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Recommendations for ARPA funds to advance economic equity

As Detroit recovers from the impact of COVID-19, the \$880 million in American Rescue Plan Act funds that Detroit is to receive will provide a critical opportunity to prioritize and plan for economic equity through strategic and targeted investments that can unleash the shared potential and overall economic well-being of all residents.

In May 2021, Detroit Future City released [*The State of Economic Equity in Detroit*](#). The report examines 22 indicators across six focus areas to assess Detroit's progress toward achieving a more economically equitable city. The report highlights how the renewed prosperity in the region has not benefitted all Detroiters, and inequitable and racially discriminatory systems, policies, and processes continue to contribute to the inequities that Detroit experiences today.

A COVID-19 recovery cannot mean a return to the inequities that have existed. As the recovery from the pandemic begins, we must ensure that recovery is one that includes transformative investments that build an economically equitable city in which all residents, both old and new, can thrive.

In an economically equitable Detroit ...

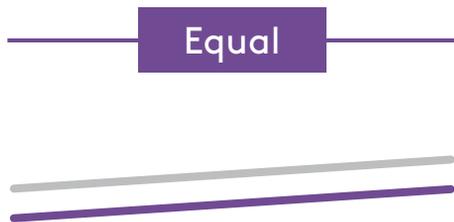
All Detroiters are meeting their unique needs, prospering, and fully and fairly participating in all aspects of economic life within a thriving city and region.

No longer can the focus be on only growth — there must be a renewed focus on ensuring that growth is not only equitable, but that it is **just and reparative**, and that **all residents have the opportunity to participate**.

ARPA spending and investment strategies should be assessed through three frames:

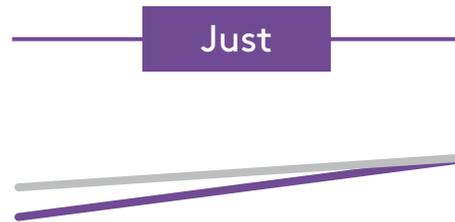
Is the investment equal?

Will the investment result in all groups sharing in the same rate of progress, but gaps remain?



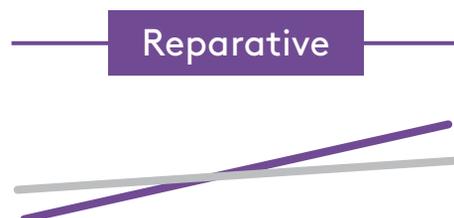
Is the investment just?

Will the investment result in gaps between groups closing?



Is the investment reparative?

Is the investment sufficient to close gaps and offset past inequities?



Strategies for investing ARPA funds to advance economic equity

Increase access to quality affordable housing

- Invest in quality, affordable housing for low-income households with the greatest housing cost burden.
- Increase support for lead remediation, weatherization, and other healthy home improvements.
- Promote affordable homeownership through down-payment assistance and programs to increase the supply of move-in ready homes.

Increase capital and support for minority-owned small businesses

- Coordinate and redirect affordable capital to Black- and Brown-owned businesses to close gaps in entrepreneurship and create specific metrics for growth.
- Remove barriers that limit minority-owned small businesses from accessing support and growth opportunities.

Improve access to affordable quality health care

- Ensure utilization of health care benefits by supporting paid leave, low-cost access to transportation, and access to high-quality health providers in Detroit.
- Build upon successful, coordinated public-private partnerships to reduce negative health outcomes.

Grow and strengthen Detroit's middle-class neighborhoods

- Make strategic, intentional, and reparative investments in infrastructure, open space, and neighborhood amenities, such as commercial corridors.
- Invest in diverse housing stock at diverse price points that can grow and stabilize neighborhoods to create housing options.
- Prioritize and make accessible resources for residents and community partners to improve vacant land in their communities.

Increase the number and share of middle-wage jobs

- Increase middle-wage jobs that pay \$18 per hour and don't require a bachelor's degree.
- Ensure equitable access to middle-wage jobs.
- Eliminate disparities in wages for African-American and Hispanic Detroiters.

Improve educational outcomes at all levels

- Prioritize and invest in strategies that will result in an increase in the number of Detroiters with bachelor's degrees.
- Continue to invest in the enrollment and completion of career and technical education programs.