

ONE CHATTANOOGA RELIEF AND RECOVERY

Funding from the American Rescue Plan Act provides a once-in-a-generation opportunity to stimulate long-term prosperity in Chattanooga. With a \$30 million investment in transformative and catalytic community-based initiatives, we will begin removing the persistent barriers that have created and sustained inequities in Chattanooga for far too long, creating a more just and prosperous future for all who call our city home.

On July 8, 2022, after a month's long technical review process, the Kelly administration announced the intent to fund 36 innovative, community-based initiatives that will help make this vision a reality. The final ARPA spending plan is slated for City Council approval on July 26, 2022.

PROPOSED TRANSFORMATIVE INVESTMENTS: AT A GLANCE

\$11 million toward local, minority-led initiatives that help address historic inequities

\$19 million for catalytic projects to stimulate positive, lasting change

\$10 million in seed investments to create new and expand existing programs

PROPOSED TRANSFORMATIVE INVESTMENTS: HOUSING AND HOMELESSNESS

\$5.3M toward preventing homelessness and supporting the transition to permanent housing

- **\$2.8M** to build a new, low barrier shelter for residents experiencing homelessness
- **\$1.5M** for wraparound services and support for residents experiencing homelessness
- **\$1M** to continue preventing costly and traumatizing evictions through an ongoing eviction prevention initiative

\$1.56M to preserve existing affordable housing, helping keep families in their homes even as property values rise

- **\$560,000** toward home repair programs to assist residents in maintaining their homes
- **\$1M** for a rehabilitation and resale program that will increase affordable homeownership opportunities

\$5.8M to increase availability of affordable homes, creating more than 230 new affordable rental units

- **\$2.5M** to create 143 affordable housing units for low-income families, including 15 units reserved specifically for residents who are chronically homeless and have a mental health diagnosis
- **\$1.8M** to create 30 affordable housing units while catalyzing additional affordable housing projects through capacity-building partnerships with 6 local faith-based organizations
- **\$1.5M** to create a new affordable housing community with 63 units for vulnerable seniors

PROPOSED TRANSFORMATIVE INVESTMENTS: EARLY LEARNING

\$3.6M to strengthen our early learning system for families and children who need it most

- **\$3.1M** toward creation of new early learning facilities that will provide more than 275 new seats for low-income families
- **\$500,000** to help improve recruitment and retention at existing early learning centers

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PROPOSED TRANSFORMATIVE INVESTMENTS: HEALTH AND SAFETY

\$3.7M for public safety and youth engagement initiatives to empower young people and make Chattanooga safer for all residents

- **\$1.8M** toward youth mentorship and skill-building programs for our city's most vulnerable children and families
- **\$1M** to develop a new violence interruption initiative, directly reaching those at highest-risk for violence in our communities
- **\$900,000** in funding to Chattanooga City Council members for tailored violence reduction initiatives in their districts

\$1.225M to improve access to mental health services for some of our most vulnerable communities

- **\$600,000** for a new mental health program that will serve more than 5,000 low-income families
- **\$425,000** to increase access points to quality mental health services and referrals, meeting those in crisis with ready support
- **\$200,000** to help increase and diversify our city's mental health workforce

PROPOSED TRANSFORMATIVE INVESTMENTS: ECONOMIC DEVELOPMENT

\$5.9M toward workforce development initiatives that help provide direct pathways to stable careers

- **\$2.9M** toward the City's partnership with Hamilton County schools on new skill-building and workforce readiness initiatives
- **\$1.5M** to help low-skilled, low wage, or non-credentialed workers of color gain credentials in high growth industries, such as healthcare, information technology, and construction
- **\$1.5M** to expand low/no-cost broadband connectivity to low-income households across the city

\$2.9M to expand access to resources for local entrepreneurs, helping close long-standing opportunity gaps

- **\$1.5M** to accelerate Black and Hispanic startups in the culinary and arts industries through training, mentorship, and resources
- **\$1.4M** for a new business resource center for minority business owners and entrepreneurs, providing technical assistance, skills-based training, and back-office support to promote future success

ALIGNMENT WITH EQUITABLE RECOVERY COMMISSION RECOMMENDATIONS

Chattanooga Mayor Tim Kelly established the Equitable Recovery Commission to ensure Chattanooga's ARPA fund allocation process was administered with integrity and accountability, through an equity lens. The commission developed a framework for the investment, which had a central theme of catalyzing economic growth for our Black community. To help spur economic growth under this goal, the commission recommended a funding breakdown of projects that fell into four priority areas. **The Kelly administration's proposed investments closely align with the commission's recommendations for division of funding, with smart and catalytic opportunities in each priority area.**

Priority Area	Percentage of Funding Recommended by ERC	Percentage of Funding Adopted by Kelly Administration as part of the ERC Framework	Percentage of Funding Proposed by Kelly Administration in Spending Plan
Affordable Housing	32.67%	43%	42%
Early Learning and Quality Education	20.67%	17%	15%
Close the Gaps in Public Health and Safety	23.22%	20%	16%
Build a Competitive Regional Economy	23.44%	20%	26%

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