marginalized and vulnerable populations, and the typical implementation of recovery efforts can further entrench these inequities. U.S. federal disaster recovery systems are characterized by bureaucracy and structures that often undermine the ability of the most affected communities to recover. State and local governments, in the midst of the COVID-19 crisis as well as past crises, are forced to navigate the federal recovery system as they face multiple crises without the level of resources and authority appropriate to the scale of the challenges.

As the impacts of COVID-19 continue to worsen, state and local governments must grapple with how to approach the recovery process and what goals to pursue—and now, as ever, pursuing a just and resilient recovery is both a moral imperative and an economic necessity. Communities cannot fully recover if a significant portion of their populations continue to struggle following a disaster. This is not about a small subset of places: even before the crisis, there was no single congressional district in the United States where a full-time minimum wage worker could afford a two-bedroom apartment.[1] This is not about a small fraction of the population: households earning below 200 percent of the poverty line—for example, a family of four earning less than $50,000 a year—make up a third of the U.S. population.[2] In fact, marginalized and vulnerable populations are the majority of our communities and workforce. The economic, racial, and social inequities in this country are the result of historical and ongoing policies and decisions and will only be further exacerbated by the crisis.

In this moment, local governments—as the central actors in deploying federal funding from the CARES Act and future federal stimulus bills—have the opportunity and mandate to choose whether they will pursue a just and resilient recovery, with racial justice, community empowerment, and equity as their goals. Laudably, cities have exerted their political autonomy to take progressive action. Before the COVID-19 crisis, such actions had included declaring sanctuary cities, recommitting to the Paris Climate Accord, increasing living wages, regulating corporate actors on behalf of workers, and otherwise promoting local policies rooted in the politics of who cities represent. With the COVID-19 crisis, this has again been the case, with many cities implementing local shelter-in-place orders, disaster relief programs, and reopening guidelines where there have been confused and conflicting messages at the federal and sometimes state levels.

This guide makes actionable recommendations for local governments to continue to respond to, recover from, and rebuild after the COVID-19 crisis and other crises in the future.

While this guide is primarily targeted to local governments, it also speaks to community-based organizations, advocates, and philanthropies who are seeking to partner with local governments and to hold them accountable through the recovery process.

The guide is organized around a framework for local governments and community stakeholders to imagine, and then make possible, a just and resilient recovery. The framework consists of four phases that follow a crisis event—Emergency Response, Stabilization, Adaptive Recovery, and Institutionalization—that roughly capture four sets of post-disaster conditions and challenges. For each phase, the guide will walk through key challenges, guiding questions, action items, and examples, each developed to center the disaster recovery process on the needs of marginalized and vulnerable populations.

About the Authors

This guide was developed by **HR&A Advisors** in partnership with the Ford Foundation's Cities and States team.

We are a mission-driven public policy, economic development, and resilience consulting firm.

From empowering local decision makers through capacity-building programs, to implementing resilience efforts in response to natural disasters, HR&A is an industry leader in strategic resilience thinking. Our interdisciplinary approach combines over 40 years of experience in organizational strategy, planning and community development, public-private partnerships, stakeholder and community engagement, and institutional change management. We focus on translating the ideas of communities and their advocates into meaningful systems change, by leveraging a deep understanding of government, knowledge of local and private economic forces, and analytical rigor to promote racial, economic, and environmental justice. Through risk assessments, community plans, large-scale public engagement strategies, and project implementation, we help government, civic, and business leaders promote more inclusive development and build more dynamic and resilient cities while leveraging diverse funding and partnership opportunities.

We have led planning and implementation efforts to help communities transition from recovery to resilience in cities throughout the nation.

HR&A Advisors is a leader in resiliency planning in the United States. We have helped local governments respond to and build resilience after major disruptive natural disasters, such as by supporting the Resilient Houston planning effort after Hurricane Harvey; managing the inclusive NY Rising Community Reconstruction Program efforts for New York State after Hurricane Sandy; forming a peer network for mayors in Puerto Rico after Hurricane Maria; and working with the Rockefeller Foundation on its 100 Resilient Cities initiative, leading the development of resilience strategies for 11 U.S. cities and managing the foundation's Capacity Building Initiative for the National Disaster Resilience Competition. We have worked to build long-term community resilience, designing and implementing Talking Transition community engagement efforts for major transitions of municipal power in New York City, Washington D.C., and Harris County (Houston); and creating long-term economic development plans for a wide variety of urban areas.

Throughout these engagements, we have provided stakeholder coordination frameworks, guidance, and best practices for recovery efforts, developing a public-private approach to implementation that draws on community values and priorities to build local consensus and ownership. In the months and years ahead, HR&A is committed to working with public, private, and nonprofit partners to learn from our common experiences, and to design and implement strategies that work towards making resiliency and equity ubiquitous across our communities.

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STARTING GLOSSARY

This guide uses language that contains deep significance and nuance, both as understood by different communities and as employed in the surrounding literature. The glossary below serves the dual purpose of defining some of these words and clarifying the values that underly this guide:

JUST AND INCLUSIVE CITIES:

"Cities that put people first and put equity and social justice at the center of policy and design. Just and inclusive cities communicate to their residents: You belong here. In a just city, residents have the power and the resources to collectively shape, change, and plan their cities."[3]

RESILIENCE:

"The capacity of individuals, communities, institutions, businesses, and systems within a city to survive, adapt, and grow, no matter what kinds of chronic stresses and acute shocks they experience. Shocks are typically considered single event disasters, such as fires, earthquakes, and floods. Stresses are factors that pressure a city on a daily or reoccurring basis, such as chronic food and water shortages, an overtaxed transportation system, endemic violence, or high unemployment. City resilience is about making a city better, in both good times and bad, for the benefit of all its citizens, particularly the poor and vulnerable."[4]

RACIAL EQUITY:

"Race can no longer be used to predict life outcomes and outcomes for all groups are improved."[5]

MARGINALIZED POPULATIONS:

"Marginalized populations are groups and communities that experience discrimination and exclusion (social, political and economic) because of unequal power relationships across economic, political, social and cultural dimensions."[6]

SOCIAL VULNERABILITY:

"Every community must prepare for and respond to hazardous events, whether a natural disaster like a tornado or disease outbreak, or a human-made event such as a harmful chemical spill. A number of factors, including poverty, lack of access to transportation, and crowded housing may weaken a community's ability to prevent human suffering and financial loss in a disaster. These factors are known as social vulnerability."[7]

DISPARATE IMPACT:

"Disparate impact occurs when government or certain private actors unjustifiably pursue practices that have a disproportionately harmful effect on communities of color and other groups protected by the Fair Housing Act. This standard is often used in challenging discrimination in mortgage lending, homeowners' insurance, exclusionary zoning, redevelopment, and demolition of public housing. Disparate impact helps to screen out covert racial discrimination as well as practices that may seem neutral on their face, but actually exacerbate segregation or the effects of prior racial discrimination."[8]

EQUITABLE DEVELOPMENT:

"When we achieve equitable development, we increase the capacity of people of color to strengthen their communities and determine their own future and that of their neighborhoods. We distribute the benefits and burdens of growth equitably among people of all races, ethnic backgrounds, incomes, and geographies/neighborhoods. We encourage multicultural communities where tenured and newcomer residents can thrive. And we provide meaningful choices for the most impacted people of color to live, work, and define their own culture throughout all neighborhoods."[9]

CATALYTIC INITIATIVES:

Use racial equity as a guiding principle for regional development in order to advance new development policies, practices, and investments that foster shared prosperity, health, and resilience.[10]
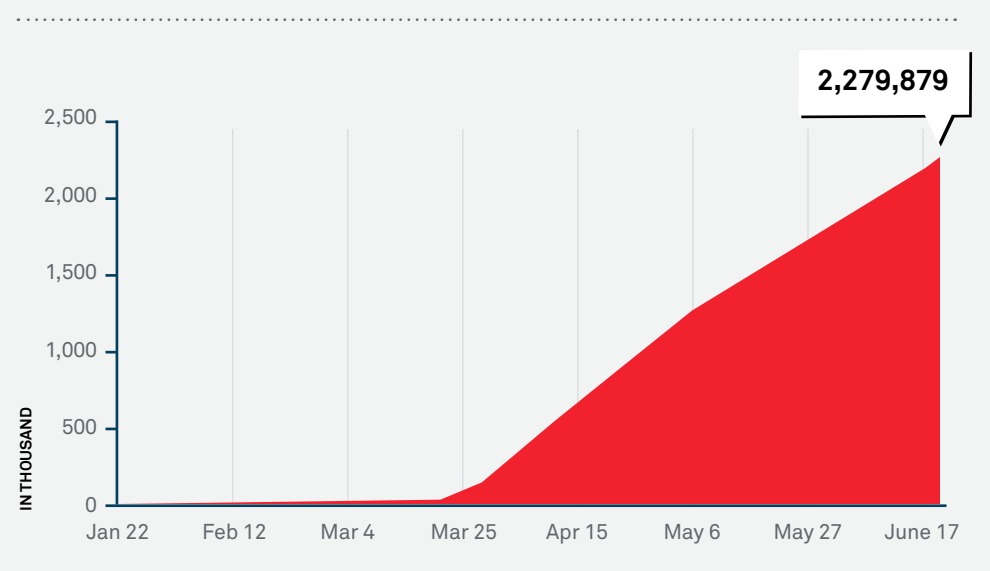
Context

How severe is the COVID-19 crisis?

While any major disaster is remarkable to the communities it affects, the COVID-19 pandemic has been unique in its magnitude, scope, and nature.
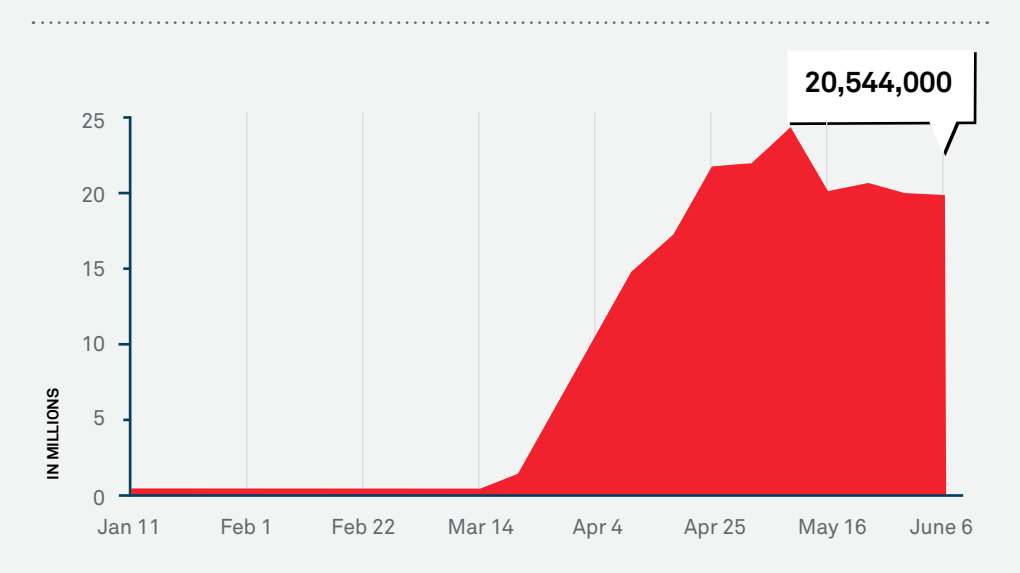
This disaster is simultaneously the largest global **public health crisis** of its kind in a century, placing extraordinary strain on healthcare systems;

Confirmed U.S. COVID-19 Cases[11]

2,279,879

IN THOUSAND

| | Jan 22 | Feb 12 | Mar 4 | Mar 25 | Apr 15 | May 6 | May 27 | June 17 |

An **economic crisis** that has frozen consumer spending and sentiment, causing hundreds of thousands of businesses to shutter;

Advance Monthly Retail and Food Service Sales[12]

-21.8%

IN THOUSAND

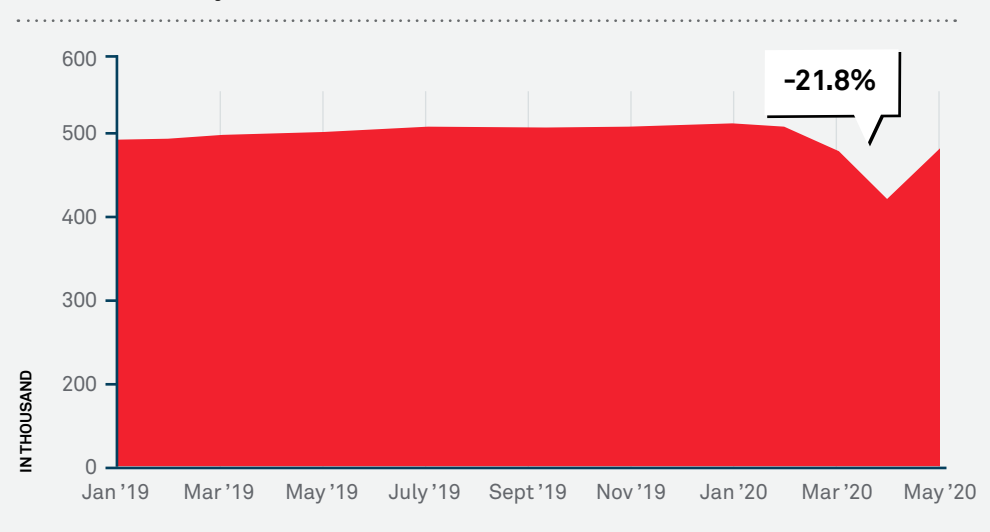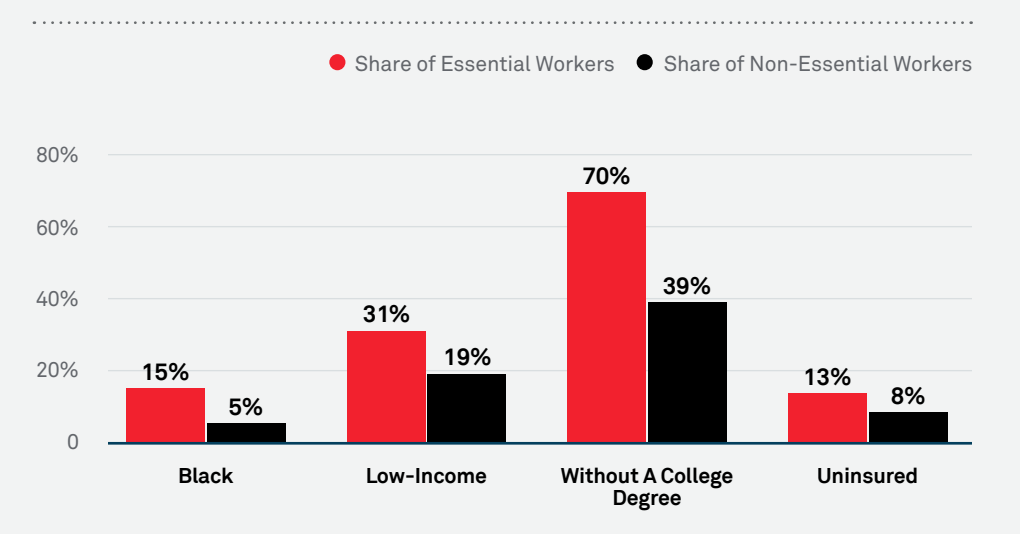| | Jan '19 | Mar '19 | May '19 | July '19 | Sept '19 | Nov '19 | Jan '20 | Mar '20 | May '20 |

An **unemployment crisis** characterized by the most rapid increase in unemployment claims on record in the U.S., leading to Depression-era levels of unemployment;

Weekly Number of Continued Claims (Insured Unemployment)[13]

20,544,000

IN MILLIONS

| | Jan 11 | Feb 1 | Feb 22 | Mar 14 | Apr 4 | Apr 25 | May 16 | June 6 |

And a **worker protection crisis** for those who remain employed, as the rights and wellbeing of many essential workers are strained by low pay, poor benefits, and ongoing health risks. One third of U.S. adults claim to have been deemed essential frontline workers by their local governments, and have therefore faced greater risks through continued exposure to the novel coronavirus.[14]

Characteristics of Essential and Non-Essential Workers[15]

● Share of Essential Workers   ● Share of Non-Essential Workers

	Black	Low-Income	Without A College Degree	Uninsured
Share of Essential Workers	15%	31%	70%	13%
Share of Non-Essential Workers	5%	19%	39%	8%

The U.S. has rarely dealt with a crisis of this scale, and it has rarely dealt with a crisis of this type. The aftermath of this crisis will entail an unusually uncertain recovery, in part because there is no clear "aftermath." Most disasters consist of a visible or otherwise identifiable event that marks a low point from which the community can rebuild. With COVID-19, several months in, the world is still moving deeper into the crisis, with no clear end in sight and no obvious turning point to work away from. The potential for new or renewed outbreaks suggests that the path to recovery will be nonlinear, easily destabilized, and lengthy.

Why are the impacts of this and past disasters so severe and inequitable?

For a crisis that is so frequently characterized as unprecedented and unknowable, one aspect is regrettably familiar: the crisis has devastated vulnerable and marginalized populations, particularly Black and Latinx communities. For all the harm it has caused, COVID-19 did not unilaterally generate racial or class disparity; instead, it exposed and deepened longstanding inequities created by historic policies and decisions:

Disparities in COVID-19 impacts	…are unsurprising in a nation where:
Black populations represent an outsized share of coronavirus infections and fatalities relative to their shares of the overall population in 20 of 28 states for which racial infection data is available,[16] and especially in dense and historically segregated cities such as Chicago, Detroit, Milwaukee, and New Orleans.	● 38 percent of Black workers are employed in essential service industries that risk greater exposure to the virus, compared to 27 percent of White workers;[17] ● Black populations were found to have higher-than-average rates of underlying health conditions (such as high blood pressure[18] and diabetes) that intensify COVID-19 fatality rates; ● As both a legacy of racial segregation and an outcome of ongoing economic development practices, Black people are exposed to 1.5 times more particulate matter than white people, leading to higher asthma rates;[19] and ● Black people are less likely to be insured relative to White people,[20] as many southern states with a high concentration of Black people have restricted Medicaid. This results in a lack of preventative care and access to healthcare treatment.
Undocumented immigrants have been actively excluded from federal coronavirus stimulus aid.[21]	● Policies of exclusion have prevented undocumented immigrants from accessing quality or timely healthcare. Undocumented immigrants who are Latinx women, in particular, may suffer poorer health as measured by high blood pressure and BMI.[22]
A lack of savings has led low-income households to scramble for emergency cash and turn to food banks, many for the first time.[23-24]	● Six in ten Americans do not have enough saved to cover three months of expenses.[25]

Disparities in COVID-19 impacts	…are unsurprising in a nation where:
Women are facing higher rates of pandemic-driven unemployment, are suffering from an uptick in domestic violence, and have decreased access to family planning services.[26]	● Women are already "occupationally segregated in low-wage jobs" that were either the first to go or remain essential but high-risk. In Mississippi, for example, women make up 70 percent of food prep workers and servers, eight in ten cashiers, and about 90 percent of nurses, medical assistants, and home health aides.[27]
The Navajo Nation has grappled with an infection and death rate higher than that of many states.[28]	● Residents of the Navajo Nation reservation face a 40 percent unemployment rate and poverty rate, and a third of the population has underlying health conditions including diabetes, heart conditions and lung disease.[29]

There are countless other examples of the disparate impacts faced by marginalized and vulnerable communities: LGBTQIA+ individuals who face workforce discrimination and outsized healthcare coverage gaps compared to cisgender and straight counterparts[30]; sex workers who are excluded from small business assistance[31]; justice-involved individuals whose wellbeing is repeatedly neglected during disaster periods; homeless individuals and families who struggle to find stable housing in even the best of times; domestic violence victims for whom shelter-in-place is unsafe; and many more. For those who represent an intersection of marginalized identities, these hardships are severely compounded.

Not only are marginalized and vulnerable populations hit first and hardest, they are also often helped last and least. Disparities in outcomes are not just apparent in the immediate effects of a disaster—they expand and deepen into the recovery process. Following economic recessions, natural disasters, and public health crises, recovery is invariably slower and less stable for these populations, if it ever arrives.

All in all, these and other past disasters have repeatedly revealed that our society is neither as just nor as resilient as it ought to be: not in the midst of a crisis, and not in the years that follow. When comparing pre- and post-disaster outcomes for disasters between 1999 and 2013, it is clear that disasters exacerbate inequalities along lines of wealth, race, education, and homeownership.[43] On average, white homeowners of all education levels became wealthier after a natural disaster, and the gains in wealth actually increased with the severity of a disaster and the amount of ensuing FEMA spending.[44] In contrast, Black and Latinx renters of all education levels lost wealth post-disaster, and the severity of the decline in wealth increased with the severity of the storm. On average, in the aftermath of large storms worth $1 billion in damages, the already sizeable wealth gap between a white, college-educated homeowner and a Black renter without a GED expanded further by $375,000 as a result of the storm.[45]

Disparities in COVID-19 impacts	…are unsurprising in a nation where:
Marginalized and vulnerable populations may struggle to access applications for aid. Seeking disaster assistance requires interacting with as many as 19 different agencies, often with distinct paperwork and processes. People with the deepest needs face the greatest application burdens due to a need to source assistance from multiple agencies. Many of the documents are repetitive and could be auto-filled.[32] **Even if they do apply, marginalized and vulnerable populations may struggle to satisfy application requirements.** After Hurricane Harvey, low-income applicants earning less than $30,000 a year made up 28 percent of FEMA Individual Assistance applications but 48 percent of denials, driven by unverifiable occupancies or missed inspections.[33]	● Nationally, $65 billion in public benefits remain unclaimed each year, resulting from intimidation, stigmatization, and systemic barriers to understanding program eligibility and navigating application processes.[34]
In the years following a crisis, the compounding financial stress (and inadequate financial aid) cause financial disparities to balloon, rather than gradually reduce. On average, within a year, a medium-sized natural disaster leads to a 5-percentage point increase in the share of people with debt in collections—and instead of decreasing over time, this share doubles to 10 percentage points by year four.[35] **This is because disasters exact broad negative impacts on financial health,** affecting not just employment status, but also other gatekeepers to financial access, such as credit scores and mortgage delinquency. Building upon existing inequities, people living in communities of color hit by medium-sized disasters experienced an average 31-point credit score decline, compared with a 4-point decline for people in majority-white communities.[36]	● Credit score gaps consistently contribute to wealth inequality such as by preventing homeownership. White families in the U.S. have 10 times as much wealth as Black families.[37] ● Even when controlling for income and loan size, Black and Latinx applicants were more likely to be denied conventional mortgages than white applicants.[38]
There is a racial disparity in business resilience. Between 2002 and 2011 (in between which the Great Recession occurred), 60 percent of white-owned businesses survived, compared to 49 percent of Black-owned firms.[39] **This will likely be true for the current crisis.** 40 percent of revenues of Black businesses are located in the five industries most vulnerable to COVID-19 (including leisure, hospitality, and retail), compared to 25 percent of businesses overall.[40-41]	● Business ownership rates for non-white residents are disproportionately low: while Black people represent 12.7% of the population, they make up only 4.3% of businessowners.[42]

As the COVID-19 crisis creates a destructive, but rare window of political will, social participation, and priority resetting, local governments must seize the opportunity to pursue a just and resilient recovery: one that improves and sustains the wellbeing of all community members, above pre-crisis levels, by addressing pre-existing inequities and solidifying community resilience.