

# COVID-19 Federal Stimulus Update

JANUARY 24, 2022

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## Presentation Objectives



**Provide update on proposed ARPA-related investments that are ready for Council discussion**

- \$14M in support of small businesses, workforce development, and hospitality sector
- \$5M in support of local, grassroots non-profit organizations
- \$1.5M to help address food insecurity



**Discuss next steps and timing associated with use of remaining ARPA funds**

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## Community Support Recommendations - Status

Recommended Investments	Amount	High-Level Descriptions	Status
<b>Housing</b>	\$17M	• Neighborhood stabilization and anti-displacement strategies	
<b>Workforce Development &amp; Employment</b>			
Small Business	\$5M	• Business Innovation and Partner Support	
Workforce	\$5M	• Partner Support and Hiring Grants	
Hospitality Sector Support	\$4M	• CRVA support [possibly including targeted hotel relief]	
HIRE CLT and Corridors Workforce Study	\$1M	• Design/planning funding	
"Open for Business" Strategy	\$1M	• Sustain/enhance programming	
<b>Community Vitality</b>			
Digital Inclusion	\$10M	• Internet adoption, device access and digital literacy	
Grassroots Non-Profit Support	\$5M	• Operating support [\$3M] and capacity building [\$2M]	
Public Safety	\$5M	• Placeholder for Council discussion	
Arts & Culture	\$2M	• Approved during FY 2022 budget process	
Arts & Culture	\$1.5M	• Funding in support of projects in corridors	
Youth/Teen Impact	\$2M	• YMCA programming in "zip codes of need"	
Food Insecurity	\$1.5M	• Project on South Hoskins Road	
<b>Total</b>	<b>\$60M</b>		

Legend:

Design Phase

Ready for Council Discussion

Council Endorsed

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## Nonrecurring Housing Resources – Level Set

◀ Nonrecurring funding earmarked for housing and homelessness

Funding Source	Amount	Intended Uses
ARPA – Local Fiscal Recovery Fund	\$17M [see slide 3]	Housing, with emphasis on neighborhood stabilization and anti-displacement strategies
ARPA – HUD HOME Program	\$11.6M	Charlotte Rescue Mission expansion [\$2M approved by Council] and support for 2025 Char-Meck Housing & Homelessness Strategy [RFP underway]
PAYGO [FY21 carryover and FY22]	\$8.5M	Housing and neighborhood stabilization, with emphasis on Corridors of Opportunity
<b>Total</b>	<b>\$37.1M</b>	

### Priorities and initiatives that will shape the deployment of non-recurring funds

- Staying in Place Pilot
- Great Neighborhoods Work Plan
- NEST Commission Recommendations
- 2025 Char-Meck Housing & Homelessness Plan

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## Small Business Investments [\$5M]

### ◀ Recommendation Overview

- Fund Small Business Partner Support Program [\$2.5M]
- Fund Small Business Innovation Grant Program [\$2.5M]

### ◀ Investment Rationale

- Small businesses' biggest needs are access to new customers and increased capital
- With small businesses employing over 80% of the local workforce, this funding will support programs, projects, and resources that assist local small businesses in their efforts to thrive in their revenues and job creation and retention

### ◀ Proposed Next Steps

- *Partner Support Program*: City of Charlotte to open a grant program that solicits proposals from qualifying small business partners. Proposals will be rated on greatest impact/return on investment of city funding.
- *Innovation Grant Program*: City of Charlotte to partner with Charlotte Center City Partners (CCCP) to roll out next wave of applications for Innovation Fund.

## Workforce Investments [\$5M]

### ◀ Recommendation Overview

- Fund the **implementation of recommendations from the EY Employment Study for the Corridors of Opportunity** geography to increase employment opportunities for residents. [\$3M]
- Develop **competitive skills for career growth and job attainment** for Charlotte residents. [\$2M]
  - *Expand the Renewable Energy and Energy Efficiency (RENEW) Training Program (\$500,000)*
  - *Capacity-building grants for workforce/educational partners for upskilling initiatives (\$1.5M)*

### ◀ Investment Rationale

- Labor participation rates are lower among residents in Corridor geographies, so an intentional focus on training and job placement in these geographies will make an impact.
- Expansion of RENEW into second occupational focus area will increase “green employment” in a targeted industry for individuals with barriers to career success.
- Lack of skills and education is one of the main reasons for stagnant career and wage growth. Funding will focus on capacity-building for programs in targeted industries and innovative tools to help employment ecosystem partners better align employer and resident needs.

### ◀ Proposed Next Steps

- City of Charlotte to develop and issue RFP for RENEW Training Program partners. Additionally, City to gather applications from workforce/educational programs that meet criteria.
- City of Charlotte aligning corridor implementation work with internal and external partners to maximize impact.

## Hospitality Sector Investments [\$4M]

### ◀ Recommendation Overview

- Provide direct financial support to Charlotte Regional Visitor's Authority.
  - Programming to spur visitor spending, job creation, as well as hotel-specific considerations

### ◀ Investment Rationale

- Support CRVA's COVID recovery commitment to initiatives that spur visitor trips, hospitality industry stabilization, and job creation.

### ◀ Proposed Next Steps

- City of Charlotte to work with CRVA to determine programming priorities.
- CRVA to create criteria for grant program administration.

## Grassroots Nonprofit Support: Operating Grants [\$3M]

### ◀ Recommendation Overview

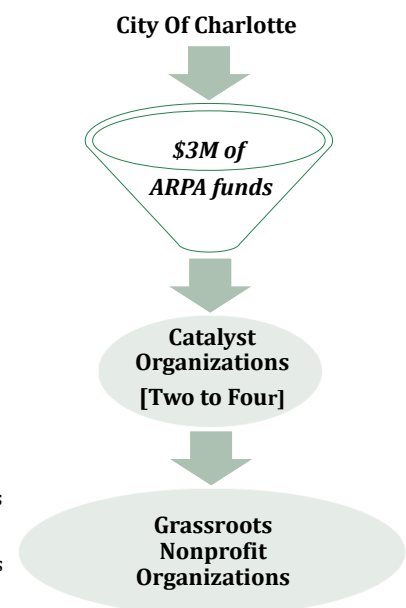
- Operating support – not “relief” – for local grassroots non-profit organizations [less than ~\$250K budget per year] advancing economic mobility programming in distressed communities
- City of Charlotte to partner with “catalyst organizations” that understand the grassroots non-profit landscape and have a demonstrated track record of relying on community input to make grantmaking decisions

### ◀ Investment Rationale

- Grassroots non-profit organizations are embedded in historically marginalized communities, and they are positioned to address localized issues
- Grassroots non-profit organizations received limited crisis-response funding and general operating support during the pandemic

### ◀ Proposed Next Steps

- City of Charlotte to release RFQ to solicit proposals from local catalyst organizations
- City of Charlotte to select two to four catalyst organizations and execute contracts
- Catalyst organizations to stand-up competitive grant programs and solicit proposals from eligible grassroots non-profit organizations



## Grassroots Nonprofit Support: Capacity Building [\$2M]

### Recommendation Overview

- Investment to support the creation of a training program to deliver measurement and evaluation-related training to grassroots non-profit organizations
- The training is envisioned as a multi-month program for an initial cohort of roughly two-dozen grassroots non-profit organizations

### Investment Rationale

- Grassroots non-profits are often mission-driven organizations that lack experience related to data management and monitoring systems, outcome metrics, etc.
- Capacity building associated with measurement and evaluation can enable grassroots non-profit organizations to assess their impact, perform continuous quality improvement, and make more compelling fundraising asks

### Proposed Next Steps

- City of Charlotte to release RFQ to solicit proposal from qualified education/training partners
- Selected partner[s] to build the program, recruit the initial cohort, and administer the program
- Based on the results of the initial cohort, the education/training partner will evaluate the long-term sustainability plan [including a fee structure and sponsorships to support ongoing implementation]

## Local Foods Production and Distribution Center [\$1.5M]

### Project Overview

- The LFPDC will buy and sell local food – including produce, livestock and dairy
- Carolina Farm Trust, a Charlotte-headquartered non-profit with a mission to strengthen equitable local food systems in the Carolinas, is spearheading the project
- Overall project budget of ~\$14M [including renovation, start-up costs, and first three years of operations]
- Building a revenue model to be financially sustainable long term

### Site Overview [511 S. Hoskins Road]

- Former food production and distribution facility in Thomasboro/Hoskins neighborhood
- 25K square-feet of existing building space, and 60K square-feet of green space



# LFPDC Community Value Proposition

**The project will deliver a range of benefits to the local community:**

Benefit	Description
1. Year-round access to fresh, nutritious food	✓ Retail store – with meat, dairy, produce – open to public
2. Economic opportunity for local residents	✓ Employment pathways and education opportunities
3. Support regional farmers	✓ Marketplace for farmers to sell products
4. Positive environmental impact	✓ Sustainable farming practices; locally sourced products; rooftop solar planned on-site
5. Emphasis on equity	✓ Focus on food access and affordability

## Local Community Profile

- Median household income of \$32K [County-wide average = \$76K]
- 46% receive Food & Nutrition Services [County-wide average = 15%]
- 1% of residents located within ½ mile of full-service grocery [County-wide average = 30%]

## Staff Recommendation

- \$1.5M of ARPA support, devoted to LFPDC operations once the project is stood up

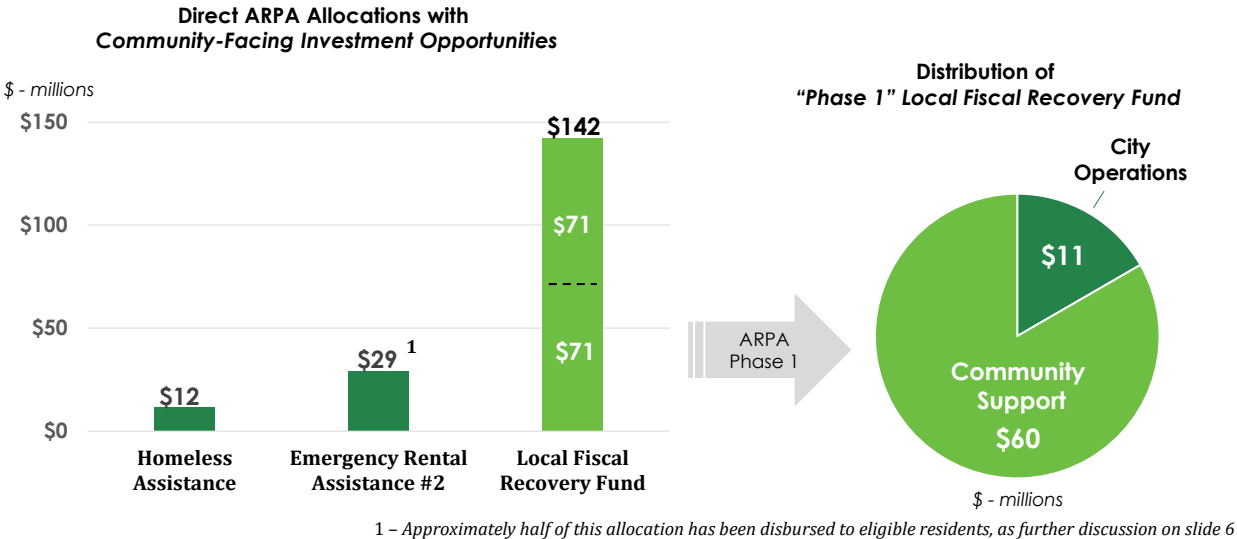
# ARPA Next Steps

1. **Contingent on Council feedback, a Request for Council Action – associated with funding recommendations presented tonight – will be included on the next business agenda**
2. **Advance recommendations associated with remaining funds related to *Housing, Digital Inclusion, Public Safety, and Arts & Culture* to the “Ready for Council Discussion” stage in the months ahead**
3. **Conduct planning associated with Phase 2 ARPA installment of \$71million expected in May 2022**

# Appendix

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## American Rescue Plan Stimulus Funding



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# American Rescue Plan Stimulus Funding

## City Operations (\$11M)

- \$5M devoted to internal COVID-related programs:
  - Premium pay
  - Vaccine incentive
  - Emergency leave
- \$5M earmarked for eligible I&T expenditures
- \$1M available for emergent operational needs associated with the pandemic

## Community Support (\$60M)

- Investment framework discussed at October Fall Strategy Meeting reflected the following allocation for the \$60M devoted to community-facing investments:
  - Housing = \$17M
  - Workforce Development & Employment = \$16M
  - Community Vitality = \$27M

