



# CITY OF PHILADELPHIA

## OFFICE OF DIRECTOR OF FINANCE

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STEPHEN J. AGOSTINI  
Budget Director

April 30, 2010

Honorable Michael A. Nutter, Mayor  
City of Philadelphia  
Room 215 City Hall  
Philadelphia, PA 19102

Dear Mayor Nutter:

This letter transmits to you the City of Philadelphia's status summary of activity under the American Recovery and Reinvestment Act (ARRA) along with certification that the City has met its reporting requirements for the April 16<sup>th</sup> (extended by the Federal government from April 10<sup>th</sup>) reporting deadline as established for ARRA.

ARRA requires the City to report quarterly on a number of basic data points about grants that are awarded – the most significant being; total awarded, total expended, jobs created or retained and project activity as a result of the Recovery funding and any sub-recipients and/or vendors that have been brought onto the project to execute work.

This letter summarizes Recovery activity up to March 31st, 2010, and looks at the following:

- Funds applied for, awarded, and spent in the City of Philadelphia and our partner organizations;
- The items that will be reported to the Federal Government and the State of Pennsylvania regarding our Recovery grants;
- Challenges that have arisen during this reporting process.

## TOTAL FUNDING SUMMARY

Below summarizes the total funds that the City of Philadelphia has been awarded, the amount we have spent, and the jobs created or retained through this funding.

- Total Recovery Funds that the City of Philadelphia **has applied** to receive: **\$307 million**

- Total Recovery Funds to the City of Philadelphia Awarded to date: **\$216 million**
- Total Recovery Funds spent to date by the City of Philadelphia: **\$10,035,000**
- Total jobs funded directly by ARRA from funds spent in this quarter: **225.13 full time equivalent (FTE) jobs**

It is important to make clear that the Federal government applies strict, and restrictive, rules for counting jobs which is not cumulative and only covers jobs created or retained within this quarter – a three month period from January 1 - March 31. The calculation excludes jobs that are indirectly created or retained by the City's expenditure of ARRA dollars.

As in our last report, while reports will be submitted for entities including the School District of Philadelphia, Philadelphia Housing Authority, SEPTA, etc., those reports are being submitted individually by those agencies and are not part of the City of Philadelphia's reporting requirements. We do not have updated numbers as to how much these entities have applied for and been awarded. Updated numbers for those entities should be available through the Federal government on recovery.gov as of May 17, 2010.

#### **DETAILED FUNDING INFORMATION**

**Eligible Recovery Formula Money Awarded to City of Philadelphia to date (Total - \$84,447 million):**

- \$14 million – Community Development Block Grant Recovery (awarded August 13, 2009)
- \$14.1 million – Energy Efficiency and Conservation Block Grant (awarded September 29, 2009)
- \$21.5 million - Federal Homelessness Prevention and Rapid Re-housing (awarded August 24, 2009)
- \$2.1 million – State Formula Homeless Prevention and Rapid re-housing (awarded September 17, 2009)
- \$13.5 million - Byrne JAG Local Grants (awarded August 8, 2009)
- \$7.1 million – Citywide 101 (awarded June 29, 2009)
- \$4.8 million - Citywide 102 (awarded September 14, 2009)
- \$1,795,000- Restoring Ecosystems in Fairmount Park (awarded November 12, 2009)
- \$224,323 - Senior Community Service Employment Program (awarded April 1, 2009)
- \$468,528 - MR Waiver-EI (awarded July 1, 2009)
- \$1.7m Title-IV Adoption Assistance (July 1, 2009)
- \$4.9m Title IV-E Foster Care (July 1, 2009)

**Eligible Recovery Competitive Money Awarded to City of Philadelphia to date (Total \$130,174 million):**

- \$8.3 million - Community Service Block Grant Recovery (awarded July 1, 2009)
- \$7.1 million - PHL Baggage Screening Section AE (awarded June 15, 2009)

- \$19.5 million - PHL Baggage Screening Section 23 (awarded June 15, 2009)
- \$5.7 million - PHL Runway and taxiway rehab (awarded August 20, 2009)
- \$3.2 Center-City Resurfacing Capital (awarded April 16, 2009)
- \$355,483 - Center City Resurfacing Local (awarded April 16, 2009)
- \$434,320 - Healthy Homes for Foster Care (awarded April 14, 2009)
- \$875,000 - Healthy Homes for Day Care (awarded June 10, 2009)
- \$685,000 – State Competitive Homeless Prevention and Rapid Re-housing (awarded September 15, 2009)
- \$200,000 Water and Sewer Replacement, plant maintenance and green projects (Water and Wastewater Loans) (awarded April 20, 2009)
- \$150,000 Varicella Vaccine Efficacy (awarded September 15, 2009)
- \$125,288 – Evaluation of Meningococcal Vaccine (awarded September 3, 2009)
- \$564,358 – Supplemental Funding for Reaching More Children and Adults (awarded September 30, 2009)
- \$10.9 million – COPS Hiring Recovery Grant (awarded July 1, 2009)
- \$249,333 - Strengthening Communities Fund (awarded September 20, 2009)
- \$616,740 – Diesel Emission Grant (awarded November 24, 2009)

Competitive grants that have been awarded since we last reported to you are:

- \$44 million - Neighborhood Stabilization II (awarded January 14, 2010)
- \$15 million – Healthy Nutrition and Physical Activity (known as the Obesity grant) (awarded March 19, 2010)
- \$10.3 million – Tobacco Prevention and Control (awarded March 19, 2010)
- \$240,000 – C-Tech Training Re-entry scheme (awarded July 1, 2009 as part of the Philadelphia Workforce Development Corporation grant)
- \$272,278 - JJS Recovery Grant in District Attorney’s Office (awarded October 1, 2009)
- \$489,556 - Victims of Juvenile Offenders (VOJO) Grant in District Attorney’s Office (awarded June 6, 2009)
- \$199,800 - STOP Domestic Violence Grant in District Attorney’s Office (awarded January 1, 2010)
- Victims of Juvenile Offenders (VOJO) in First Judicial District (awarded July 1, 2009)

The Commission on Aging Grant for \$26,880 - (awarded April 1, 2009) has been completed.

In addition to awards direct to City departments, we are also tracking awards made to quasi-governmental agencies. In terms of recovery funds, the Philadelphia Workforce Investment Board (PWIB) received an award for \$13.9 million for employment and training from the Department of Labor, and the Philadelphia Housing Corporation (PHD) received \$15.8 million for a weatherization grant. The PWIB reported \$842,829 expenditures and 10.41 full time equivalent (FTE) jobs created or retained to the Commonwealth; PHDC reported \$1.3 million in expenditures and 7.04 FTE.

Funds spent by the City of Philadelphia – **Total - \$10,035,876**

- \$339,217 - Community Block Grant Recovery
- \$26,880 – Commission on Aging (grant finished “closed out”)
- \$146,895 – Senior Community Service Employment
- \$43,696 – Energy Efficiency Conservation Block Grant
- \$3.3 million – Byrne Grant
- \$43,194.07 – Victims of Juvenile Offenders (District Attorney’s Office)
- \$4,396 – STOP Domestic Violence
- \$146,372 – VOJO Victims of Juvenile Offenders (First Judicial District)
- \$13,335 – Healthy Homes for Foster Care
- \$223,408 – Healthy Homes for Child Care
- \$3.4 million – Federal Homeless Prevention & Rapid Re-housing
- \$56,592 – State Competitive Homeless Prevention & Rapid Re-housing
- \$49,309 – State Formula Homeless Prevention & Rapid Re-housing
- \$200,000 – Water and Sewer Replacement, plant maintenance and green projects (Water and Wastewater Loans)
- \$157,005 – PHL Runway and taxiway rehab
- \$268,015 – PHL Baggage Screening Section AE

**Jobs Funded by ARRA in the City of Philadelphia by Grant – Total – 225.13**

- 13.8 - Community Block Grant Recovery
- 0.31 – Strengthening Communities
- 0.93 – Senior Community Service Employment
- 41.45 – Community Services Block Grant Recovery
- 2.92 – Energy Efficiency Community Block Grant
- 70.85 – Byrne Grant
- 18.6 – COPs Hiring Recovery Grant
- 1.76 – C-Tech Training
- 1.64 – Juvenile Services Recovery Grant
- 5.75 – Victims of Juvenile Offenders Grant (District Attorney’s Office)
- 2.5 – STOP Domestic Violence
- 5 - Victims of Juvenile Offenders (First Judicial District)
- 0.67 – Varicella Vaccine Efficacy
- 1 – Healthy Homes for Foster Care
- 3 – Healthy Homes for Child Care
- 1.12 – Healthy Nutrition and Physical Activities (Obesity) Grant
- 0.26 – Tobacco Prevention and Control
- 41.52 – Federal Homeless Prevention and Rapid Re-housing Federal
- 2.24 – State Competitive Homeless Prevention and Rapid Re-housing State
- 1.6 – State Formula Homeless Prevention and Rapid Re-housing State
- 5.54 – Citywide Resurfacing 101
- 1.29 – Citywide Resurfacing 102

**Jobs Funded by ARRA in the City of Philadelphia (By Department) – Total- 225.13**

- 13.88 - Office of Housing and Community Development

- 9.18 –Licenses and Inspections
- 0.31- Mayor’s Commission on Aging
- 41.45 – Mayor’s Office of Community Service
- 2.92 – Mayor’s Office of Sustainability
- 18.60 – Police
- 55.92 – First Judicial District
- 4.40 – RHD
- 5.95- Mural Arts
- 9.89 – District Attorney’s Office
- 45.36 – Office of Supportive Housing
- 6.05 – Health and Opportunities
- 1.30 – Philadelphia International Airport
- 6.83 – Streets Department

**FEDERAL REPORTING FOR APRIL 16<sup>th</sup>.**

For the Office of Management and Budget (OMB) reporting period that ends April 16<sup>th</sup> the City of Philadelphia submitted **seventeen** reports as prime recipients:

- Federal Homeless Prevention and Rapid Re-housing (21.5 million)
- Community Development Block Grant Recovery (\$14 million)
- Energy Efficiency and Conservation Block Grant (\$14.1 million)
- Neighborhood Stabilization II (\$44 million)
- Byrne JAG Local Grants (\$13.5 million)
- COPS Hiring Recovery Program (\$10.9 million)
- Varicella Vaccine Efficacy (\$150,000)
- Evaluation of Meningococcal Vaccine (\$125,288)
- Supplementation Funding for Reaching More Children and Adults (\$564,358)
- Healthy Nutrition and Physical Activity (Obesity) (\$15 million)
- Tobacco Prevention and Control (\$10.3 million)
- Healthy Homes for Child Care (\$875,000)
- PHL Baggage Screening Section AE (awarded June 15, 2009)
- PHL Baggage Screening Section 23 (\$19.5 million)
- PHL Runway and taxiway rehab (\$5.7 million)
- Restoring Ecosystems in Fairmount Park (\$1.8 million)
- Strengthening Communities Fund (\$249,333)

Of these prime recipient grants, seven reflected spending activity this quarter.

In addition to these reports the City has submitted as a prime recipient, the City is a sub-recipient to either the Commonwealth of Pennsylvania or other organizations for the following **sixteen** grants:

- Senior Community Service Employment (\$224,323)

- Community Service Block Grant (\$8.3 million)
- Citywide 101 (\$7.1 million)
- Citywide 102 (\$4.8 million)
- Center-City Resurfacing (\$3.1 million)
- PENNVEST (\$200,000)
- Diesel Emission Grant (\$616,740)
- Healthy Homes for Foster Care (\$434,320)
- C-Tech Training Re-entry scheme (\$240,000)
- Homeless Prevention and Rapid Re-housing (\$2 million)
- Homeless Prevention and Rapid Re-housing (\$685,000)
- Juvenile Services Recovery Grant in District Attorney's Office (\$272,278)
- Victims of Juvenile Offenders (VOJO) Grant in District Attorney's Office (\$489,556)
- STOP Domestic Violence Grant in District Attorney's Office (\$199,800)
- Victims of Juvenile Offenders (VOJO) in First Judicial District (\$481,784)
- Water and Sewer Replacement, plant maintenance and green projects (Water and Wastewater Loans) (\$200,000)

Of these sub-recipients, ten are expending. In addition there are three sub-recipient grants received from the Commonwealth that do not have 1512 OMB reporting requirements, they are:

- Title IV-E Adoption Assistance (\$1.7 million)
- Title IV-E Foster Care (\$4.9 million)
- MR Waiver-EI (\$468,528)

The prime recipient bears all reporting responsibility for these grants and has not delegated responsibility to the City sub-recipients. As such, the City's sub-recipients are not required to report to the Federal government directly.

## **SUMMARY OF REPORTING**

This is the third major reporting milestone that the City of Philadelphia is obligated to meet under ARRA.

The City continues - building upon firm foundations established in the second quarter - to improve its preparations and submissions to federal and state governments. Grant managers and policy deputies were timely with submitting drafts to the Recovery Office, responsive to questions from Recovery staff and worked hard to ensure all reports were submitted in advance of the April 10<sup>th</sup> deadline. The City had submitted all of its sub-recipient reports and all but three of its prime-reports before the online system went down on the afternoon of April 10<sup>th</sup>. As a consequence federal government extended the reporting deadline to April 16<sup>th</sup>: the three outstanding prime-reports were submitted when the reporting system was available again on April 13<sup>th</sup>. Thanks to the tireless efforts and dedication by dozens of City staff members this quarters reporting was, again, incredibly smooth and straightforward.

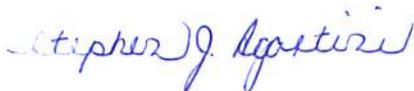
There were three exceptions. The District Attorney's Office, Office of Reintegration Services for Ex-Offenders and the Mayor's Office of Community Services submitted their reports to the Commonwealth without prior approval by the Recovery Office. This issue is being actively addressed with the respective offices.

I would also like to put on record my thanks to the numerous contractors, businesses, non-profit organizations and non-city entities that are the City's sub-recipients or vendors for ARRA dollars. Not only do these organizations help stimulate the local economy with the services they deliver and the jobs they provide, but they also provide essential data that the City must collect, verify and submit as part of its federal and state reporting requirements.

As with the previous quarters, there continues to be challenges with the differing guidance from Federal government and its agencies, and the Commonwealth. We are working closely with the White House and the Big City Network, consisting of twenty large cities, to address these issues and had a positive meeting in Washington in mid-April on these matters.

I am pleased with the verification processes and controls that we have established for the oversight of federal reporting of ARRA dollars, and with the timeliness in which the City is fulfilling its duties. We will, however, continue to improve upon our processes and working closely with the Chief Integrity Officer and Inspector General will strengthen our controls and compliance with federal and City regulations.

Sincerely,



Stephen J. Agostini  
Budget Director

CC: Honorable Curtis Jones, Jr., Councilman  
Clarence Armbrister, Chief of Staff  
Camille Cates Barnett, PhD, Managing Director  
Rob Dubow, Director of Finance  
Joan Markman, Chief Integrity Officer  
Amy Kurland, Inspector General  
Shelley Smith, City Solicitor  
Maari Porter, Deputy Budget Director for Recovery  
Kevin Dow, Deputy Director of Commerce and Acting Chief Operating Officer  
John Elfrey, Deputy Managing Director of Transportation  
Allan Frank, Chief Information Officer, DOT  
Allan Greenberger, Acting Deputy Mayor for Planning and Economic Development and Director of Commerce, Executive Director, City of Philadelphia Planning  
Susan Kretzge, Chief of Staff, Office of the Deputy Mayor for Health and Opportunity  
Recovery Project Team