

American Rescue Plan Local Recovery Fund

Proposed Phase 3 Investment Plan
April 11, 2022

CITY OF NEW HAVEN
JUSTIN ELICKER, MAYOR
BOARD OF ALDERS

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The American Rescue Plan Is for You.

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Contents

- Background on the American Rescue Plan
- Update on New Haven's Local Recovery Fund
- Civic Space Community Engagement Process
- Proposed Phase 3 Program Descriptions
- Program Administration

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Together New Haven supports and promotes local companies, offers technical assistance for businesses that must find new ways to engage customers at a distance, and to connects us as a region and as a community.



New Haven's Economic Development Administration is tracking the impact of the COVID-19 pandemic on our economy. Each month, we will update our Economic Indicators Report. Visit our Economic Indicators page for highlights and analysis, or to download the full report.



Direct Payments

How Much?

\$1,400 per individual, including couples

\$1,400 per dependent, including adult dependents

Who's Eligible?

85% of Americans qualify

Single filers earning up to \$75,000 with partial payments for filers earning up to \$80,000

Head of Household earning up to \$112,500

Couples earning up to \$150,000



Childcare Assistance

For Providers:

\$25 Billion Child Care Provider stabilization fund for eligible businesses

\$15 billion expanded child care assistance through the Child Care and Development Block Grant (CCDBG)

For Families:

Extended paid leave tax credit and reset for families that have taken leave this year.

Childcare Tax Credit for families, \$4,000 for 1 child, \$8,000 for 2+ children



Small Business Support

Grant and Loan Opportunities:

\$15 Billion in additional EIDL Loans

\$7.5 Billion in additional PPP Loans

\$28.6 Billion for Restaurants Revitalization Fund

\$125 Billion additional in additional Shuttered Venue Operators Grants

Employee Support:

The FFCRA Extended Paid Leave tax credit has been reset for all and extended to cover the period from April 1, 2021 to September 30, 2021.



Background on the American Rescue Plan

In March 2021, President Biden signed the American Rescue Plan (ARP) which provides a wide range of assistance including direct payments, the landmark Child Tax Credit and support for small business. ARP also includes a \$350B State & Local Recovery Fund (SRLF) with the following objectives:

- Support the urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control.
- Replace lost revenue for eligible recipients to strengthen support for vital public services and help retain jobs.
- Support immediate economic stabilization for households and businesses.
- Address systemic public health and economic challenges that have contributed to the inequal impact of the pandemic on certain populations.

New Haven Fund	\$90,507,624
Share of County Fund	\$25,299,535
Total	\$115.8M

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The State and Local Recovery Fund (SRLF) is one part of many new funding streams from the Federal Government:

State & Local
Recovery Fund

Education
Recovery Fund

Infrastructure
Investment & Jobs
Act

Federal
Discretionary
Applications

State Recovery
Fund

Pending: Build
Back Better

Pipeline across funding streams

- NHPS Manufacturing Initiative
- Affordable Housing
- Union Station TOD
- Downtown Crossing
- Dixwell Plaza
- Science Park
- Fiber to Home (Broadband)
- EDA Regional Recovery
- MOVE New Haven
- Neighborhood Commercial

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New Haven Local Recovery Fund: Program Update

Phase 1 - Summer Reset & Public Safety \$ 26.3M

- Safe Summer
- Youth Engagement
- Clean & Safe
- Arts and Culture
- Municipal Fund Recovery

- Public Safety Initiatives (approved 12/20)
 - Cameras/Shotspotter
 - Public Safety Improvements
 - Cybersecurity
 - IT Infrastructure

Phase 2(a) - Community Resilience \$ 8.0 M

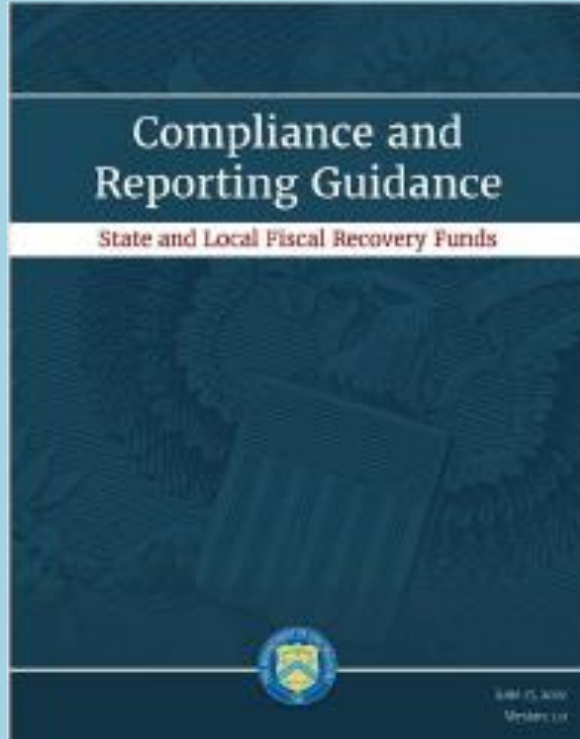
- Department of Community Resilience

Phase 2(b) – Police & Fire OT \$ 4.0 M

- NHPD & NHFD Overtime (FY22 Budget)

Planning for Phase 3

National Policy and Objectives



- **Executive Order 13985**
- **Equity Focused**
- **Community Empowering**
- **Worker Focused**
- **Results & Evidenced Based**

Planning for Phase 3

Community Engagement Goals and Outcomes

GOALS

- Engage residents to identify needs and priorities to reduce income inequality
- Acknowledge and discuss impacts of systemic racism
- Deepen collaboration among residents, government, Community-Based Organizations and institutions
- Make policy making and governance more equitable and transparent

OUTCOMES

- Pilot new or expanded citywide initiatives to help reduce New Haven's racial wealth gap and promote economic power
- Establish pathways for ongoing stewardship and community input to evaluate and inform the implementation of pilot programs

Civic Space: Guiding Principles

THE FOLLOWING PRINCIPLES WERE USED TO GUIDE THE PROCESS:

1. Learn from history to address systemic and institutional racism.
2. Develop leadership intentionally within local communities and organizations.
3. Work with an abundance mindset and openness to possibilities.
4. Strive for accountability to the residents of New Haven.
5. Commit to foster anti-racist visionary spaces.

**Adapted from PISAP Analyzing Power and Living Cities Principles*



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For more information read the report on Findings and Recommendations from the Community Engagement Process.

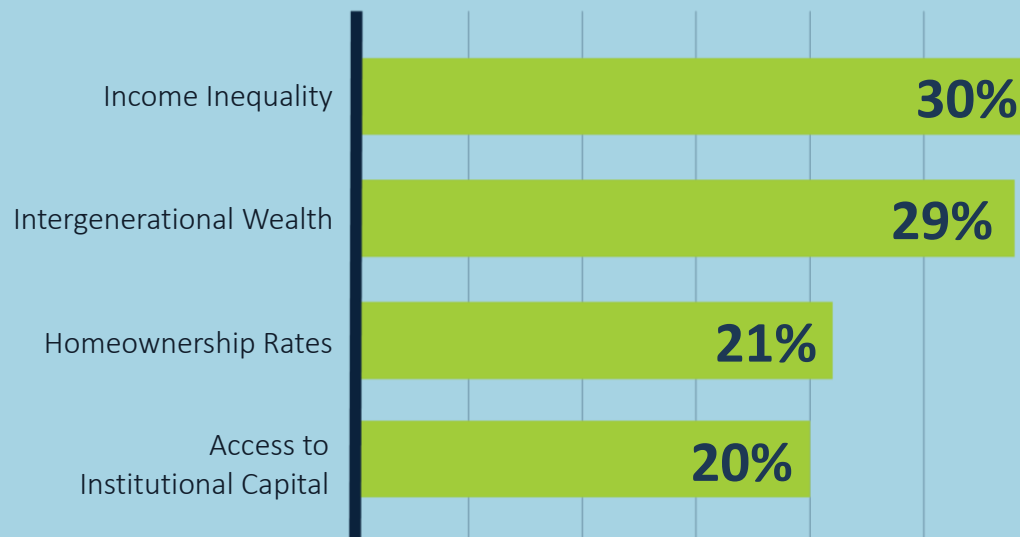
Civic Space: Engagement Process

Through a series of engagements, existing inequities related to intergenerational wealth, income inequality, homeownership rates, and access to institutional capital were discussed with residents, non-profit and service providers, and community leaders.

PROCESS

- **5** Community Forums
- **20** Stakeholder & Focus Group Conversations
- **+50** Ideas Also Submitted to Civic Space Portal

ISSUES THAT ROSE TO THE TOP IN ALL ENGAGEMENTS



Additional Key Issue Areas:

- Climate Justice
- Public Safety
- Youth and Childcare

Civic Space: What We Heard

THE FOLLOWING IS SOME KEY FEEDBACK PARTICIPANTS SHARED:

- Programs should address immediate needs **tied** with a long-term strategy
- Prioritize the most vulnerable and those excluded from current relief programs
- Include a mix of support services and direct financial assistance
- Incorporate authentic partnerships with existing grassroots organizations in the implementation of programs to support New Haven's robust social service ecosystem

"We need reparations because we know that the inequality is real."

"It takes money to make money. No one wants to lend money for young people to start a business."

"Providing residents with coaching and budgets is not the answer. Financial literacy is a program which is great, but prioritize giving people money instead of a case manager."

Civic Space: Community Engagement Themes

1. Articulate clear goals and targets for ARP funds and report on progress.
2. Increase awareness and information on existing programs.
3. Support navigation and usage of existing Federal support programs.
4. Allocate some ARP funds toward direct aid to New Haven's most vulnerable.
5. Ensure existing programs are accessible to non-English speakers and immigrants.
6. Partner and coordinate with local non-profits and grassroots organizations on program implementation.
7. Connect the dots and provide connective/wraparound services.
8. Improve procurement and distribution of City funds.

Program Themes for Phase 3 Recovery Fund



**Youth
Engagement
& Early
Childhood**



**I'm Home
Initiative**



**Wealth
Creation
& Economy**



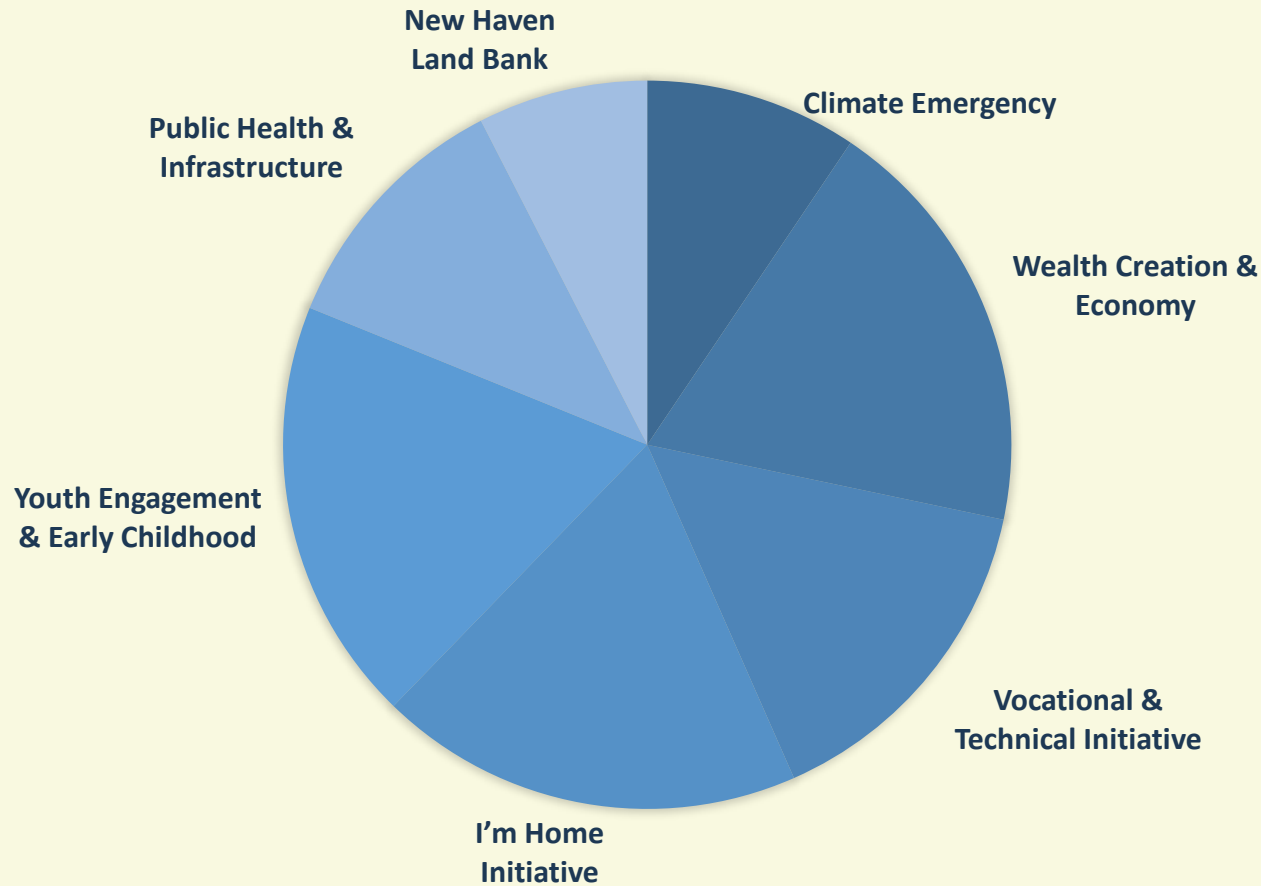
**Vocational
&
Technical
Initiative**



**Climate
Emergency**

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Proposed Phase 3 Program Allocations:



State & Local Recovery Fund Allocation	\$115.8
Phase 1	\$26.3
Phase 2	\$12.0
Phase 3	\$53.0
- Youth Engagement & Early Childhood	\$10.0
- I'm Home Initiative	\$10.0
- Wealth Creation & Economy	\$10.0
- Vocational & Technical Initiatives	\$8.0
- Climate Emergency	\$5.0
- Public Health & Infrastructure	\$6.0
- New Haven Land Bank	\$4.0
Remaining Balance (\$M)	\$24.5

Some of the Proposed Phase 3 Foundational Insights:



Youth & Early Childhood	I'm Home Initiative	Wealth Creation and Economy	Vocational & Technical Initiative	Climate Emergency
<ul style="list-style-type: none"> ▪ Increase from 2019 to 2020 in pediatric emergency admissions for mental problems. ▪ Over 2,500 children under 5 need access to ECE and are not receiving it. ▪ Lack of childcare remains a barrier to employment. ▪ High quality ECE and youth programs build resilience. 	<ul style="list-style-type: none"> ▪ In 2019, the New Haven Affordable Housing Report concluded that 41% of families were impacted by housing burdens and paid 30% or more of their income towards housing. By 2020, this had increased to 54%. ▪ Statewide need for 86,000 affordable housing units for low-income families. 	<ul style="list-style-type: none"> ▪ Over 25% of New Haven's population lives at the poverty level and 17% have a negative net worth, with significantly higher rates for Black and Brown residents. ▪ In 2020, Black business ownership rates dropped 41% between February and April 2020, the largest rate of any racial group. The pandemic has exacerbated long-standing inequalities that make it harder for black-owned businesses to endure the crisis across the nation. 	<ul style="list-style-type: none"> ▪ Approximately 41% of New Haven Public schools graduates don't enter college, a 12% variance from the state average of 29%. ▪ Forecast statewide demand in key skills-based jobs, <ul style="list-style-type: none"> +6K in Manufacturing +13K in IT/coding 	<ul style="list-style-type: none"> ▪ Global CO2 concentration has surpassed 400 parts per million (ppm), a level higher than at any time in the last 3 million years. ▪ Forecast sea level rise 20" by 2050 ▪ Statewide mandate to reduce greenhouse gas emissions 80% below 2001 levels by 2050.



Youth Engagement & Early Childhood



Phase 3 Allocation: \$10.0M

Youth Engagement & Early Childhood



1.1 Youth Engagement Fund

- Funding to be used to cover [1] Seasonal Staffing, including funding of the youth employment program and staffing for the recreational programming; [2] Programming, including funding of programming for youth of all ages and their families through the New Haven Department of Youth and Recreation; and [3] Staffing, including funding of full-time staffing to support implementation of youth engagement programs.

1.2 Early Childhood Fund

- Funds to be used for early childcare workforce development through education to career pipeline and business support through promoting affordable homeownership for family providers. Funds will also be used to build common application and family subsidy portal to ease access for families looking for services. Funds will also support expansion grants for existing providers to extend hours of operations and/or capacity.

1.3 Youth Centers

- Funding to be used for the development, programming / services and operation of new and existing youth centers with priority on reuse of existing space where feasible and with the goal of increasing coverage where feasible.



I'm Home Initiatives



Phase 3 Allocation: \$10.0M

I'm Home Initiatives

2.1 Neighborhood Development Initiative

- Funds to be used in furtherance of wealth creation through affordable homeownership and may be used for down payment assistance; closing costs and support for acquisition and development of single-family and two-family dwellings as well as accessory dwelling units for impacted homeowners.

2.2 Fair Housing Fund

- Funds to be used to support technology upgrades and program management for residential license inspections, Fair Rent Commission and gap financing for development projects with affordable housing components, including projects with a supportive housing component.

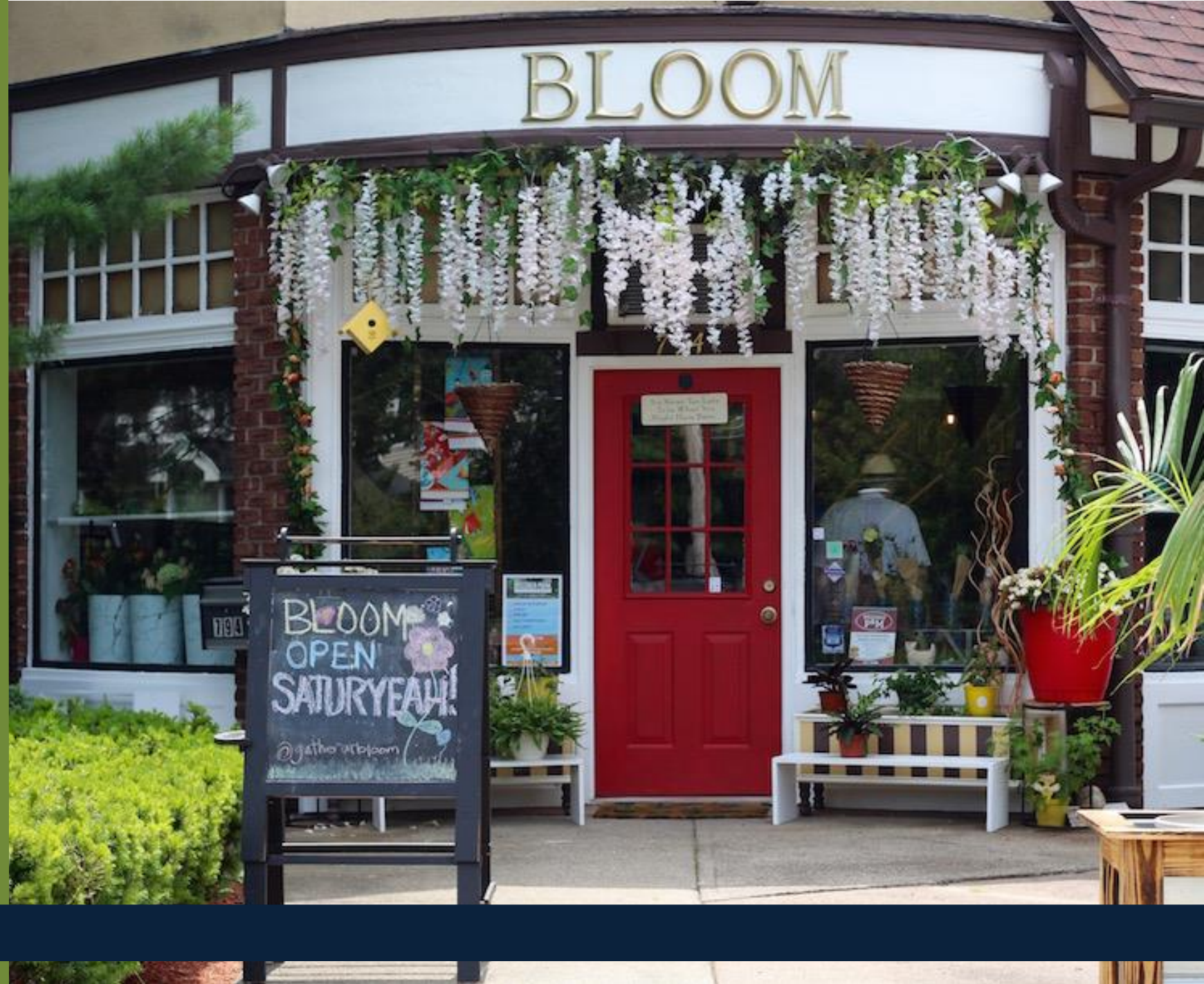
2.3 Rental Assistance Fund

- Funds to be used to offset the cost of housing for impacted or disproportionately impacted households who are not currently receiving state or federal housing assistance. Funds may be used in conjunction with Financial Services Center (see 3.3) in part to support housing navigators, development of an affordable unit registry and Fair Housing programs.





Wealth Creation & Economy



Phase 3 Allocation: \$10.0M

Wealth Creation & Economy

3.1 Small Business Fund

- Funds to be used to provide direct grant support to small businesses and organizations supporting small business, with particular emphasis on Black- and Latinx-owned businesses. The application process will focus strategies to address negative economic impacts of the COVID-19 pandemic with robust outreach to ensure that eligible businesses are encouraged to apply with a low barrier to entry. Examples of support include small grants for physical upgrades to facilities, modernization initiatives, cultural equity and technical support to expand existing technical support services to Black and Latinx businesses including small contractors in the construction sector. These services will include technical assistance to increase access to institutional capital and recovery programs, as well as legal, marketing and networking assistance.

3.2 Economic Resiliency Fund

- Funds to be used for larger grants in support of recovery through innovation and start-up business development all designed to address negative impact or improve economic competitiveness. Priority funding will be deployed on a matching basis with other sources for economic development initiatives including business, innovation and real estate project development.



Wealth Creation & Economy

3.3 Financial Services Center

- Funds to be used to support the Financial Empowerment Center to grow and more intentionally market existing banking, debt management and financial planning programs to underserved communities. Examples of expenses including outside contractor support, addition of staff of up to five (5) counselor/navigator position, planning, strategy and partnership development activities.

3.4 Arts and Culture

- Funds to be used to support creative entrepreneurs through small business technical assistance, marketing and capital consistent with the Cultural Equity Plan.





Vocational & Technical Development



Phase 3 Allocation:

\$8.0M



Vocational and Technical Development Initiative

4.1 Vo-Tech Initiative

- Funds to be used to launch a comprehensive Vo-Tech Initiative with the goal of creating vocational and technical school together with a training and entrepreneurial pipeline that guides New Haven residents through the process of attaining living wage careers in growing industries. Examples of programs to be supported include pre-development and feasibility of a new vocational-technical school, middle-college vocational and technical programs, community navigators and mentors, entrepreneurial development and training for young adults. Funds may be used on a matching basis in a manner consistent with program goals.



Climate Emergency



Phase 3 Allocation: \$5.0M



Climate Emergency

5.0 Carbon Free Future Program

- Funds will be used for programs that will have a demonstrated carbon- and cost savings. Examples include energy efficiency measures for impacted or disproportionately impacted households residing in single-, two- and three-family buildings, non-carbon based heating, cooling and insulating systems, demand responsive and smart metering systems and LED lighting. Specific funding to be set aside to train small construction contractors. Funding also will be used to support municipal government services through carbon reductions and cost savings initiatives, including municipally-owned assets, solar installations and rolling stock.

New Haven Local Recovery Fund: Other Phase 3 Programs

6- Public Health & Infrastructure \$ 6.0M

6.1 Funds to support ongoing investments in the New Haven Public Health Department related to coronavirus response, public health initiatives and general services. Examples include funding for sludge monitoring, lead abatement and prevention program support; Healthy Homes campaign and equipment to support general regulatory functions.

6.2 Funds to be used for capital improvements at parks and public spaces citywide, including public health measures in parks and areas designated for preservation, climate resilient infrastructure and upgrades to outdoor recreation opportunities.

7- New Haven Land Bank \$ 4.0M

7.1 Funds to be used to establish and operate a new Land Bank to support government services and address negative economic impacts of the pandemic with the authority to accept real property by foreclosure, gift, exchange or other means for the purpose or rehabilitating the property and Connecticut Public Act 19-92 related to the appointment of a receiver to take possession of vacant, blighted property for the purpose of rehabilitation together with associated planning and administrative functions.

New Haven Local Recovery Fund: Administrative Protocols

Eligible Uses of Funds

“(A) to respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;

(B) to respond to workers performing essential work during the COVID–19 public health emergency by providing premium pay to eligible workers of the metropolitan city, no entitlement unit of local government, or county that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;

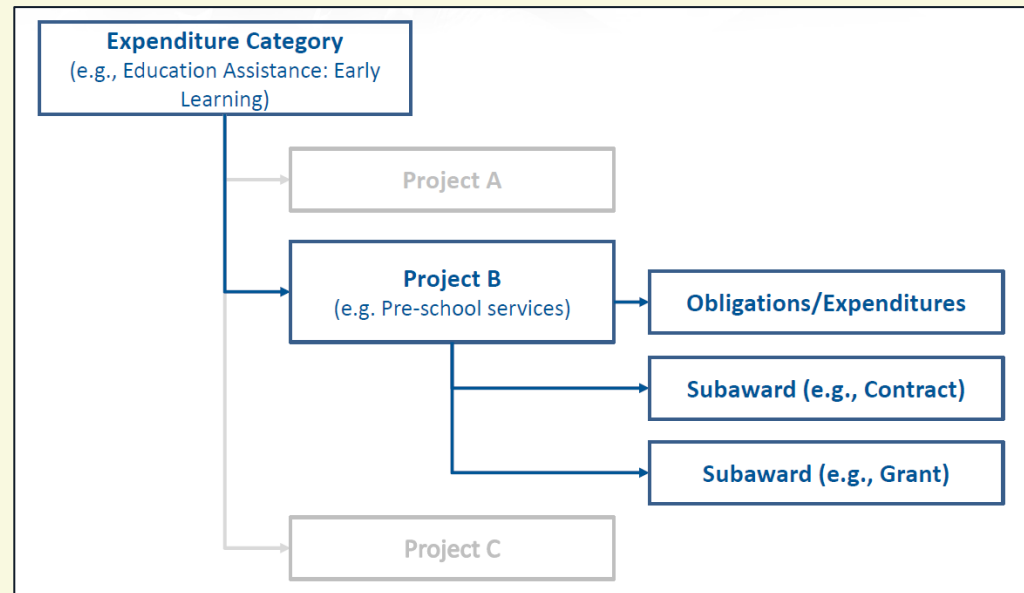
(C) for the provision of government services to the extent of the reduction in revenue of such metropolitan city, no entitlement unit of local government, or county due to the COVID–19 public health emergency relative to revenues collected in the most recent full fiscal year of the metropolitan city, non-entitlement unit of local government, or county prior to the emergency; or

(D) to make necessary investments in water, sewer, or broadband infrastructure.”

** As pertaining to Section 603 Local Fiscal Recovery Fund and subject to final regulations from US Department of Treasury.*

New Haven Local Recovery Fund: Administrative Protocols

Reporting Requirements



US Department of Treasury Focus Points

- *Accountability*
- *Transparency*
- *User Friendly*
- *Recovery Focus*

**New Haven Local Recovery Fund:
Administrative Protocols**

**Round 3
Administrative
Leads**

Phase 3 Program	Lead
Youth Engagement & Early Childhood	Mayor's Office
I'm Home Initiative	LCI
Wealth Creation & Economy	EDA / DCA
Vocational & Technical Initiative	Mayor's Office
Climate Emergency	CAO
Public Health & Infrastructure	Health & Engineering
New Haven Land Bank	EDA
Overall Administrative/Reporting	OMB

New Haven Local Recovery Fund: Program Personnel Request

- Climate Change – Total cost \$1,076,526
 - Executive Director \$85,000
 - Sustainability Policy and Engagement Coordinator \$70,000

- Youth and Recreation – Total Cost \$1,796,198
 - Program Manager \$66,266 (Two positions - per)
 - Program Assistants \$54,303 (Two Positions - per)

- Arts and Culture – Total Cost \$368,267
 - Community Engagement Coordinator \$49,423

- Livable Cities Initiative – Total Cost \$1,598,650
 - Financial and Program Analyst \$69,028
 - Project Manager LCI \$73,702 (Two positions – per)

A. *Total cost is base salary listed above plus benefits for a time period of 07/01/22 to 12/31/2026*

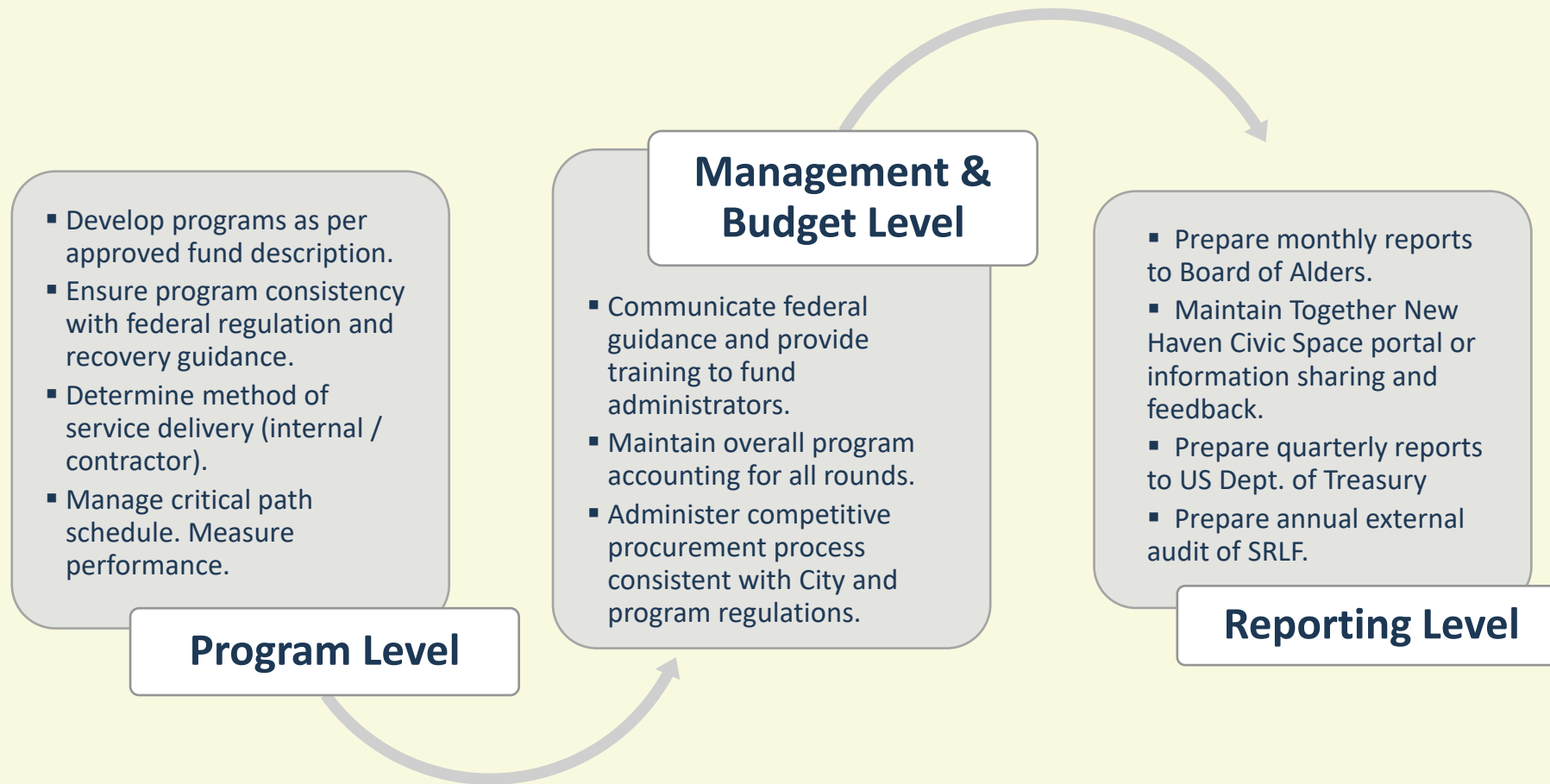
B. *Base salary listed above is subject to hiring requirements per bargaining unit agreement*

C. *Titles listed above are subject to change based on program parameters.*

New Haven Local Recovery Fund: Program Development and Release of Funds Process

Program Development		Release of Funds
Youth Engagement & Early Childhood	Mayor's Office to collaborate with NHPS, Youth Department and Early Childhood Council on program development.	City will use standard procurement process similar to CDBG and other federal programs for sub-grantee awards.
Housing for All	LCI will follow CDBG/HOME program model.	
Wealth Creation & Economy	2.1 (Small Business), 2.2 (Economic Resiliency) & 2.4 (Arts and Culture) will be released via direct grants and/or through program administrator. 2.3 (Financial Empowerment) will be administered internally with enhanced services and location for center.	
Vocational & Technical Initiative	Mayor's Office to develop specific programs as one or multiple initiatives.	
Climate Emergency	CAO to lead program development and allocation of funding to priority municipal initiatives consistent with Climate Action Plan and BOA Climate Emergency Order.	
Public Health & Infrastructure	Standard city procurement process.	
New Haven Land Bank	New stand-alone entity to be created, subject to further BOA approvals and allocation of grant.	

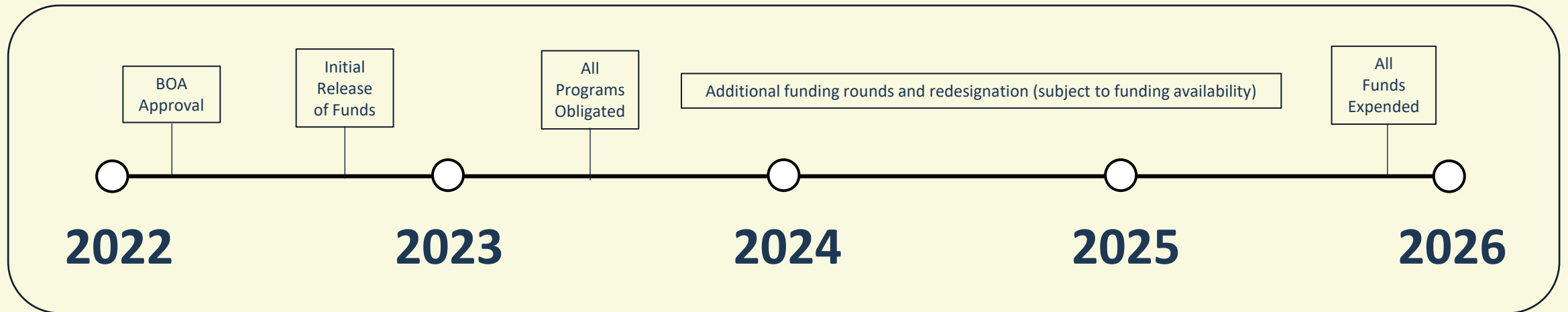
New Haven Local Recovery Fund: Administrative Controls



New Haven Local Recovery Fund: Implementation Schedule

City of New Haven Goals and Performance Benchmarks

- 1st Qtr 2022 - BOA Approval & Program Formation
- 2nd – 3rd Qtr 2022 - Initial Release of Funds



US Department of Treasury Program Rules

- Eligible costs incurred between March 3, 2021 and December 31, 2024
- Funds obligated by December 31, 2024 and expended by December 31, 2026

Thank You for Your Consideration.

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