Stimulus at Work

in Philadelphia

The Mayor's Quarterly Update on the Recovery Act
to the Citizens of Philadelphia

JUNE 2012

THE CITY OF PHILADELPHIA

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MAYOR'S FOREWORD

There is no recovery without cities and metropolitan regions. According to the non-partisan Brookings Institution, the world's top 200 metros have only about 14 percent of the population but are responsible for almost half of economic expansion worldwide. Truly, metropolitan regions are the key drivers of global economic growth. Indeed, a recent report from Fitch Ratings and Oxford Economics show that President Obama's American Reinvestment and Recovery Act played a critical role in supporting the U.S. economy.

As Mayor of Philadelphia, I see the power of metropolitan regions firsthand. I see the way metro regions incubate innovation and drive knowledge-seeking. I've observed how cities connect people and ideas in a great information ecosystem, which has led to startling achievements. And I see the collaborative, strategic investments the Federal government is making to lay the foundations for future economic growth. Creating and sustaining strong partnerships have been at the heart of my Administration's success in attracting new funding and businesses to the Philadelphia region despite the challenges of the Great Recession.

When I became Mayor of Philadelphia in 2008, I announced my intention to see Philadelphia become the greenest city in America -- an ambitious goal at the best of times. In the worst of times, with a deep global recession threatening to undo years of progress, it may have been out of our reach without the civic mortar of collaboration and partnerships.

Partnerships with industry, with our first-class academic institutions, with the Commonwealth, and the Obama Administration helped secure $150 million from the Department of Energy to position Philadelphia and the region, based out of the revitalized Philadelphia Navy Yard, as an incubator and national leader in energy efficiency technologies. Through bipartisan partnerships with the four-county Metropolitan Caucus, the City attracted a further $39 million in energy efficiency funds from the Department of Energy, which was, as you will see in this report, one of the largest energy efficiency block grant awards received by any city under the American Recovery and Reinvestment Act.

Like mayors across America, I have welcomed Federal investment and especially Recovery Act funds, which came at a time when the City was fighting to balance its budget, keep police and firefighters on the streets, and keep people in their homes. Philadelphia is the welcome recipient of $2.2 billion in Recovery Act funds -- money that went to thousands of businesses, non-profits, and public institutions to create jobs and position Philadelphia for a safer, smarter, greener, and healthier future.

The trying effects of the Great Recession are still with us. But now is the time for leadership, for continued Federal investment in cities, and for strategic partnerships that reach across party lines.

Cities are essential to recovery, and Philadelphia and its partners here and in Washington are leading the way.

Mayor Michael A. Nutter
City of Philadelphia

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ABOUT THIS UPDATE

This Update provides Philadelphians with a clear explanation of where Recovery Act dollars are going and how they are being spent. High standards of transparency and accountability are at the heart of both the Recovery Act and Mayor Michael Nutter's Administration. Publishing a quarterly update on the impact of the Recovery Act in Philadelphia is one way to meet the intention of the Act and the Mayor's goals. The timing of this publication will coincide with the information reported to the Federal and state agencies at the conclusion of each quarter's reporting period.

In addition to issuing ***Stimulus at Work***, the Recovery Office's website is frequently updated and includes more in-depth information, opportunities and additional resources.

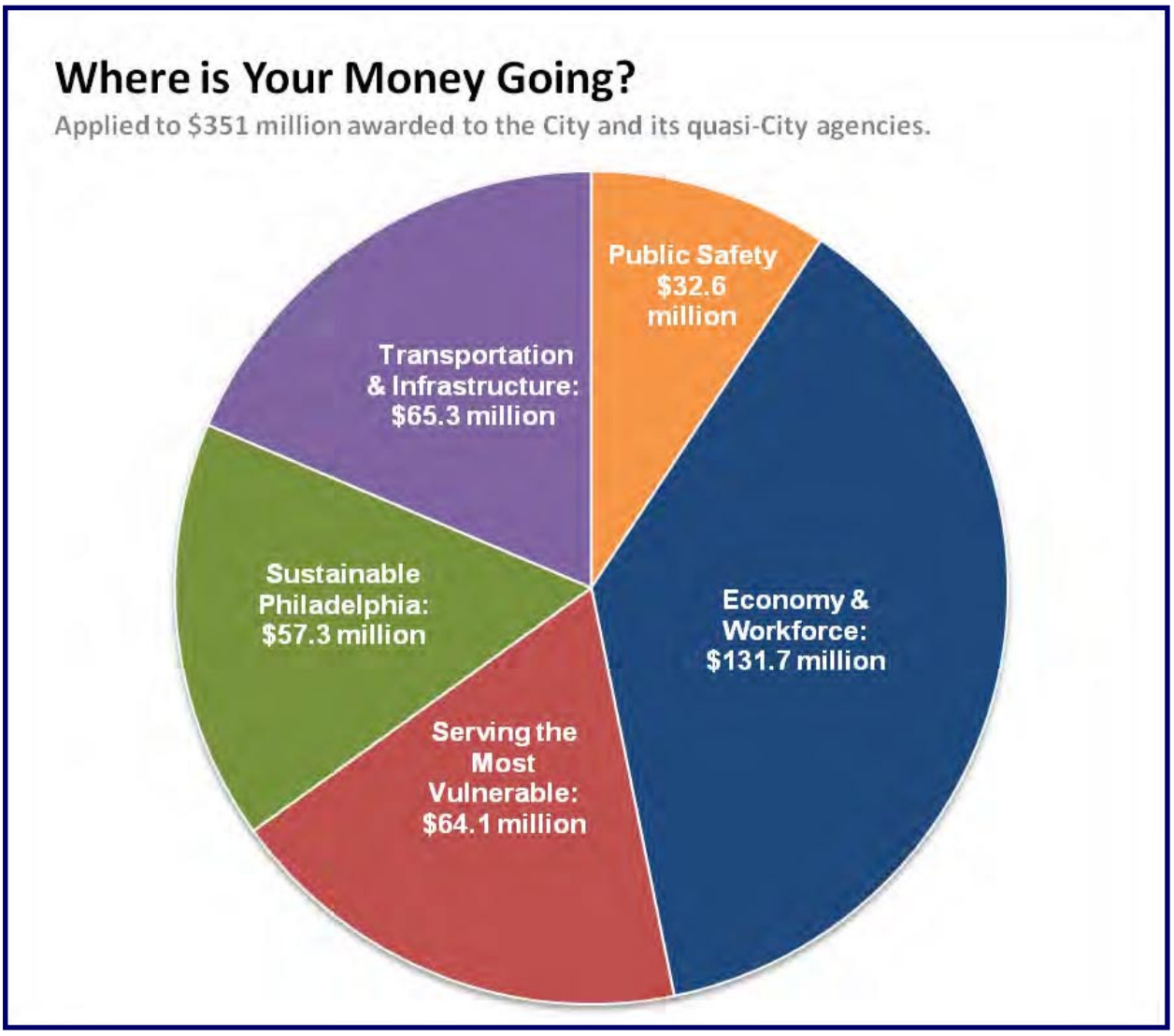
Visit www.phila.gov/recovery or use any smartphone to scan the QR Code (above right) to view the Recovery website instantly.

EXECUTIVE SUMMARY

The purpose of this update is to inform and report on the impact of the Recovery Act in Philadelphia, up to the Federal reporting quarter ending March 31, 2012.

Philadelphia is receiving $2.2 billion in Recovery Act dollars. Of that total, the government of the City of Philadelphia has been awarded 50 grants totaling $351 million. The City is responsible for managing and reporting on $276.1 million, while quasi-City agencies manage and report on the remaining $76 million. Spending continues at a solid pace and of the $276.1 million, the City has committed $232.5 million — 84 percent of the City's Recovery Act dollars. All Recovery Act funds must be expended by September 30, 2013, unless a special waiver is granted by the (Federal) Office of Management and Budget.

Recovery Act dollars are invested across five categories: *Growing Philadelphia's Economy & Workforce*, *Improving Public Safety*, *Serving the Most Vulnerable*, *Creating a Sustainable Philadelphia*, and *Improving Transportation & Infrastructure*.



THE RECOVERY ACT'S POSITIVE LEGACY

This is the last edition of Stimulus At Work. In its place, a quarterly bulletin will be released with the same essential data that have populated the pages of Stimulus At Work. The majority of the City's Recovery Act funded projects will be completed by the end of 2012, with all projects to end by September 30, 2013.

With Recovery Act-funded activities winding down, the City of Philadelphia is also shifting its emphasis from project delivery and reporting on Recovery Act funded programs towards building financial sustainability into some of our most successful projects so that they may continue long after stimulus dollars are spent, such as EnergyWorks and KEYSPOTS.

> "An authoritative study conducted jointly by Fitch Ratings and Oxford Economics shows that the stimulus may have helped the U.S. sidestep a full-on depression."

As the Recovery Act's funding and programs near completion, the full positive impact of the stimulus are only just now being realized. A study jointly conducted by Fitch Ratings and Oxford Economics shows that the stimulus may have helped the U.S. sidestep a full-on depression.

"Oxford Economics' Global Economic Model suggests that the U.S. policy response to the recession increased aggregate GDP by more than 4 percent two and three years after the trough of the last crisis than otherwise would have been the case," notes the report by Fitch Ratings and Oxford Economics. "These policies helped to support GDP growth of 3.0 percent in 2010 and 1.7 percent in 2011, implying that the U.S. might still be mired in a recession absent this stimulus."[1]

This assessment broadly echoes similar estimates by the Congressional Budget Office (CBO), which has tracked similar contributions by stimulus funds to the U.S. economy.

KEYSPOTS participants receive critical digital literacy skills in 76 locations across the city.

[1]See: http://www.fitchratings.com/web/en/dynamic/fitch-home.jsp (requires registration)

THE RECOVERY ACT'S POSITIVE LEGACY, CONTINUED

Recovery Act dollars funded the installation of energy-saving, efficient LED traffic lights as well as the jobs to install and maintain them.

The Recovery Act set a new standard in transparency and oversight through the quarterly reporting of data and reports such as Stimulus At Work. In the White House and Congress, initiatives are gaining momentum to take the Recovery Act's positive legacy of data collection, competition, and transparency and apply them to all Federal grants.

The Recovery Act has also set standards for how Federal agencies select, monitor, and manage Federal grant funded projects. The Federal grant process has changed to be more:

- Competitive – fewer formula allocations, with cities and non-profits competing for limited funds
- Collaborative – strong expectation of working with partners and surrounding jurisdictions
- Innovative – Federal agencies seeking national caliber and demonstration models to fund
- Data Driven and Transparent – projects to be driven by data and for data to be publically reported on a quarterly basis
- Place Based – prioritize geographic areas so investments have the greatest impact.

> "The Recovery Act set a new standard in transparency and oversight through the quarterly reporting of data and reports such as Stimulus At Work."

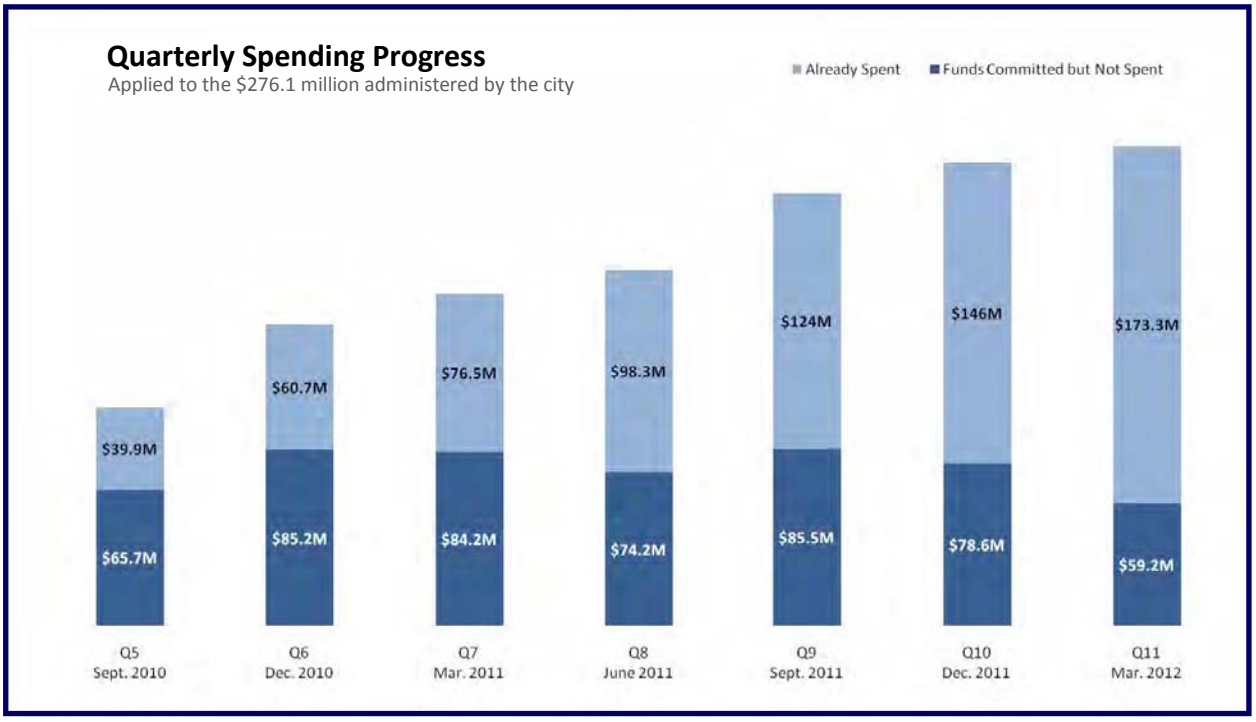
The impact on cities will be significant. The City Philadelphia is now looking at how to realign and restructure to meet this new model.

Stimulus At Work has provided increased transparency in how the City manages its Federal dollars and showcase their impact. We are grateful to all of our partners for helping to deliver many innovative projects that will have a lasting impact on our city.

STIMULATING OUR ECONOMY

Philadelphia is benefiting from $2.2 billion in Recovery Act funding. Of that total, the City of Philadelphia attracted $351 million in Recovery Act dollars. This funding is not only helping to serve immediate needs due to the recession — such as keeping Philadelphians in their homes or helping them transition to permanent housing — but it is also being strategically invested in the city's future.

Of the total $351 million in Recovery Act dollars awarded, the City has prime responsibility for managing and reporting on $276.1 million on a quarterly basis. As illustrated in the table below, to date, the City has committed $232.5 million (84 percent of the City's Recovery Act awards): expended $173.3 million and obligated an additional $59.2 million directly with hundreds of local businesses and non-profit organizations.



Several of the City's quasi-City agencies independently manage $76 million of the Recovery Act dollars awarded, as explained below:

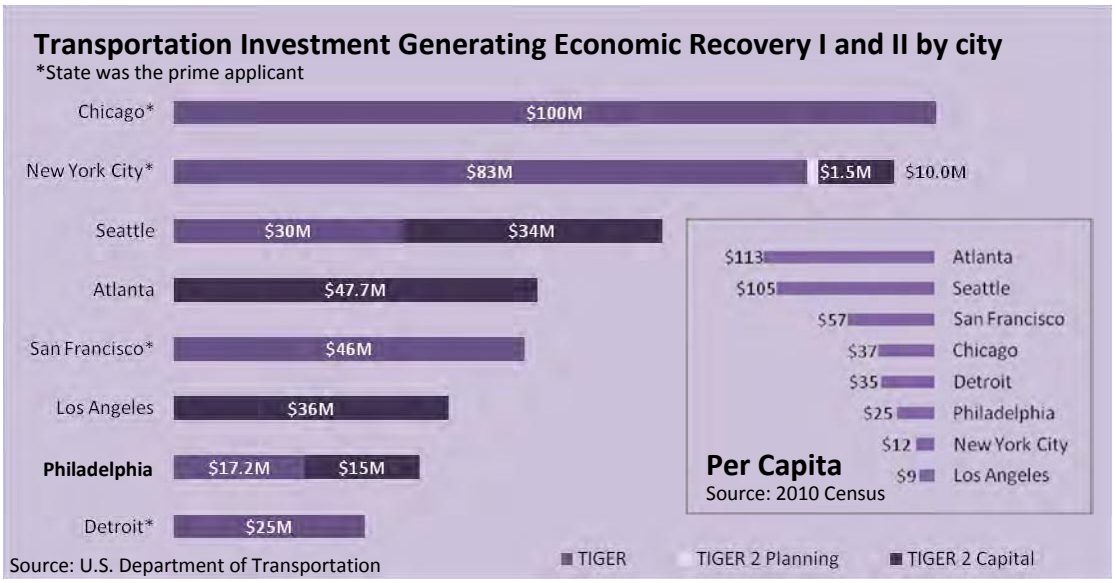
- $16.9 million for home weatherization to Philadelphia Housing Development Corporation
- $14.1 million in job training funds to the Philadelphia Workforce Investment Board
- $22.9 million in Recovery Zone Facility Bonds to Philadelphia Industrial Development Corporation ($16 million in bonds issued December 2010)
- $22 million in TANF Recovery Funds to support the *Way to Work Philadelphia!* jobs initiative to the Philadelphia Workforce Development Corporation and partner agencies (*Completed Sept. 30, 2010*)

Improving Transportation and Infrastructure

Grants awarded for this category allow the City to invest in a range of key infrastructures essential to Philadelphia's future, including street repaving across the city, runway rehabilitation and baggage screening improvement at Philadelphia International Airport, sewer system replacement, and establishing a trail network in Philadelphia and its surrounding counties.

Comparing with other U.S. cities

Grants Awarded in this Category: $65,313,870



Only grantees in peer cities were selected for comparison.

Philadelphia was awarded over $30M in Transportation Investment Generating Economic Recovery (TIGER) funding under the Recovery Act.

The City of Philadelphia with its partners was the grant applicant — unlike Chicago, New York, San Francisco, and Detroit, which obtained funding through state-based applications. The City has been successful in securing funding in all four TIGER rounds.

TIGER Greater PA-NJ Regional Trail Project

Funds are being applied to gaps in the City's bike trail network. Over seven miles of multi-use trails will be completed in seven segments to complete a connected, regional bike trail system within the Philadelphia, Pennsylvania and Camden, New Jersey metropolitan area.

The bicycle and pedestrian network not only improves commuting options and increases livability, but also optimizes existing green space and bolsters environmentally friendly, healthier transportation. The new trails and connectors are a cost-effective way to link communities while improving health, safety, and air quality for the public. Trails are currently under construction.

A rendering of the Schuylkill River boardwalk bridge.

Growing Philadelphia's Businesses, Economy, and Workforce

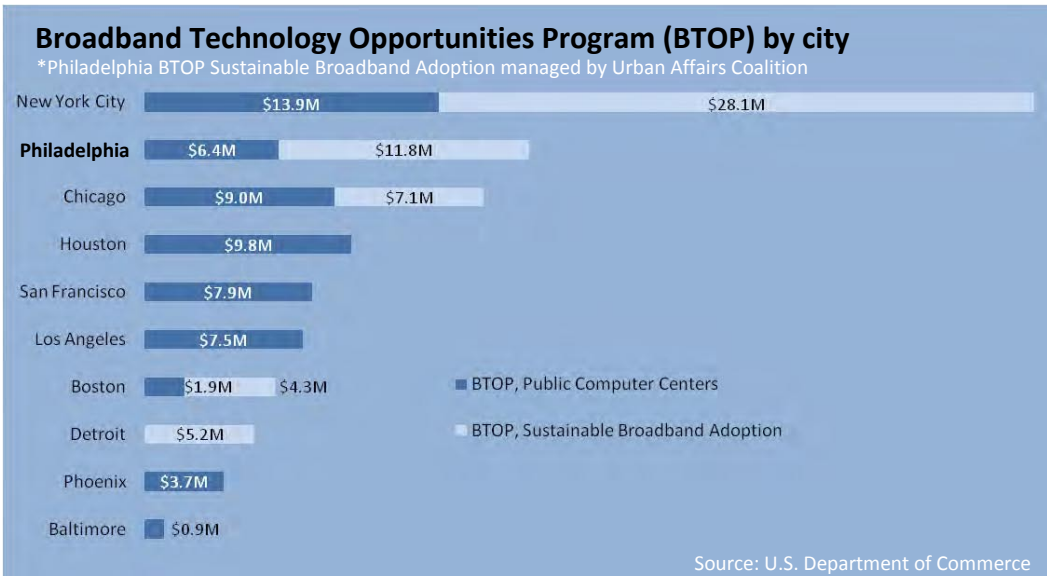
Grants awarded in this category help stimulate neighborhood business development, rejuvenate neighborhoods and prevent blight, create "green" jobs, create jobs for adults and youth, and provide low-income Philadelphians with the opportunity to access computers and the Internet.

Grants Awarded in this Category: $131,712,476

Comparing with other U.S. cities

Philadelphia attracted considerable broadband access Recovery Act funding, performing strongly among peer cities. Only New York attracted more funding.

The Broadband Technology Opportunities Program features 2 workforce-oriented categories, Public Computer Centers and Sustainable Broadband Adoption, which are establishing computer centers and support programs in the city right now (see below). Philadelphia's funding success is tied to innovative programming and strong partnerships.



Only grantees in peer cities were selected for comparison.

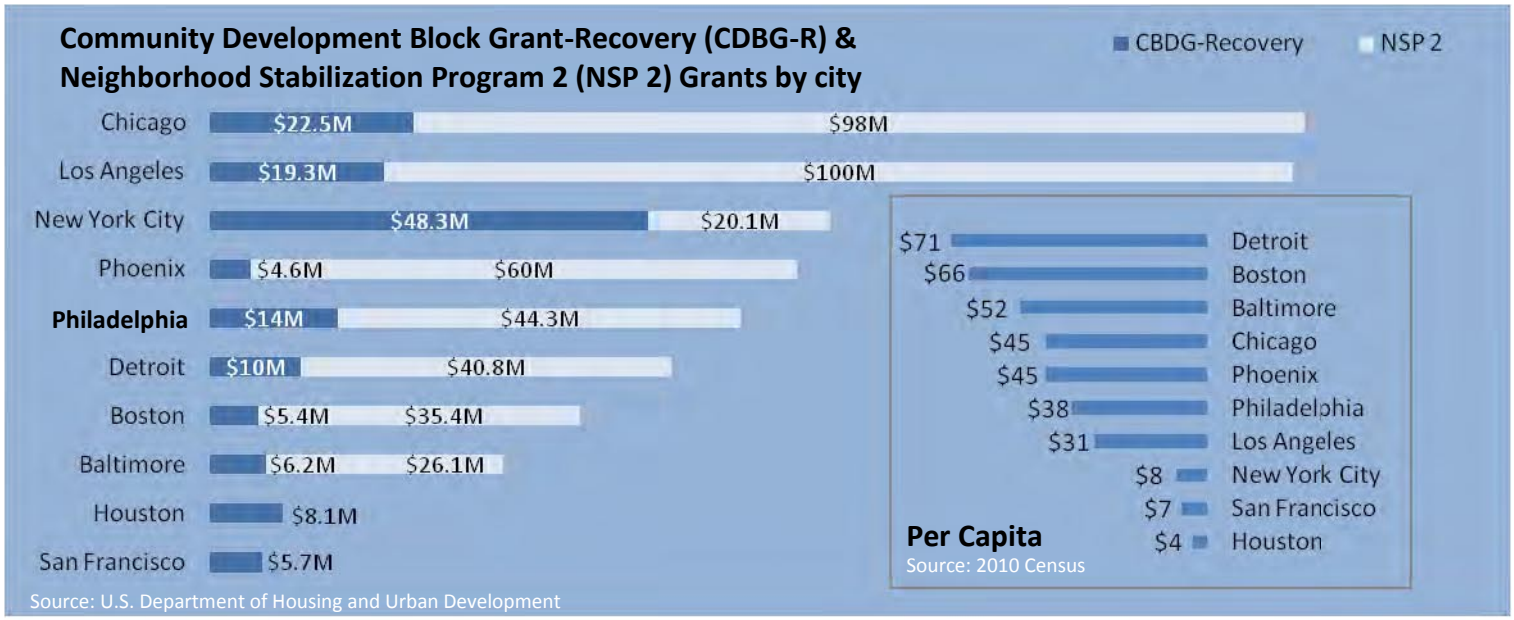
KEYSPOT, Powered by Freedom Rings Partnership

Computer and internet access is necessary to obtain the digital literacy skills to compete in a 21st century workforce, yet an estimated 41 percent of Philadelphians do not have internet access in their home. Formed to tackle this problem, KEYSPOT, Powered by the Freedom Rings Partnership, led by the City of Philadelphia and Urban Affairs Coalition, works with non-profits, government agencies, and universities to bring internet access, training, and one-to-one assistance to communities citywide.

So far, 70 KEYSPOT locations have opened across Philadelphia, totaling 810 workstations. 10,097 participants have received 107,776 hours of computer training, 107,820 clients have had free computer access, and 1,774 netbooks were distributed to Philadelphia Housing Authority residents who completed training. KEYSPOTS has saved or created 113 jobs and provided crucial digital literacy training and support.

Mayor Nutter and Rep. Chaka Fattah with Free Library president Siobhan A. Reardon; Farah Jimenez, president of People's Emergency Center; and Philadelphia Chief Innovation Officer Adel Abeid at the opening of the Techmobile – a 25 foot mobile classroom outfitted with six computers and all necessary broadband equipment.

COMPARING WITH OTHER U.S. CITIES



CDBG-Recovery: The City funded 6 programs with $14 million in Community Development Block Grant-Recovery (CDBG-R) funds: 1) Transit-oriented & Livable Communities Commercial Development Fund, which leveraged public investment with private funds to supply developments that were at risk of cancellation after the recession; 2) Affordable Housing Development to provide affordable housing opportunities for those of low and moderate incomes; 3) the highly successful and nationally recognized Mortgage Foreclosure Program serving 1,700 households; 4) Utilities Emergency Services Fund providing 1,000 grants to families at risk of losing utility services; 5) Creative Industry Workforce Grants to support the creation of mixed-use facilities & incubators designed to attract new businesses and jobs.

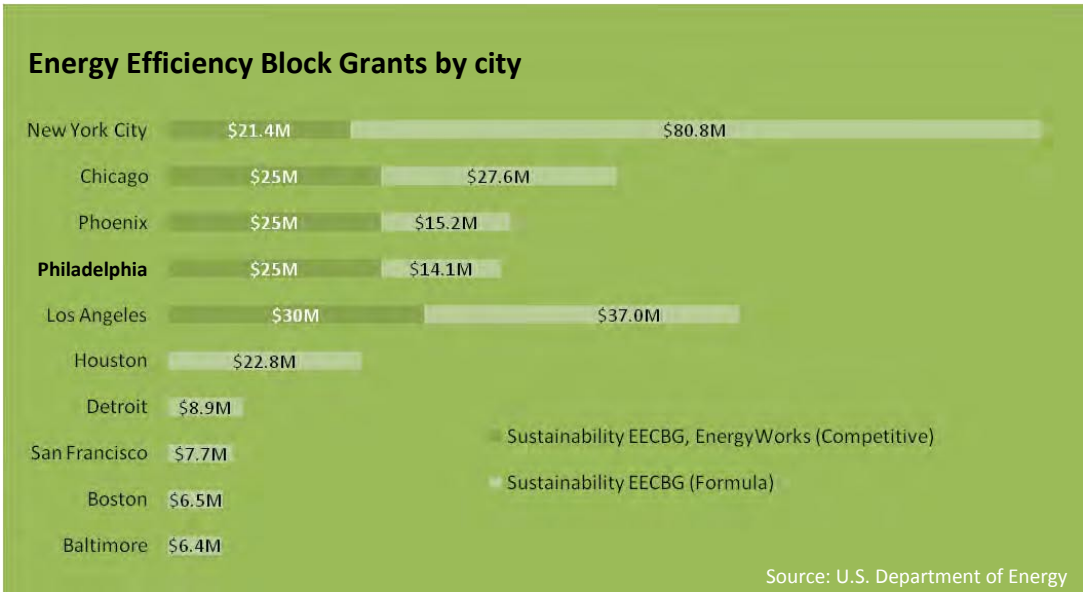
Neighborhood Stabilization Program 2: The City has strategically administered NSP 2 funds to eradicate blight, stabilize neighborhoods, and rehabilitate or build affordable homes in communities affected by foreclosure. Funds have been invested across the city, with a particular focus in Point Breeze, Mantua and Nicetown. The city works with nonprofit and for-profit developers to rehab and resell foreclosed single -family homes and redevelop blighted or abandoned land. In total, 317 units will be financed, including both rental and homeownership units. Many will serve households earning less than 50 percent of area median income and some will serve households with special needs — including formerly homeless, veterans, or women in recovery and their families.

Creating a Sustainable Philadelphia

Grants awarded for this category were invested to create a more sustainable future for Philadelphia, delivering on the Mayor's *Greenworks* goals, such as the installation of solar panels at a Philadelphia Water Department facility, LED traffic signal replacements, new bike racks, and additional BigBelly Solar Compactors along commercial corridors. Grants also provide loans for retrofits of residential and commercial buildings, as well as to assist Fairmount Park in moving toward a more sustainable ecosystem.

Grants Awarded in this Category: $57,320,440

Comparing with other U.S. cities



Only grantees in peer cities were selected for comparison.

Mayor Nutter's Greenworks strategy has been hailed a model in metropolitan sustainability planning and development.

Thanks to Greenworks, Philadelphia has attracted Federal funding awards topping other large cities, including Los Angeles, Houston, and Boston, among many others.

Philadelphia is a leader with over $25 per capita in Energy Efficiency Conservation Block Grants (EECBG) funding compared to $12.50 for New York City and $19 for Chicago.

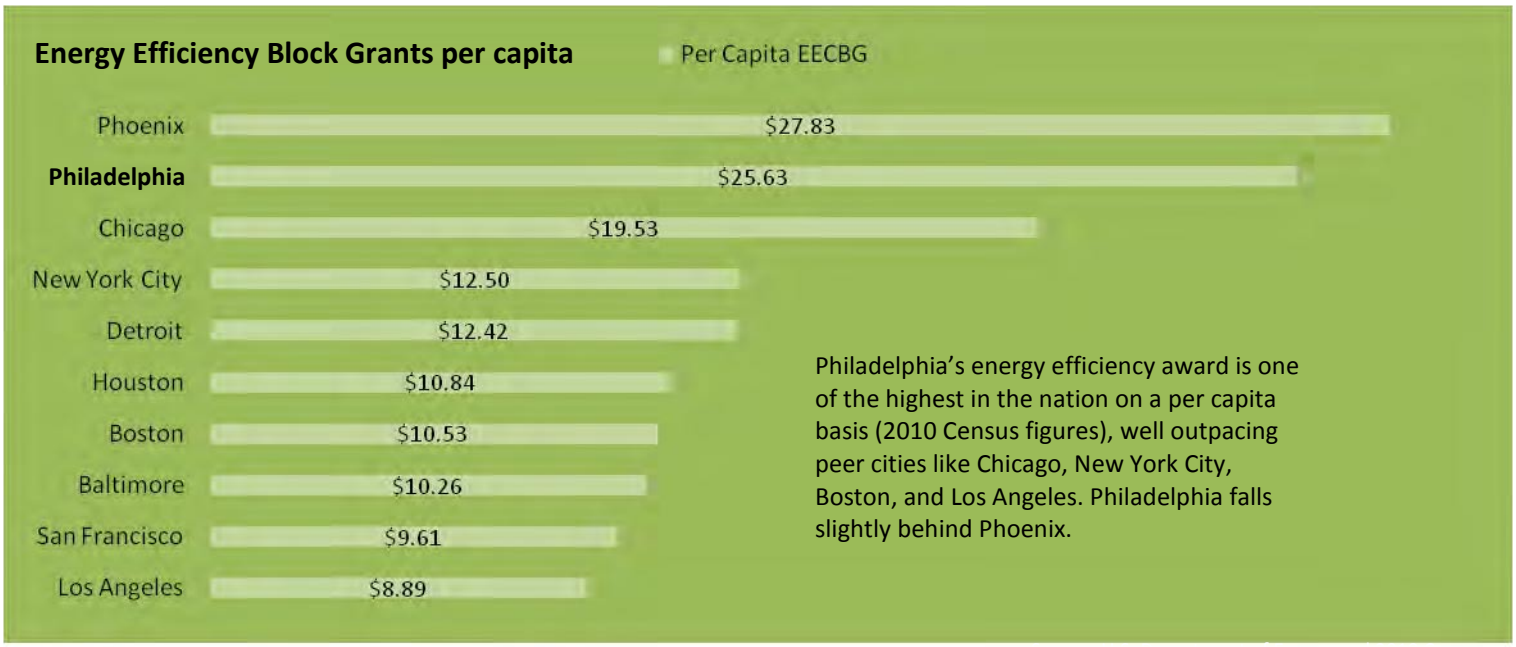
Regional Partnerships for a Sustainable Philly

Philadelphia's EECBG grants have kick started a variety of exciting and innovative energy efficiency projects. The $14 million EECBG formula grant included: converting and replacing 58,000 **LED traffic signals**, saving the City over $1 million in annual electric costs; purchasing and installing 70 recycling RFID readers to support an **incentive-based recycling program**, which has diverted 14,280 tons of waste per year from the landfill—saving about $1.64 million; providing low-interest energy efficiency loans with the **Greenworks Loan Fund**; incentivizing energy efficiency with the **Greenworks Small Business Energy Efficiency Rebate Program;** the **Greenworks Pilot Technology Program** to pilot new energy efficient technology; **Municipal Building Energy Efficiency** retrofits of city-owned properties; installed 1,600 decommissioned meter poles with **bike racks** and placed another 1,000 on commercial corridors; installed 220 "big belly" **solar compacting litter bins** and 84 recycling units; **photovoltaic solar energy generation** for the Water Department; and many others.

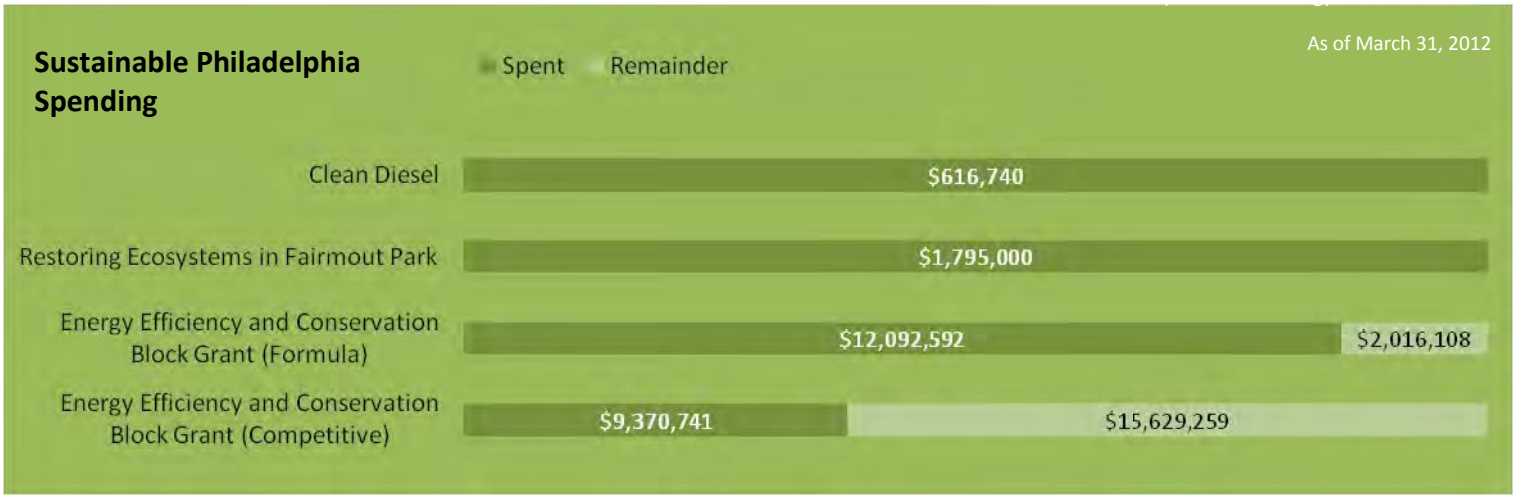
A 250 KW solar panel installed at the City's southeast water pollution control plant.

Energyworks supports the Philadelphia region energy efficiency market by offering a comprehensive suite of services and low-interest loans for home and business-owners looking to save energy and money.

Comparing with other U.S. cities



Philadelphia's energy efficiency award is one of the highest in the nation on a per capita basis (2010 Census figures), well outpacing peer cities like Chicago, New York City, Boston, and Los Angeles. Philadelphia falls slightly behind Phoenix.



Clean Diesel: The purchase of 38 zero-emission electric powered baggage tractors at Philadelphia International Airport, made possible with funding from the Clean Diesel Grant, received the 2011 (PA) Governor's Award for Environmental Excellence. The program was hailed for its contributions in helping the state meet its environmental goals.

Restoring Ecosystems in Fairmount Park: A Forest Service Recovery Act-funded arboriculture training program helped young trainees learn basic tree care, nursery, and natural resource restoration skills while revitalizing Philadelphia urban areas. The grant also enabled the purchase and planting of 11,000 potted trees and shrubs across the city.

Department of Energy Inspector General Audit: The Department of Energy's Inspector General reviewed the $39.1 million in EECBG funding. The report had no audit findings or concerns, underlining the effectiveness of Mayor's Office of Sustainability and the many departments managing EECBG funds.

Serving the Most Vulnerable

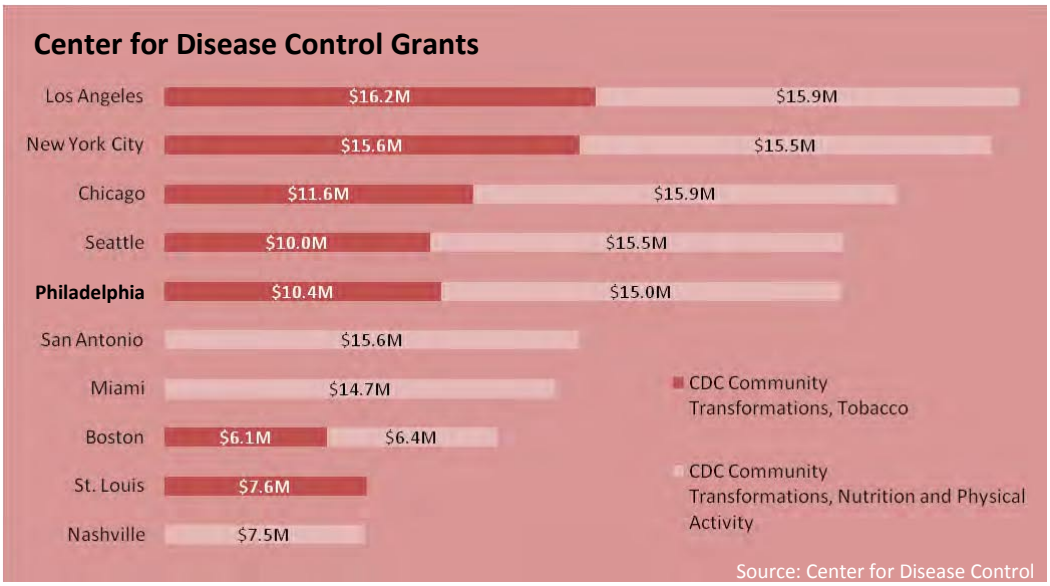
Grants awarded for this category span a range of assistance and preventative measures to help those deeply affected by the recession, including homeless prevention, rapid re-housing, job training for people aged 55+, self-sufficiency for low-income residents, chronic disease prevention and wellness, vaccine research, obesity prevention, and smoking cessation.

Comparing with other U.S. cities

Grants Awarded in this Category: $64,134,835

In a competitive process, the City of Philadelphia attracted considerable funding as part of the Communities Putting Prevention to Work grant program. Philadelphia raised over $25M to fight smoking and promote healthy eating and active living.

Philadelphia's total grant award was comparable to many of the largest cities. Per capita (see below), Philadelphia received more than any other peer city ($17) except for Boston ($20). Chicago received $5 per capita, New York $4, and Los Angeles, $3. Per capita calculations for CDC grants used county populations.

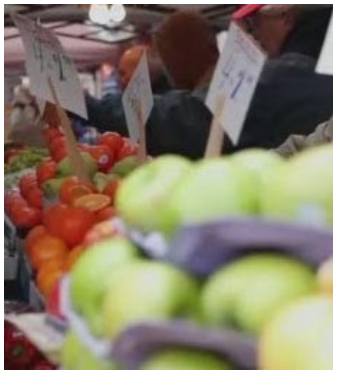


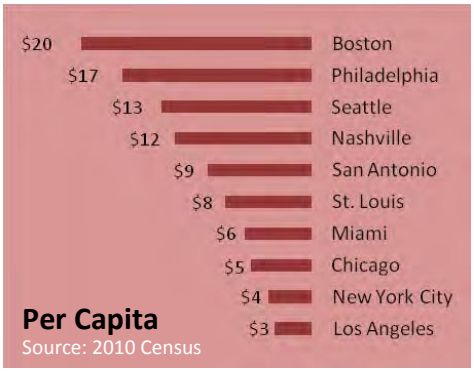
Only grantees in peer cities were selected for comparison.

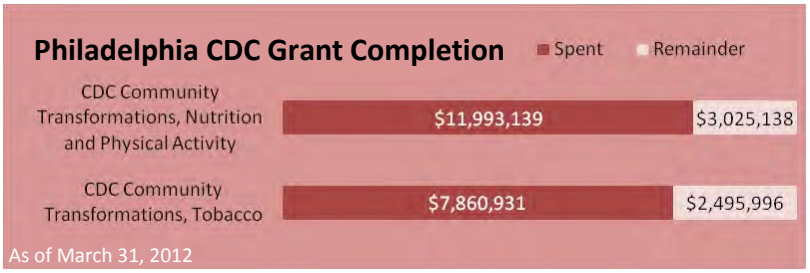
Promoting healthy lifestyles in Philadelphia

The Recovery Act-funded Get Healthy Philly initiative makes the healthy choice the easy choice for Philadelphians. The Nutrition & Physical Activity Program has: opened 10 new farmers' markets in low-income areas and increased food stamp redemption at markets by over 400 percent; recruited over 600 corner stores to sell healthier products, increasing access to healthy foods for over 200,000 low-income residents; and engaged 200 public schools to boost physical activity and limit unhealthy foods & beverages for over 100,000 students.

To fight smoking, Get Healthy Philly has: made 200 recreation centers and playgrounds smoke-free; decreased illegal tobacco sales to youth by 16 percent through enhanced merchant education, monitoring, and enforcement; and provided 1 month of free nicotine patches and counseling to 12,000 smokers; and helped tens of thousands of others through insurance reforms.







Improving Public Safety

Grants awarded for this category fund improvements to public safety, such as recruiting an additional 50 new police officers, an additional 56 Courts staff (up to June 2011 and subsequently funded by the City), education, training and job placement for ex-offenders, addressing abandoned and vacant buildings, and crime prevention resources for police.

Comparing with other U.S. cities

Grants Awarded in this Category: $32,470,571

Philadelphia received over $24M in Recovery Act funding for the COPS Hiring Program and the Byrne Justice Assistance Grant Program, a level comparable to or exceeding a large number of peer cities around the country.

Philadelphia's award was $16 per capita (see below). While less than smaller cities like Boston and Baltimore, it was larger than other peer cities like Chicago, Los Angeles, Houston, Phoenix, and New York City.

Only grantees in peer cities were selected for comparison.

Investing in Public Safety

The COPS Hiring Program provided funding for salary and benefit costs for 50 police officers. The officers are making a difference by implementing the department's crime strategy in high-incident areas by utilizing tools such as GunStat and Crime Mapping to combat crime in their respective districts.

The Byrne Justice Assistance Grant funds various Police Department training programs. This training provided 372 police supervisors (sergeants, lieutenants, and captains) with instruction to enhance their supervisory and managerial skills.

In addition, 1,885 police officers received training designed to teach officers to subdue dangerous people with less than lethal weapons.

Completed Grants and Projects

Recovery Act-funded grants and projects that have finished are highlighted in the table below.

Category	Project	Details
Economy and Workforce	Liberty Property Trust at the Navy Yard **(Recovery Zone Facility Bonds)**	$16 million in Recovery Zone Facility Bonds, issued by the City to the Navy Yard, for development of two flexible-use buildings.
	Way to Work Philadelphia!	Jobs provided for 13,000 adults and young people.
	Community Services Block Grant-Recovery	Connected 5,709 low-income Philadelphians to much-needed employment, training and education.
	Utilities Emergency Services Fund (**CDBG-R**)	Provided assistance grants to 1,000 families in danger of having their electricity, gas, and/or water services terminated.
	Mortgage Foreclosure Prevention Program (**CDBG-R**)	Assisted approximately 1,700 households facing residential mortgage foreclosure.
	KEYSPOTS (**BTOP**)*	To date, a total of 68 KEYSPOTS (public computer centers) have been opened, of the 77 that will be established through the Freedom Rings Partnership.
Transportation and Infrastructure	Airport Runway Rehabilitation	Rehabilitation and resurfacing of Runway 9R-27L—Philadelphia International Airport's longest runway at 2,600 feet.
	Water & Wastewater Program	Low-interest loans for water piping and water treatment plant projects.
Sustainable Philadelphia	Radio Frequency Identification (RFID) Readers (**EECBG**)	Installation of RFID readers (used to scan tags on residential recycling containers) completed; incentive-based recycling program now available citywide.
	LED Traffic Lights (**EECBG**)	Completed the conversion and installation of 58,000 yellow and green traffic signals and replaced approximately 27,000 expired red LEDs. EECBG funds covered the purchase of 58,000 units and the labor for all 85,000 units. Installations at all intersections are complete.
	State Clean Diesel Grant	Purchase of 38 zero-emission electric powered baggage tractors (replacing previously used diesel) at Philadelphia International Airport.
	Restoring Fairmount Park Ecosystems	Helped Fairmount Park move toward a more stable, functional and sustainable ecosystem through a variety of projects, including purchasing and planting 11,000 trees and shrubs.
Serving the Most Vulnerable	Senior Community Service Employment Program / Commission on Aging	Developed and promoted part-time work experience and job training in community service activities for disadvantaged and low-income persons, ages 55 and older.
	Varicella & Viral Vaccine	Assessed the effectiveness of two-dose varicella vaccination in protecting children against varicella (chickenpox) and its complications.
	MR Waiver (2010, 2011) & MR Early Intervention (2012)	Provided services through the delivery of authorized developmental, educational, and therapeutic services to infants and toddlers with developmental delays, in the home of the child, in daycare or head-start.
	Supplemental Funding for Reaching More Adults and Children	Improved the vaccination rates in adults and improved the existing registry by capturing adult vaccinations, provided improved functionality to providers, and improved vaccine management accountability through real-time messaging capability between the immunization registry and vaccine inventory software.
	Meningococcal Vaccine Efficacy	Enhanced surveillance efforts and evaluation of vaccine effectiveness of the prevention and control of vaccine preventable diseases that cause significant morbidity and mortality among young children and adolescents in Philadelphia.
	Strengthening Communities	Built capacity to partner with West Philadelphia community-based and faith-based non-profits, and provided training and technical assistance to help non-profit faith-based and community organizations better serve those in need and increased non-profit organizations' involvement in the economic recovery.
	Mental Retardation Early Intervention 2010 Grant	Provision of Mental Health Services.
Public Safety	C-Tech Training Grant	Five-week training program for ex-offenders in cable and data installation, leading to employment-placements.
	Child-Support Enforcement Grant	Incentive payments to support child support services to the Philadelphia Family Courts' Domestic Relations Division.
	First Judicial District Court Staff (**Byrne**)	Funding and retention of 56 critical court employees at the First Judicial District.
	Community Court (**Byrne**)	Kept the Center City Community Court open until Oct. 2011, which emphasized community service sentences and behavioral treatment programs rather than jail time for low-level offenses. As a result, the City expanded this model to the rest of Philadelphia.
	Clean & Seal (**Byrne**)	Cleaned and sealed 1,120 abandoned and vacant properties across Philadelphia and cleared L&I backlog.

* Denotes that a portion of a grant or project has been completed, but, overall, is still in progress.

THE RECOVERY ACT'S IMPACT ON JOB CREATION

Philadelphia, like all major cities, continues to feel the impact of the global recession. As of March 2012, the unemployment rate for Philadelphia County was 10.3 percent, which was well above the national rate of 8.1 percent.[1] The challenge to get people back to work is significant. The City is working tirelessly to do its part with the private and public sectors to grow and connect more Philadelphians to employment.

The estimated impact of the Recovery Act on employment and economic output is, by statute, assessed and reported on quarterly by the Congressional Budget Office (CBO). In its latest report,[2] the CBO estimates that the Recovery Act policies had the following effects on the national economy in the first quarter of 2012:

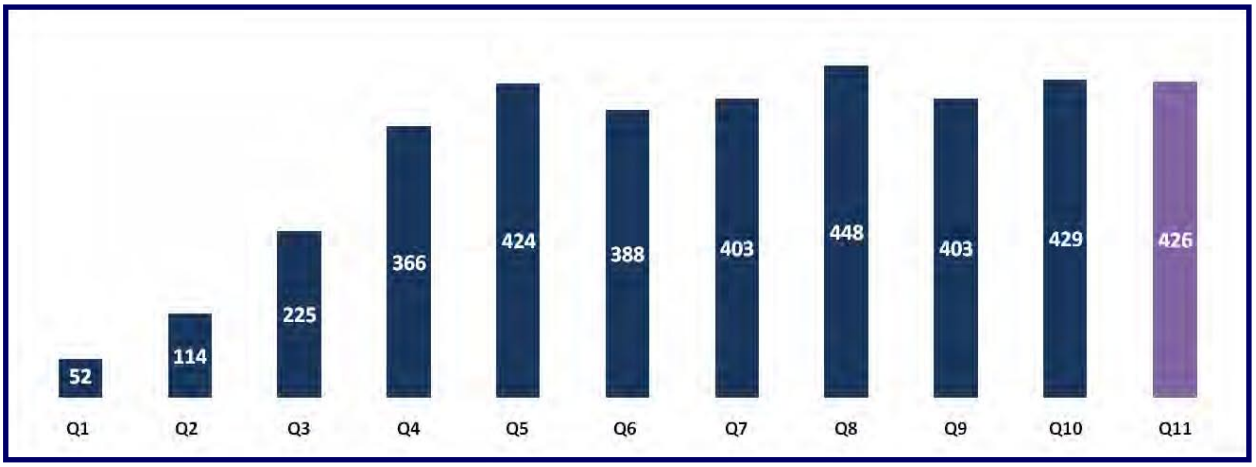
- Lowered the unemployment rate by between 0.1 and 0.8 percentage points
- Increased the number of people employed by between 0.2 million and 1.5 million
- Increased the number of full-time-equivalent (FTE) jobs by 0.3 million to 1.9 million
- Raised real (inflation-adjusted) gross domestic product between 0.1 and 1.0 percent

The CBO recognizes the limitations of using quarterly recipient reports to assess impact on employment and economic output and instead uses economic models and evidence from similar policies in the past to provide a more comprehensive estimate of impact.

> "[The Recovery Act] increased the number of people employed by between 0.2 million and 1.5 million."
> —CBO

Federally Reported Jobs: Hours Worked

Despite the limitations, as recognized by the CBO above, new or retained jobs are counted and reported quarterly by recipients receiving Recovery Act dollars. Jobs must be calculated based on hours worked, referred to as full-time equivalent (FTE), rather than the number of people at work. The calculation is not cumulative so successive quarters cannot be added together and also does not capture indirect jobs. For these and other reasons, the quarterly FTE job number does not fully represent, but rather underestimates, the true impact of Recovery Act dollars. For the $276.1 million administered by the City of Philadelphia for the quarter ending March 31, 2012, the City reported 425.58 FTEs. However, this is only a small portion of the jobs that Recovery Act investments have created or saved in Philadelphia, to date.



[1]Data Source: *Bureau of Labor Statistics* (Philadelphia County data is not seasonally adjusted.)
[2]See: *Congressional Budget Office: Estimated Impact of the American Recovery and Reinvestment Act on Employment and Economic Output from April 2011 Through to June 2011 (August 2011)*

CREATING OPPORTUNITIES

The City of Philadelphia is committed to fostering and supporting a marketplace that matches the diversity of Philadelphia and which actively helps businesses through the economic recession.

Minority, Women & Disabled-Owned Businesses

Mayor Nutter has set a goal for the City of Philadelphia to achieve 25 percent participation for minority, women, and disabled-owned business enterprises (M/W/DSBE) in FY 2012. The City achieved a 25.6 percent participation rate on $892.6 million awarded to the private sector in FY 2011, up from 23.7 percent in FY 2010.

> "Even though our participation goal remains the same, we are still faced with the challenge of reaching it again this year during a difficult economic climate," said Mayor Nutter. "Minority, women and disabled-owned business participation is vital to a vibrant, competitive marketplace and OEO has done a commendable job of offering these businesses the tools they need to be successful. The City has many contracting opportunities, and I would like to encourage companies to register with the City to learn more."

Through the City's Office of Economic Opportunity, participation ranges on competitively bid and posted professional services contracts have been set and, for Recovery Act dollars, are being tracked by the Recovery Office. The City, working alongside such partners as the U.S. Small Business Administration, the Enterprise Center, and multiple chambers of commerce, has held three successful Economic Recovery Procurement Summits to promote and maximize the opportunities for M/W/DSBE firms to do business, not only with the City, but with state, Federal, and quasi-City agencies and prime contractors.

As of December 31, 2011, M/W/DSBE businesses are expected to receive 20 percent of Recovery Act dollars awarded when participation ranges were set by the City's Office of Economic Opportunity and 12 percent of Recovery Act dollars when participation ranges were Federally mandated. Federally -mandated ranges are required by Federal agencies, typically funding transportation and infrastructure projects which require the City to use Federal M/W/DSBE programs instead of the City's M/W/DSBE program. These statistics are reported separately because, traditionally, using Federal M/W/DSBE programs results in lower participation, than when the City uses its own program.

Participation levels will also be applied to Economic Opportunity Plans that are required for contracts (e.g., public works and loan projects) pursuant to Chapter 17-1602 of the Philadelphia Code.
To view the FY 2010 Annual Disparity Study or the FY 2011 Annual Report, please visit www.phila.gov/oeo or call 215-683-2057.

TRANSPARENCY AND ACCOUNTABILITY

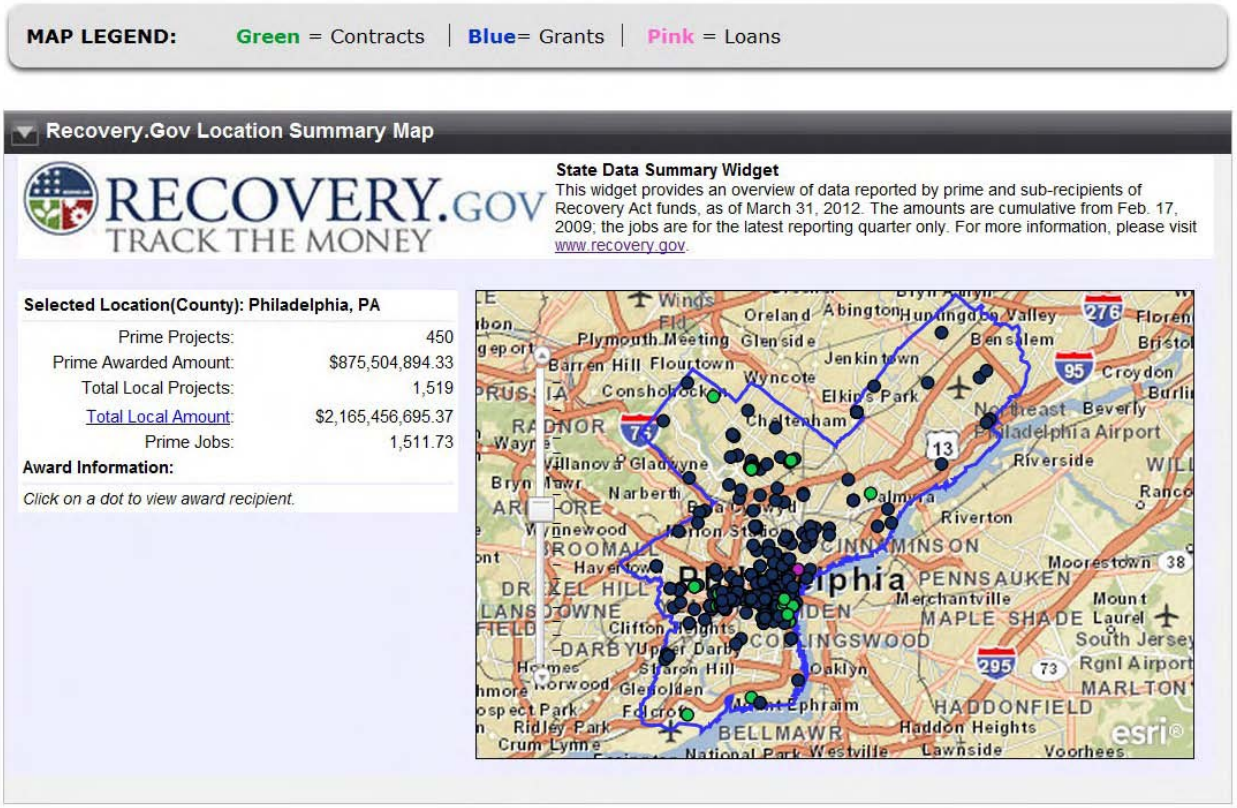
Accountability and transparency are critical to the success of the City of Philadelphia's Recovery efforts, ensuring that the most is being made of every dollar, as well as giving Philadelphians the information they need to track where their Recovery Act dollars are going.

Oversight

The City of Philadelphia's Recovery efforts are coordinated through the Recovery Office, led by the City's Recovery Officer, Maari Porter.

The City has been subject to numerous reviews by all of the major Federal funding agencies and is pleased that no major finding or concerns have been reported to date. This includes audits from the Federal Inspector General for the Department of Energy for $39.1M in EECBG grants and the Federal Inspector General for the Department of Housing & Urban Development for $43.3M in NSP 2 grants.

In the City Controller's latest audit of Federal funds, *Schedule of Financial Assistance for Fiscal Year 2010,* there were no audit findings or concerns reported on Recovery Act-funded grants, which the Recovery Office has quarterly 1512 responsibilities for managing. This was achieved as a result of the diligence and hard work of the City's grant managers and their staff, as well as the Compliance and Control Program created and led by the Chief Integrity and Inspector General's offices. By way of background, all Recovery Act funds are audited annually by the City Controller.



A mapping widget on the Philadelphia Recovery website is a window to Recovery Act-funded project across the city.

TRANSPARENCY AND ACCOUNTABILITY, CONTINUED

Compliance and Control Program

Joan Markman, the City's Chief Integrity Officer, and Amy Kurland, the City's Inspector General, developed and launched a Recovery Act *Compliance and Control Program* for the City in September 2010. The Program communicates Federal and City requirements to City officials to administer their respective grants. The *Compliance and Control Program Guide* was updated and released in September 2011 to include additional requirements based both on Federal agency guidance and lessons learned in the Program. A copy of the *Compliance and Control Program Guide,* as well as the fraud prevention training, is available online at www.phila.gov/recovery/accountability.

The Chief Integrity Officer and Inspector General have identified the higher risk grants by formally evaluating all grants. Risk criteria included the total value of the Recovery Act award, "shovel-readiness" of the project and reliance on sub-recipients and vendors to perform grant-funded activities.

The Program reviewed the City's highest risk grants first and has continued to review additional grants. Moreover, City workers involved with Recovery Act projects received, and will continue to receive, fraud management training to ensure that Recovery Act dollars are spent properly.

If you witness fraud, waste or abuse, you are encouraged to report it – anonymously, if you wish – by calling the Inspector General's Fraud Hotline at (215) 686-1770 or reporting it online at www.phila.gov/oig/file.html.

Reporting Quarterly Progress

This is the eleventh quarterly reporting milestone that the City of Philadelphia is obligated to meet under the Recovery Act.

The Recovery Act requires all prime and sub-recipients of more than $25,000 file quarterly reports, known as 1512 reports, that include the total amount of Recovery Act dollars awarded, received (reimbursed) and spent (including by sub-contractors), the total number of full-time equivalent jobs funded and completion status of the project.

This Update uses figures from the City's eleventh quarter's Federally mandated reports, most notably:

- **$276.1 million awarded directly to the City of Philadelphia**
- **425.58 full-time equivalent jobs created or retained according to Federal calculations**
- **$173 million expended (spent)**

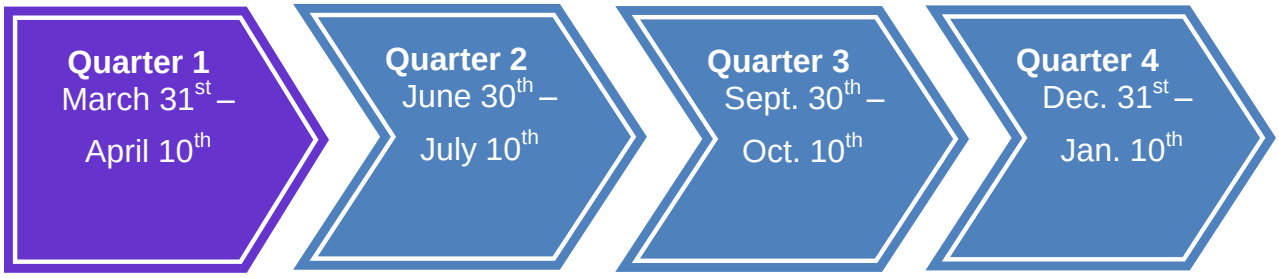
In this quarter, the City submitted all 33 individual quarterly reports on time—21 as prime recipients and 12 as sub-recipients. The City's Recovery Office and Chief Integrity Office reviewed and approved all reports before they were submitted to Federal and state agencies by City departments. The City was not required to submit 1512 reports for five sub-recipient grants.

The City's numerous sub-contractors—businesses, non-profit organizations, and quasi-City agencies—that are receiving Recovery Act dollars also collect and submit some of the essential data that is reported by the City. The City is pleased with the cooperation from sub-contractors and praises their efforts in helping the City fulfill its duties.

While this Update highlights the additional $76 million in Recovery Act dollars awarded to quasi-City agencies, the City does not have mandated reporting responsibilities for these funds. That 1512 reporting is carried out by the individual agencies.

Quarterly reporting data is reported publically on the Federal government's Recovery website: www.recovery.gov and is summarized on the City's Recovery website: www.phila.gov/recovery.

Quarterly Reporting Periods

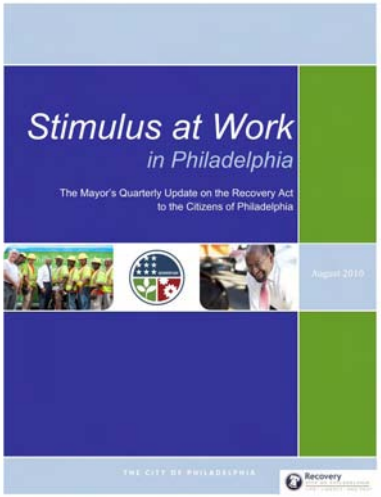


The four quarterly reporting periods are highlighted above. The top dates reflect the end, or close-out, of the quarter. The bottom dates reflect the end of the reporting period and when all reports need to be filed.

RECOVERY ACT GRANTS LISTING

As of March 31, 2012

Category	Recovery Act Funded Award	Award Amount
Economy & Workforce	Neighborhood Stabilization Program 2	$43,942,532
	Community Development Block Grant-Recovery (CDBG-R)	$14,046,629
	Community Service Block Grant-Recovery (CSBG) – **COMPLETED**	$8,333,186
	Broadband Expansion Round II	$6,362,129
	Recovery Zone Facility Bonds* – $16 million in Bonds Issued	$22,928,000
	Way to Work Philadelphia!* – **COMPLETED**	$22,000,000
	Employment & Training for Adults & Youths*	$14,100,000
	***Grants are managed and reported by quasi-City agencies. TOTAL**	**$131,712,476**
Sustainable Philadelphia	Energy Efficiency and Conservation Block Grant, Competitive "EnergyWorks"	$25,000,000
	Energy Efficiency and Conservation Block Grant, Formula	$14,108,700
	Fairmount Park Ecosystems – **COMPLETED**	$1,795,000
	State Clean Diesel Grant Program – **COMPLETED**	$616,740
	Weatherization*	$16,900,000
	***Grants are managed and reported by quasi-City agencies. TOTAL**	**$57,320,440**
Most Vulnerable	Homelessness Prevention & Rapid Re-Housing—Federal	$21,486,240
	Communities Putting Prevention to Work—Nutrition & Physical Activity	$15,018,277
	Communities Putting Prevention to Work—Tobacco	$10,356,927
	Title IV-E Foster Care & Adoption	$6,679,356
	Homelessness Prevention & Rapid Re-Housing—State Formula	$2,091,608
	Communities Putting Prevention to Work—Evaluation	$1,747,143
	Lead Hazard/Healthy Homes for Child Care & Foster Care	$1,309,320
	IT Electronic Health Records (EHR)	$912,733
	MR Waiver-EI (77875) – **COMPLETED**	$701,935
	Homelessness Prevention & Rapid Re-Housing—State Competitive	$684,888
	MR Early Intervention (2012) – **COMPLETED**	$666,800
	MR Waiver-EI (77850) – **COMPLETED**	$578,185
	Supplemental Funding Reaching More Adults and Children - **COMPLETED**	$564,358
	Evaluation of Meningococcal Vaccine & Varicella Vaccine – **COMPLETED**	$275,288
	Behavioral Health/Forensic Triage Specialist	$261,820
	IT Electronic Laboratory Capacity (ELC)	$252,752
	Strengthening Communities Fund - **COMPLETED**	$249,333
	Senior Community Service Employment Program (SCSEP) – **COMPLETED**	$224,323
	Commission on Aging – **COMPLETED**	$26,880
	Tobacco Control and Prevention 1 and 2 – State – **COMPLETED**	$28,669
	Homeless Shelter Initiative – **COMPLETED**	$18,000
	TOTAL	**$64,134,835**
Transportation & Infrastructure	Baggage Screening	$26,609,933
	TIGER (Pedestrian and Bike Trail Network)	$17,200,000
	City Repaving	$15,579,243
	Airport Improvement Program (Runway Rehabilitation) – **COMPLETED**	$5,724,694
	Water & Wastewater Program – **COMPLETED**	$200,000
	TOTAL	**$65,313,870**
Public Safety	Byrne Justice Assistance Grant	$13,544,604
	COPS Hiring	$10,903,350
	Child Support Enforcement (First Judicial District) – **COMPLETED**	$5,898,056
	Victims of Juvenile Offenders (First Judicial District)	$610,059
	Sustain Juvenile Probation Officers (First Judicial District)	$399,140
	Local Energy Assurance Plan	$300,000
	DUI Treatment Court (First Judicial District)	$295,591
	Mental Health Court	$208,522
	Adult Probation Officers (First Judicial District)	$159,656
	Telecommunications (C-Tech) Training – **COMPLETED**	$151,593
	TOTAL	**$32,470,571**
	City Total	**$276,117,935**
	City & Quasi-City Grand Total	**$352,052,350**



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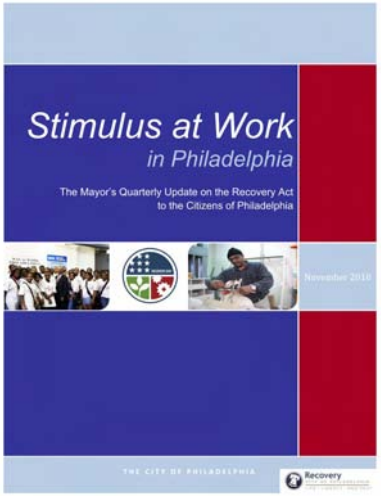
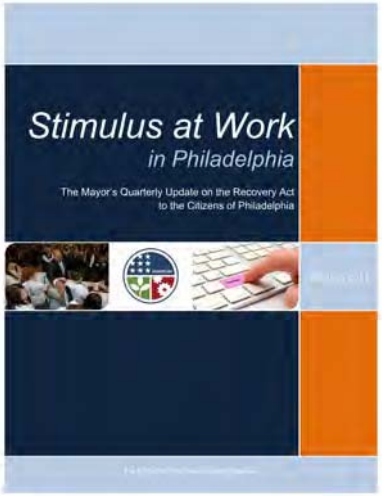
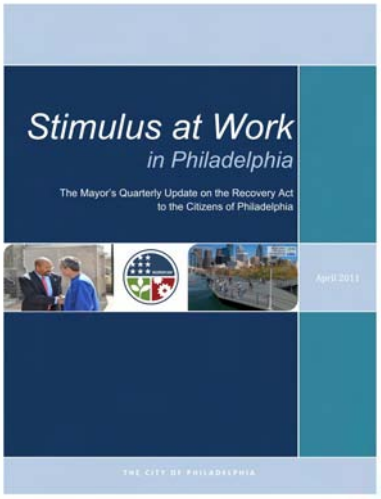


November 2010

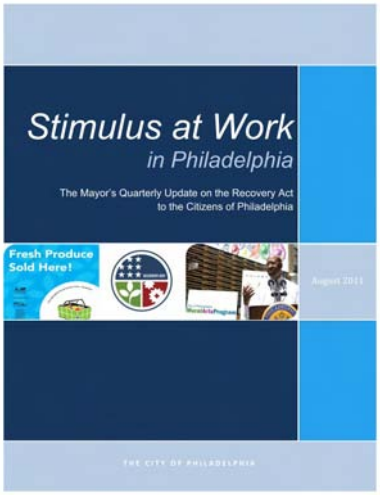


February 2011



April 2011

Stimulus At Work: Philadelphia's Guide to the Recovery Act in Action



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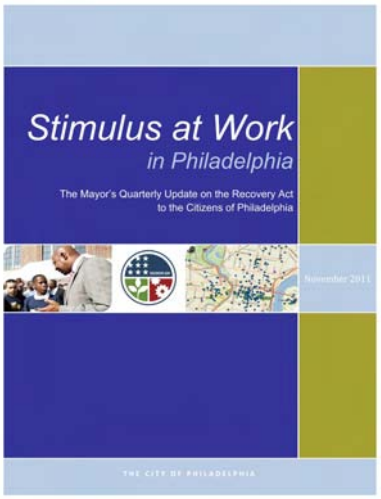

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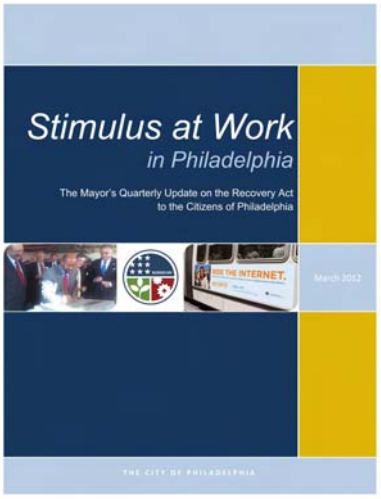
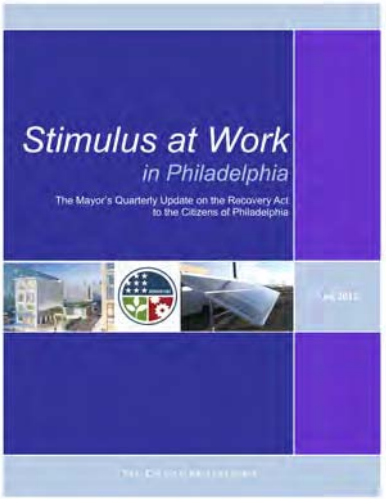


March 2012



June 2012

THE CITY OF PHILADELPHIA

FEBRUARY 2012