

City of Phoenix
Recovery Plan

**State and Local Fiscal Recovery
Funds**

2021 Report

City of Phoenix

2021 Recovery Plan

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GENERAL OVERVIEW

Executive Summary

The City of Phoenix received its first American Rescue Plan Act (ARPA) Coronavirus State and Local Fiscal Recovery Fund (SLFRF) allocation of \$198 million on May 19, 2021. At the direction of City Council, the City only received approval for the first allocation. The second allocation of \$198 million will be awarded in May 2022, and after City Council approval of the second ARPA strategic plan in the spring of 2022, the funds will be available to spend beginning Fiscal Year (FY) 2022-23.

On June 8, 2021, City Council approved the ARPA Fund Strategic Plan which comprised of three investment focus areas: Community Investment, City Operations Investment, and Contingency. Programs were created with the common goal of addressing the needs of the community as a result of the COVID-19 pandemic. The plan includes 47 programs spanning areas such as COVID-19 testing and vaccine efforts, homelessness and mental services, business assistance, family financial assistance, youth sports and education, technology and wireless network improvements, and food insecurity.

Uses of Funds

Review of CARES Act and Other Relief Programs

Prior to ARPA, the City received COVID-19 relief dollars from various federal programs. The following information details funding from the CARES Act and the implementation of the Emergency Rental Assistance Program.

On March 27, 2020, the CARES Act was signed into law to address economic fallout resulting from the COVID-19 pandemic. The City was awarded \$293 million in Coronavirus Relief Funds (CRF) and its intended use was to cover expenditures incurred due to the public health emergency. On May 5, 2020, the City Council approved a plan to allocate CRF in three major categories:

- Community Services - \$75 million
- City Operations - \$75 million
- Reserve to Preserve City Services - \$143 million

Programmatic expenditures under Community Services were broken down into seven sections and funding allocations changed as necessary with reallocation of certain funds throughout the year:

- Business Assistance
- Utility and Rent/Mortgage Assistance
- Distance Learning and Wi-Fi Access
- Mitigation and Care for Vulnerable Populations
- Food Delivery
- Better Health Outcomes and Community Testing
- Unallocated Funds

Additional information about CRF spending can be found online at www.phoenix.gov/covidrelief.

On Feb. 9, 2021, City Council approved \$51.1 million for the City's Emergency Rental Assistance (ERA) 1.0 Program to provide financial services to residents needing rent and utility assistance. Funding for this program came from the Consolidated Appropriations Act of 2021, enacted on Dec. 27, 2020. To best serve the community, the City agreed to administer \$26.1 million through the Human Services Department and the remaining \$25 million through Wildfire, an experienced nonprofit corporation focused on ending poverty. The City's ERA Program launched on March 8, 2021 with the Human Services Department scheduling and completing appointments through its Central Intake Line (602) 534-AIDE (2433). On March 22, 2021, Wildfire opened its online application portal and has since been receiving and completing ERA applications through 11 subcontracted agencies. Program information can be found at www.phoenix.gov/renthelp.

Additionally, the federal government allocated \$21.5 billion to continue the national emergency rental assistance program, known as ERA 2.0. The City's share of the ERA 2.0 allocation is \$55.3 million, however, only 40% has been received to date. This program will be further discussed at the Sept. 7, 2021 City Council Policy Session.

ARPA SLFRF

Fortunately, unlike many cities across the country in 2020, the City of Phoenix was well positioned in 2021 to propose new programs through its annual budget process. The City had a surplus of \$153 million and as per standard practice, solicited feedback from the community on how to use the surplus through virtual budget hearings in April 2021. In addition to the budget hearings, the City launched FundPHX in November 2020, an online tool designed to educate and engage the public in the City's annual budget process. Budget hearing public comments and FundPHX responses were used to make changes to budget. This incredible timing of community engagement provided advantageous information for the planning of the first allocation of ARPA funds. City leaders recommended a robust ARPA strategic plan to City Council on May 18, 2021. At this meeting, councilmembers and the community commented on the proposed programs. City leadership took the feedback from this meeting and on June 8, 2021, the City Council approved the recommended ARPA Strategic Plan that is currently being implemented.

As the City is still in its early phases of implementing ARPA programs, departments are undergoing meetings to set up key performance indicators, identify evidence-based interventions where appropriate, and ensure equitable outcomes are being promoted. The Project Inventory and Performance Report section of this plan details all 47 programs, spanning areas important to our community, such as COVID-19 testing and vaccine efforts, homelessness and mental services, business assistance, family financial assistance, youth sports and education, technology and wireless network improvements, and food insecurity. An ARPA website is currently being developed and the intent is for all programs to showcase not only expenditures but also showcase current outputs of key performance indicators and update the community on program successes and program challenges.

There are six main Expenditure Categories (EC) provided by the US Treasury and in this first allocation, the City has proposed programs in four expenditure categories:

- Public Health (EC 1)
- Negative Economic Impacts (EC 2)
- Services to Disproportionately Impacted Communities (EC 3)
- Revenue Replacement (EC 6)

Promoting Equitable Outcomes

It is widely agreed that the pandemic exacerbated preexisting inequalities in communities across the country. Along with wide disparities in infection and recovery rates by race, ethnicity, socioeconomic status, and place of residence, research shows poverty levels are increasing and inequality is accelerating. The City of Phoenix is no different in experiencing these challenges, as evidenced by the current high need of financial assistance for those struggling to pay rent and utilities. The goal is to proactively advance racial equity and inclusion while implementing recovery resources. It is imperative the City delivers relief efforts with a focus on delivering measurable benefits to residents most impacted and is mindful to not leave communities of color behind.

The City Council was intentional in approving a strategic plan with an equity lens. Many programs target vulnerable groups, such as individuals without homes, seniors, veterans, and youth groups. It was important to provide services and engage with communities hardest hit by the pandemic, including nonprofits, businesses, and frontline workers. A majority of programs are still working to identify key performance indicators and program evaluations. Staff are making sure to answer program questions to build strong performance such as:

- Are there particular historically underserved, marginalized, or adversely affected groups that you will serve?
- How equal and practical is the ability for residents or businesses to become aware of the services?
- Are there administrative requirements that result in disparities in ability to complete applications or meet eligibility criteria?
- Are the intended outcomes focused on closing gaps, reaching universal levels of service, or disaggregating progress by race, ethnicity, and other equity dimensions where relevant for the policy objective?

The City of Phoenix will provide as much program data, both qualitative and quantitative, as possible on its ARPA website, debuting later this fall. This information will provide information to the public of how the City is achieving its intended targets for each program. As noted in the Project Inventory and Performance Report portion of this report, the City's strategic plan targets key areas to address equity:

- **Negative Economic Impact:** The City currently has 23 programs that fall under the Negative Economic Impacts expenditure category. These programs consist of assistance to households, small businesses, and nonprofits who have been impacted by the pandemic. This also includes food assistance, barriers to employment, and other

strategies to assist disadvantaged groups with access to more opportunities in the community.

- Services to Disproportionately Impacted Communities: The City currently has eight programs that fall under the Services to Disproportionately Impacted Communities expenditure category. This includes services to address health and educational disparities to promote healthy environments.

Community Engagement

Phoenix has a proud history of engaging its community during critical processes, such as the annual budget approval, the City of Phoenix General Plan, street improvements, water resource planning, and more. Engagement ranges from community meetings, website updates, on-site engagement at a variety of diverse locations, and social media messaging. Information is available in both English and Spanish and should there be a request to translate into any other language, the City has resources to accomplish this.

It is a top priority of the City to ensure the community, especially among groups with significant barriers to services, are aware of ARPA relief programs. A number of program evaluations will include capturing participant satisfaction. Valuable feedback from participants will allow staff to make changes to current and future ARPA programs. Also, the ARPA website will serve as an online resource with information about all programs, including links to important application processes. The City is planning to use a portion of ARPA funds to advertise programs through GroceryTV, a service that provides digital advertising in checkout lines in grocery stores. This tool was successfully used to promote CARES Act programs in 2020. This document will be updated to reflect additional community engagement tools the City identifies as programs are implemented.

Use of Evidence

For each ARPA program, staff are currently identifying which programs will utilize evidence-based interventions or determining program evaluation criteria. This section will be updated at its next publication with more information.

Table of Expenses by Expenditure Category

This section includes Expenditure Categories provided by the US Treasury that the City of Phoenix currently has programs in and includes cumulative expenditures since July 31, 2021. This chart will be updated in this report each time an updated Recovery Plan is published.

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
1	Expenditure Category: Public Health		
1.1	COVID-19 Vaccination	-	-
1.2	COVID-19 Testing	\$104,880.00	\$104,880.00
1.12	Other Public Health Services	\$857.90	\$857.90
2	Expenditure Category: Negative Economic Impacts		
2.2	Household Assistance: Rent, Mortgage, and Utility Aid	-	-
2.3	Household Assistance: Cash Transfers	-	-

Category		Cumulative expenditures to date (\$)	Amount spent since last Recovery Plan
2.4	Household Assistance: Internet Access Programs	-	-
2.7	Job Training Assistance (e.g., Sectoral job-training, Subsidized Employment, Employment Supports or Incentives)	-	-
2.9	Small Business Economic Assistance (General)	-	-
2.10	Aid to nonprofit organizations	-	-
2.12	Aid to Other Impacted Industries	-	-
2.13	Other Economic Support	-	-
3	Expenditure Category: Services to Disproportionately Impacted Communities		
3.1	Education Assistance: Early Learning	-	-
3.5	Education Assistance: Other	-	-
3.6	Healthy Childhood Environments: Child Care	-	-
3.12	Housing Support: Other Housing Assistance	-	-
6	Expenditure Category: Revenue Replacement		
6.1	Provision of Government Services	-	-
7	Administrative and Other		
7.1	Administrative Expenses	\$21,427.20	\$21,427.20
	TOTAL	\$127,165.10	\$127,165.10

PROJECT INVENTORY AND PERFORMANCE REPORT

On June 8, 2021, City Council approved the ARPA Strategic Plan for the first allocation of funding. The list below includes all 47 programs and approved allocations. Each program will include an overview, project expenditure category, and in future reports, will include use of evidence description and performance indicators with associated data. This section will be updated periodically online as staff defines related program information and is able to provide performance report summaries. This report will be submitted annually as required by the US Treasury.

Community Investment \$143,000,000

Phoenix Arts, Business, and Employee Assistance Programs \$40,000,000

Workforce Training Facility and Training Program - \$15,000,000

2.7 – Job Training Assistance[^]

This program will seek to leverage funding from IDA, PCDIC, Maricopa County and the Arizona Community Foundation to purchase and rehabilitate the old Kmart Building. Arizona State University, Maricopa Community Colleges and WestMec would take over all ongoing operations and maintenance. The facility would be used to create workforce training programs.

Workforce Wraparound Tuition/Apprentice Program - \$10,000,000

2.7 – Job Training Assistance[^]

This program will utilize existing and customized training programs, including apprenticeship programs, that will leverage the Phoenix Work4orce partnership. These programs will provide tuition assistance and wraparound services to Phoenix residents to promote training and job placement in high-growth, in-demand industries and occupations while addressing barriers to accessing training and employment.

Micro and Small Business Assistance Programs - \$8,000,000

2.9 – Small Business Economic Assistance (General)[^]

Based on lessons learned from the CRF program, Community and Economic Development recommends combining the micro and small business programs into one program. This would allow for a more efficient and less bureaucratic process. Awards would be either \$3K, \$5k or \$10k and would be based on the number of employees. Funding will also be used to provide assistance to business that have been impacted by COVID-19 and light rail development. For these businesses award amounts would be 50% higher due to the double impact of COVID and light rail construction.

Nonprofit Arts and Culture Stabilization Grants - \$2,750,000

2.10 – Aid to Nonprofit Organizations^{*}

The Nonprofit Arts and Culture Stabilization Grants will provide two-years of funding to help Phoenix's nonprofit arts and culture organizations manage their operations, personnel, and programming as they welcome back audiences, guests, and patrons to their services. This two-year program awards recovery grants to eligible Phoenix-based arts and cultural nonprofit organizations of all sizes who demonstrate intent, commitment, and strategies to sustain well beyond the COVID-19 pandemic. Organizations must have been in operation prior to March 1, 2020.

Small Business Workforce Program - \$2,000,000

2.9 – Small Business Economic Assistance (General)[^]

This program will provide assistance to small businesses (less than 100 employees) in Phoenix. Staff would market workforce connections to small businesses through special visits, marketing, social media, chambers and others. Funds will assist business owners with training and hiring a new workforce and retraining their existing workforce.

Artists to Work - \$1,000,000

2.12 – Aid to Other Impacted Industries

The Artists to Work program will enable the City to contract artists to develop temporary projects, installations, and performances. These commissions would reactivate a wide range of public spaces, including parks, trails, community centers, and neighborhood areas not usually

defined or programmed as cultural spaces. The events could range from outdoor community performances of music, opera, theater, poetry, etc., to temporary outdoor installations/exhibitions of sculptures, paintings, and other forms throughout the city.

Arts Career Advancement Grants - \$500,000

2.12 – Aid to Other Impacted Industries

Grants will support working artists or arts workers who have experienced job loss, indefinitely postponed or canceled events and residencies, or terminated contracts due to the pandemic. Funding will cover lost income, support services to grow artistic skills, equipment or business operations recovery costs, and participation in an exhibit, festival, vendor showcase, or artist residency. Applications will be open from August 25 to October 6, 2021. More information can be found at www.phoenix.gov/arts/grants-program.

Arts and Culture Internship Program - \$500,000

2.7 – Job Training Assistance^*

The Arts and Culture Internship Program is a two-year program that will allow nonprofit arts and culture organizations and for-profit creative industries the opportunity to hire full-time interns for twenty weeks. The internships provide undergraduate students with meaningful on-the-job training and experience working in the cultural sector. The program ultimately strengthens Phoenix's workforce by providing access to high-quality opportunities for college students of all backgrounds to gain experience, understanding, and transferable skills relevant to careers in and out of the arts, the creative economy, and engagement in public life.

Personnel/Technical Assistance/Professional Development Programs - \$250,000

7.1 – Administrative Expenses

Funding will allow the Office of Arts and Culture to reallocate a current vacant position or hire a new position to coordinate and spread the word about the work. It also includes funds for continued technical assistance and professional development in financial sustainability, business practices, and reopening strategies.

Mitigation and Care for Vulnerable Populations \$31,500,000

*Denotes programs related to the City's Homelessness Strategy

Funds are intended to be used to provide resources needed to properly address the needs of persons experiencing or facing homelessness during the public health emergency, persons suffering from mental and/or behavioral health conditions, veterans, seniors and our refugee communities. A few examples of how funds may be used are listed below:

*Homelessness and Mental Health- \$10,500,000

*1.10– Mental Health Services**

This funding provides City Council with the resources needed to address a variety of opportunities including but not limited to mental and behavioral health, rehabilitation centers, and homelessness. These funds could also be leveraged with funds from other units of local government and the non-profit community to provide regional solutions to these issues. This program will be discussed further at the September 21, 2021 City Council Policy Session.

Edison Impact Hub - \$5,000,000

1.12 – Other Public Health Services

Funds will be used to retrofit the historic children’s hospital from a vacant, dilapidated building to a community services center that will provide medical offices and other services to the community.

*US Vets and Veteran Relief - \$4,500,000

1.12 – Other Public Health Services

Funds will provide relief for Veterans experiencing or at risk of homelessness during the pandemic. Many of our vets are more vulnerable to COVID-19 due to living conditions, age, and chronic health complications. Funding could also provide additional operational support needed by the US Vets Organization to transition into the property purchased earlier this year with COVID Relief Funds.

*Summer Heat Respite - \$3,000,000

1.12 – Other Public Health Services

Funds will be used to create a heat respite/cooling center to provide a place of respite during the summer for individuals experiencing homelessness. The center would be operated May through September for 7 days a week, during the warmest times of the day (9am-7pm) and provide guests with a place to socially distance due to COVID-19 and include meals, outreach and other supports. Funding would be used for a temporary shelter, insurance, utilities, tables and chairs, security, janitorial services, bio-waste removal services, IT services, meals, water, and staffing.

Financial Assistance for Phoenix Refugee and Asylee Community - \$3,000,000

2.10 – Aid to Nonprofit Organization

Funds will be used to support nonprofit agencies serving the refugee and asylee community, as well as to create full-time staff support to provide services to this community. These positions would act as navigators that would help this community navigate government services and programs.

Memory Café Program - \$2,000,000

1.12 – Other Public Health Services

This funding will expand the City’s Memory Café program for senior center members and their caregivers. Memory Cafes stimulate participants through music therapy, art and memory exercises, and are a key contributor to the Dementia Friendly City initiative.

Area Agency on Aging’s Goods2HOME - \$2,000,000

1.12 – Other Public Health Services

Funding will continue to support the Area of Agency on Aging’s Goods2HOME program which the City support with CARES Act funding in 2020. This program provides delivery services to low-income, disabled, and homebound seniors who need medication and sanitation supplies.

Justa Center - \$1,000,000

1.12 – Other Public Health Services

This funding will support the restoration of the Justa Center, a building currently owned by the Area Agency on Aging (AAA). The Justa Center serves vulnerable seniors experiencing homelessness and would seek to leverage funds with Maricopa County and the State to build a transitional or bridge housing complex next to the Justa Center.

Bus Stop Shelters - \$500,000

1.12 – Other Public Health Services

As part of the T2050 plan, the Public Transit Department has a goal of installing 80 new bus shelters per year. This additional funding will increase this goal to 100 shelters per year over the next two years. Bus shelters will be placed in locations currently without shade and provide heat relief to transit users.

Households and Residential Assistance \$28,000,000

*Denotes programs related to the City’s Homelessness Strategy

*Financial Assistance for Phoenix Families - \$12,000,000

2.3 – Household Assistance: Cash Transfers^*

Funds would be used to provide financial assistance to help low-to-moderate income families in Phoenix. The intent of this funding would be to ensure that families have resources needed to provide quality childcare and to cover other household expenses. Resources could also be used to provide mini-grants to Phoenix childcare facilities in low-to-moderate census tracts for technology upgrades that could include classroom screens, web-cam access, digital sign in/out software, childcare management software, and/or general WiFi upgrades. This program will be discussed further at the September 21, 2021 City Council Policy Session.

*Utility & Rent/Mortgage Assistance - \$10,000,000

*2.2 – Household Assistance: Rent, Mortgage and Utility Aid *^*

A portion of these funds will be used to provide residents with City water, sewer and trash, electric, internet/broadband, natural gas utility and rent/mortgage assistance. Funds are intended to be used on residents who don’t qualify for the City’s more restrictive \$106M Emergency Rent Assistance Programs (ERA 1 and ERA 2). A portion of funds will also be used to provide landlord incentives as part of the Emergency Housing Vouchers program. This program will be discussed further at the September 7, 2021 City Council Policy Session.

Airport Childcare Facility - \$5,000,000

3.6 – Health Childhood Environments: Child Care^*

Funds will be used to provide childcare options for hospitality workers at the airport. A survey was sent to companies that do business at Sky Harbor International Airport and of the companies that responded, an overwhelming majority were in favor of offering childcare services to workers at the airport.

Bus Card Subsidy Program - \$1,000,000

3.12 – Housing Support: Other Housing Assistance^*

Funds will be used to provide subsidies and fare assistance to residents that rely on public transportation.

Youth Sports, Recreation, Education and After-School \$28,800,000

Citywide Wireless Network Project and Partnership with Phoenix Union - \$10,000,000

2.4 – Household Assistance: Internet Access Programs^*

Funds will be used to continue building the community wireless network project that was initially approved by City Council using the Coronavirus Relief Fund. The project is a partnership between the City, Phoenix Union, and others.

Early Childhood Education Expansion - \$6,000,000

3.1 – Education Assistance: Early Learning

Funding will be used to create a program to increase access to early childhood education for 500 preschool children, ages four to five. The proposed program would mirror performance standards, quality control, and curriculum of the Head Start Program while allowing eligible families to be at 200% of poverty level rather than the Head Start mandated 100% of poverty level. Additionally, approximately half of this funding will be used to provide First Things First scholarships for early childhood services (childcare and preschool) for children birth to five.

After-School Grant for Phoenix Schools - \$2,500,000

3.5 – Education Assistance: Other^{^}*

Funds will be available for school districts and charter schools who commit to providing free or affordable after-school programs in-line with the Phoenix After-School Center (PAC) program.

Wi-Fi Connectivity for Community Centers and Public Housing Properties - \$2,300,000

2.4 – Household Assistance: Internet Access Programs^{^}*

Funds will provide access to internet connectivity in community centers and public housing properties in an attempt to bridge the digital divide that impacted communities during pandemic.

StartupPHX @ Burton Barr - \$1,400,000

2.7 – Job Training Assistance^{^}*

Funds will be used to provide a broader range of services to the community by expanding the Hive @ Central. The expansion would include the addition of two meeting rooms, a graphics station, and technical assistance for small business owners. For programming, funds would be used to contract with a vendor to provide the Business Roadmap and MAPA Para Us Negocio series for teens and adults. The contracted vendor would be responsible for curriculum development and facilitating all sessions in English and Spanish.

College Depot Assistance for Students - \$1,000,000

2.4 – Household Assistance: Internet Access Programs^{^}*

Funds will be used to purchase laptops and hotspots to loan out to students who have struggled with staying connected to school during the pandemic. The program would loan selected students a laptop and hotspot for the summer to help level the playing field in education. High school students with a district issued device need to turn in their laptops at the end of the school year and will not regain access to them until the school year resumes in August. This program will allow students to continue skill building, summer job hunting, and virtual programs throughout the summer.

Library Bookmobile for Underserved Areas - \$700,000

3.5 – Education Assistance: Other^{^}*

The library department has several pieces of land for future library branches located in fast growing areas. Since a bond program is a few years away, we propose purchasing a large bookmobile that could be used to provide service from library property at 67th Avenue and Lower Buckeye.

PHXWorks at Burton Barr and Ocotillo - \$600,000

2.4 – Household Assistance: Internet Access Programs^{^}*

Funds will be used to purchase laptops and hotspots to leverage resources and provide extra services for the community. The library will partner with CED to establish a Job Services Center in Burton Barr Central Library and at Ocotillo Library. Workforce laptops and hotspots will be available for customers to check out for a 3-week check out period.

Parks After-School Programs - \$500,000

3.5 – Education Assistance: Other^*

Funds will be used to expand PAC programming to 10 additional sites. This affordable after-school recreation and enrichment program provides youth ages six to 13 a fun, supportive, and educational atmosphere during crucial afterschool hours.

Youth Sports League Grants - \$500,000

3.5 – Education Assistance: Other^*

Funds will be used to offer financial assistance or stipends to at-risk, underserved and low-income youth to participate in youth sports and recreational leagues.

Early Literacy Tutoring Support - \$300,000

3.1 – Education Assistance: Early Learning^*

The library would use funds to partner with ASU's America Reads tutoring program to provide 1:1 reading tutoring to emerging readers in 1st through 4th grade who lost ground due to the pandemic. Tutoring would be provided by ASU students and the library will provide Wi-Fi provisioned tablet computers to facilitate virtual tutoring as needed.

Library Technology, Capital and Staff Support - \$3,000,000

7.1 – Administrative Expenses

Funds will be used to cover the costs of various technological and capital enhancements identified by library staff including but not limited to online catalog enhancements, tablets and hotspots for lending and onsite use, outdoor signage upgrades and automated materials handler replacement at Mesquite Library.

Phoenix Resilient Food System \$9,700,000

Economic Development and Innovation - \$3,400,000

2.13 – Other Economic Support^*

This portion of the Phoenix Food Initiative includes the following programs:

- Feed Phoenix Program – This program is a continuation of the CRF funded Feed Phoenix Program. Under this program, the Local First Arizona Foundation delivered over 80,000 meals.
- Worker Cooperative Sustainable Food System Business Incubator – This program will focus on developing worker cooperatives for sustainable food business enterprises through a collaboration with the private sector.
- Agri-Food Technology Grants – This program will provide funding and incentives to encourage food system entrepreneurs and innovative food businesses to expand or locate in Phoenix.

Equity and Inclusion - \$2,400,000

2.13 – Other Economic Support^*

This portion of the Phoenix Food Initiative includes the following programs:

- LISC Phoenix Funds to Feed Phoenix – This program is a continuation of the CRF funded program that provides funding for community and grassroots organizations.
- Urban Agriculture Fellowship – Provide funding for a one-year fellowship for high school and college age students with local food producers with 60% for Black, Indigenous, and persons of color participants.
- Council District Food Action Plans or Initiatives – The program would focus on districts with food deserts, high food insecurity and hunger rates to identify

whether a council specific food plan would be feasible and desired or whether more specific projects or initiatives would be preferred.

Local Food Consumption/Production - \$1,500,000

2.13 – Other Economic Support^*

This portion of the Phoenix Food Initiative includes the following programs:

- Farmland Preservation – In partnership with nonprofits and land trusts, assist in the purchase and preservation of up to 100 acres of land for agriculture in Phoenix.
- Backyard Food Production Pilot – Provide grant funding to 100 residents located in food deserts for backyard gardens and community gardens using aquaponics, raised beds, and other water conservative growing methods.

Food Banks and Pantries Support - \$1,300,000

2.13 – Other Economic Support^*

This funding would be used to provide resources for local food banks and food pantries to provide food and other resources for struggling families. Staff will ensure broad engagement with small, medium and large foodbanks and pantries ensuring outreach and emphasis with smaller community-based food banks and food pantries.

Meals That Work - \$700,000

2.13 – Other Economic Support^*

This program will prepare and deliver 1,000 meals for 26 weeks to social service organizations, such as St. Vincent de Paul, schools, and more. Fourteen food service employees at the Convention Center will be utilized to prepare the meals.

Resilient Food System - \$200,000

2.13 – Other Economic Support^*

This portion of the Phoenix Food Initiative includes the following program:

- Resilient and Sustainable Agriculture Projects – Provide grant funding to farms for advancing technologies and methods that address growing food in our changing climate.

Outreach and Support Staff - \$200,000

7.1 – Administrative Expenses

This funding would be used provide advertising and outreach efforts to ensure funding allocated under this program is fully maximized. Funding would be used to sponsor community events, stakeholder meetings, and to produce digital and print advertisements. Funding would also be used to hire two full-time positions for the next two fiscal years. These positions will manage and monitor all of the activities in the Phoenix Sustainable Food Initiative.

Better Health Outcomes and Community Testing and Vaccines - \$5,000,000

1.2 – COVID-19 Testing^

Funds will be used to provide resources needed to ensure resident COVID-19 testing and vaccination efforts remain available through the duration of the public health emergency. This includes education, outreach, and incentives, with a focus in communities of color. Funds could also be used to purchase PPE and other public health related materials for the community as needed. Funds have already been used to continue mobile testing and vaccinations in hot spot locations and underserved communities.

City Operations Investment \$50,000,000

Infrastructure, Technology and Capital Needs - \$23,000,000

2.13 Other Economic Support

Funds are intended to be used to provide resources needed to address capital needs. Examples include purchasing spare ambulance units so that Fire has enough units in service while units are being decontaminated after a service call. During the Great Recession the City was forced to close its central stores warehouse and as a result during the height of the pandemic staff used the empty convention center to warehouse materials. As that space is no longer available, funds may be used to lease, buy or construct a warehouse to store PPE and critical inventory. Funds may also be used to address other technology and capital projects within the federal guidelines which include the rehabilitation of the 27th Avenue Recycling Facility. Staff would also like to allocate a portion of this funding to address green energy, flood control and stormwater projects. Due to the large-scale nature of many of these projects, it is assumed that funding would be allocated in both ARPA allocations.

Revenue Replacement - \$22,400,000

6.1 – Provision of Government Services

Funds will be used to replace lost revenue at the Convention Center and to offset COVID-19 worker's compensation claims. COVID-19 has had a severe impact on the Convention Center bookings. It is likely that large conventions and the associated hospitality industry will be among the slowest to recover and revenue will continue to be weak. Using the prescribed Treasury formula, staff has determined that up to \$31 million of the revenue lost by the Convention Center is eligible for revenue replacement. Staff recommends replacing this revenue over two years rather than all at once. It is important to note that the General Fund serves as the financial backstop for the Convention Center so replacing lost revenue with ARPA funds significantly reduces risk to the General Fund. ARPA also allows the City to offset costs for COVID-related worker's compensation trust fund expenses that can be tied to COVID-19 employee claims. The City anticipates over \$2.4 million in worker's compensation claims that can be replaced with ARPA funds. This action would reduce the actuarial impact to future City resources.

Administrative Oversight, Compliance and Outreach Efforts - \$4,000,000

7.1 – Administrative Expenses

Funds are intended to be used to provide staffing necessary to support federal compliance efforts. Staffing additions will also assist with enhancing community outreach to improve service delivery and to increase transparency on city progress for all approved programs via an enhanced website.

PPE/Cleanings/Sanitizing/Testing and Vaccine Distribution - \$600,000

1.1 – COVID-19 Vaccination[^]

Funds will be used to provide to ensure staff have access to necessary PPE, cleaning and sanitizing materials. Funds will also be used to ensure that workstations and common areas are appropriately cleaned. Additionally, funds will be used to offset any additional expense incurred to ensure that all city staff, family members and contractors have access to both vaccines and COVID testing.

Contingency \$5,000,000

Contingency for Future Needs

1.12 – Other Public Health Services

A contingency is proposed to preserve resources in case the federal government changes guidance to allow the funds to be used in new areas of concern for the council or to supplement funding for an approved program that exhausts its allocation of funds before more funding becomes available. The contingency would also be available to cover other unexpected COVID-19 expenses that could occur later in the year. One project already underway is the Transit Heat Respite which is providing a 40-foot bus at the Human Services Campus, where individuals experiencing homelessness are located, to prevent heat-related illnesses and deaths among vulnerable populations.