



City of Phoenix
Office of Mayor Kate Gallego

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MAYOR GALLEGO, COUNCIL MEMBERES APPROVE STRATEGIC PLAN FOR FEDERAL RELIEF DOLLARS

*Distribution of ARPA funds will prioritize families, job seekers, small businesses
and others hurt most by the COVID-19 pandemic.*

(PHOENIX) – Mayor Kate Gallego and members of the Phoenix City Council have approved a robust strategic plan for how to spend \$198 million in federal ARPA assistance funds.

“This plan takes care of our residents, from the youngest to the most senior,” said Mayor Kate Gallego. “Businesses are still hurting from the effects of the COVID recession. We will help them get back on their feet. Older adults will be able to receive healthy food and dementia care, and children will have access to technology to help them learn and activities to keep them engaged after school.” The plan, approved during last night’s meeting of the Phoenix City Council, also prioritized **jobs/workforce development, small business assistance, vaccination, education and assistance for vulnerable people.**

ARPA, the American Rescue Plan Act of 2021, was passed by the U.S. Congress and signed by President Joe Biden in March. The \$1.9 trillion economic stimulus plan distributes federal monies to states, tribes and cities to help lessen the damage done over the previous year by the COVID-19 pandemic. Phoenix will ultimately receive approximately \$396 million over the next two years, delivered in two equal allocations.

The council’s work today focused on the first \$198 million allocation Phoenix received in May. Highlights include:

- **JOBS.** Members of our communities lost jobs when businesses shut down or closed because of the covid-caused slowdown. Council approved **\$10 million** for workforce training, as well as ‘wrap-around’ services – like childcare – that will remove barriers for job seekers.
- **SMALL AND MICRO BUSINESSES.** More than **\$8 million** will go to assist businesses still struggling from the after-effects of pandemic shutdowns and slowdowns. Another **\$2.75 million** will be used to stabilize arts and culture organizations, so they can resume



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sustainable operations. Many businesses are ready to re-engage but can't find the employees they need. An additional **\$2 million** will help these small operations find, train, and retain employees.

- **VACCINATION.** While vaccination numbers are increasing, there are still two-thirds of the people in Maricopa County who have not yet received their shots. The strategic plan envisions investing \$5 million in education, outreach and incentives to encourage vaccine uptake. Funds will also be used **to convert mobile testing vans to mobile vaccination vans** that can reach those who may not be able to easily drive to a vaccination site or who have trouble taking time off from work.
- **EDUCATION.** Parents and students alike experienced sustained stress in 2020 as they tried to cope with online classes and the reality that our students were falling behind in their studies. The Mayor and council members agreed to set aside **\$28.8 million** for youth sports, education and after-school programs. That includes broader availability of wireless networks, expansion of early childhood education programs, College Depot programs that prepare teens for a college career, early literacy tutoring, sports league grants and parks after-school programs – all strategies intended to help kids make up for lost time and bring their education back on-track.
- **ASSISTANCE FOR VULNERABLE POPULATIONS.** A total of \$28 million is intended to help struggling families with utilities, rent and mortgage. Another \$31.5 million will go to assist individuals, families and military veterans experiencing homelessness, mental health care assistance, and heat respite facilities.

“The decisions we made today put money where it matters,” said Phoenix Mayor Kate Gallego. “Although some sectors of the economy are booming, we still have small business owners hanging on by a thread, employees who lost their jobs and are trying to get back into the workforce, and kids who have fallen too far behind in school – not to mention arts communities that have been at a standstill, and veterans who are on the verge of homelessness. By offering targeted help to these groups, we give them a better opportunity for success and, in turn, improve the recovery outlook for our entire city.”

Phoenix, Arizona is the fifth largest city in the United States. With a population of 1.7 million, it is also the fastest growing city in the nation. For more information about Phoenix and services available through the city, please visit phoenix.gov.