

Stimulus at Work in Philadelphia

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



April 2011

This page left intentionally blank.

Mayor's Foreword

My fellow Philadelphians,

More than two years into the Recovery Act program in Philadelphia, the successes of this funding are visible for all Philadelphians to see. Whether through repaved streets, bike trails, affordable senior housing or community computer centers, the Recovery Act has provided much-needed investment in our city and has put hundreds of Philadelphians to work. The City of Philadelphia has been nationally recognized for the achievements made on numerous projects and programs supported with Recovery Act funding. Though there is much work still to be done, I could not be more proud of what has been accomplished to date.



A key method that the City has utilized to make funding go further has been to leverage smaller amounts of Recovery Act dollars to attract larger private and public funding sources, therefore, getting greater value for Philadelphia taxpayers' money. With the Community Development Block Grant-Recovery, funds have been used to fill financing gaps in development projects that, without the extra financing from the City, would not have gotten off the ground. In University City, a \$45.1 million hotel project developed by Campus Apartments faced a development gap and would have been unable to move forward with construction, had it not been for a \$1.6 million building energy loan from the City. This project will create close to 600 construction jobs and over 30 permanent hospitality jobs.

However, despite these successes there remains uncertainty. We did not use Recovery Act grants to supplant our budget and instead, made tough decisions that allowed the City to gain stability without depending on these temporary funds. While we were aware that the Recovery Act was a short-term program designed to help spur economic activity and invest in long-term growth, further cuts to federal and state funding threaten the progress and objectives we hope to achieve.

Currently, funding for the non-ARRA Community Development Block Grant is allocated directly by the federal government to cities for community revitalization services, blight reduction and commercial corridor investments. Potential cuts in funding to this grant and others will undermine the progress that has been made in Philadelphia over the last several years. Locally-elected officials, community leaders and my Administration have joined in the appeal to preserve funding.

In Philadelphia county, we have seen a \$2.1 billion investment of Recovery Act dollars in science and technology, health, education, and energy efficiency. With \$344 million in Recovery Act grants, contracts and loans, the City has been nationally recognized as a leader in innovation, including recent recognition from the White House, and we will continue to do work that improves our City and the lives and well-being of our citizens.

A handwritten signature in blue ink, appearing to read "Michael A. Nutter".

Mayor Michael A. Nutter
City of Philadelphia

Table of Contents

Executive Summary.....	4
Stimulating Our Economy	8
Spotlights on Success	
Growing Philadelphia’s Businesses, Economy & Workforce	9
Creating a Sustainable Philadelphia	10
Improving Transportation & Infrastructure	11
Serving the Most Vulnerable	13
Improving Public Safety	14
Additional Accomplishments	15
Leaving Legacies	17
Impact on Job Creation	18
Transparency and Accountability	20
Reporting Quarterly Progress	21
Grants Listing	22

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 (*at right*) to view the Recovery website instantly.



Please contact the Recovery Office at 215-686-6151 or recovery@phila.gov if you would like to provide feedback about this Update or have general questions regarding the Recovery Act in Philadelphia.

Executive Summary

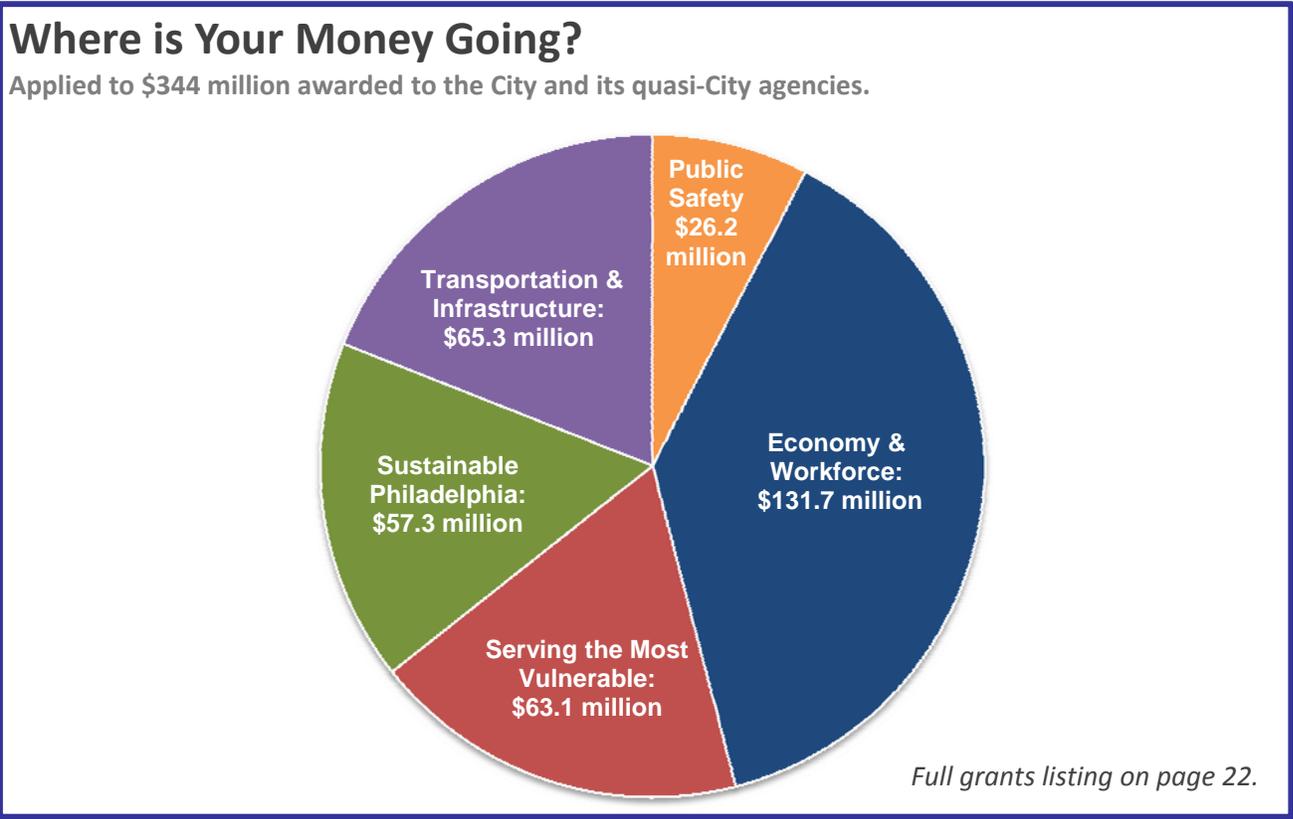
The purpose of this Update is to inform and report on the impact of the Recovery Act in Philadelphia for the quarter spanning January 1, 2011 - March 31, 2011. The City of Philadelphia has been awarded 46 grants totaling \$344 million in Recovery Act dollars. Of that total amount, the City is responsible for managing and reporting on \$269 million, while quasi-City agencies manage and report on the remaining \$75 million.

Spending continues at a solid pace. Of the \$269 million, the City has obligated \$160.7 million: expended \$76.5 million and committed (encumbered) an additional \$84.2 million. The job calculation for this quarter totaled 402.8 full-time equivalent jobs.

Although the Recovery Act started in 2009, of the \$269 million awarded to the City, a significant proportion—\$133 million or 49%—was only awarded to Philadelphia in 2010, such as the \$17.2 million **TIGER Grant** for bike trails, awarded on December 29, 2010. In addition, many grants are multi-year, so spending on Recovery Act dollars is likely to continue well beyond this year.

In this quarter, the City has achieved many successes, including recognition from the White House for the City’s commitment to clean energy.

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 chart below highlights the distribution of the funds—



Recognition of Investment and Innovation

The City of Philadelphia and the grant managers responsible for executing projects funded with Recovery Act dollars have recently been honored with numerous awards and recognition for the work being done.

- Katherine Gajewski, Director of the Mayor’s Office of Sustainability, Clarena Tolson, Commissioner of the City’s Streets Department, and Steve Buckley, Deputy Commissioner of the Streets Department, were recently honored as “Champions of Change” in clean energy by the White House, for the work being done using funding from the **Energy Efficiency and Conservation Block Grant (EECBG)**. Of the seven “Champions” honored for helping to create a secure energy future, while creating jobs and growing the economy, Philadelphia was one of only two cities to receive this recognition.
- The purchase of 38 zero-emission electric powered baggage tractors at Philadelphia International Airport, made possible with funding from the **Clean Diesel Grant**, is one of several projects set to receive the 2011 (PA) Governor’s Award for Environmental Excellence. The City’s utilization of BigBelly solar-powered trash compactors received this award in 2010. *To read more about the Clean Diesel project, see page 13.*
- Of the three honors bestowed upon the City in the 2010-2011 Technology Solutions Awards competition from the Public Technology Institute, two were funded with Recovery Act dollars—
 - **GIS WIN: Optimizing Traffic Signal LED Installation Using Mobile GIS Technology:** Prior to the actual replacement of over 70,000 energy-efficient LED traffic signals, a mobile GIS solution was developed and deployed to enable field personnel to accurately track the replacement of inefficient and undependable incandescent bulbs using GIS-enabled mobile technology.
 - **Sustainability WIN: BigBelly – Solar Powered Energy Improving Service:** The City’s Streets Department employs the latest innovative technology to track maximum capacity and disposal of trash in BigBellies. This system features a wireless monitoring and management capability which creates staff efficiency through better deployment of crews and better management of personnel when planning collection routes and work zones.



Champions of Change: Clean Energy

Investing in American innovation and ingenuity is crucial to winning the jobs and industries of the future. We’re highlighting communities who have embraced innovative clean energy as an economic strategy. Philadelphia and Miami are already taking big steps to help create a secure energy future and reach the President’s goal of reducing the amount of imported oil by one-third in the coming years while creating jobs and growing the economy.



Miami, Florida

Miami-Dade will be piping methane gas from their regional landfill to the adjacent wastewater plant to generate a significant portion of the massive facility’s future electricity needs.



Philadelphia, PA

Philadelphia is using a portion of its EECBG grant, to change out over 50,000 traffic bulbs with energy-efficient LED bulbs and save \$1 million per year in energy savings.

- The Preservation Alliance of Greater Philadelphia has announced that Presser Senior Apartments, a historic building on Johnson Street in Mt. Airy and a recipient of funding from the **Community Development Block Grant-Recovery (CDBG-R)**, has been awarded a 2011 Grand Jury Award. Scott Wilds, from the City's Office of Housing and Community Development, who managed the funding for the Presser renovation, will be receiving the Public Service Award for preservation in the public interest.
- The Healthy Corner Store Initiative and Philly Food Bucks, which received Recovery Act dollars from the **Communities Putting Prevention to Work Grant**, were highlighted in the NY Times by Mark Bittman, an opinion columnist, the Times magazine's food columnist and an advocate for healthy food choices. The piece focused on Mayor Nutter and the City's Department of Public Health's commitment and dedication to the implementation of obesity-combating measures.¹
- The Mayor's Office of Faith Based Initiatives will be receiving a 2011 Distinguished Leadership Award presented by the Community College of Philadelphia, for recognition of the work done with community-based organizations via the West Philly Roc/Rocks Project, which is funded with Recovery Act dollars from the **Strengthening Communities Fund Grant**. The awards ceremony will take place on May 5, 2011.



Project Launches

At this point in the Recovery Act, many projects are moving from the planning and construction phases to being launched. Listed below are two Recovery-funded projects getting underway in the city.

- A recently-completed 250 kilowatt (kW) solar photovoltaic system at the City's Southeast Water Pollution Control Plant was dedicated at a ceremony on April 25, 2011. The 250 kW ground mounted system, paid for partially through funding from the **Energy Efficiency and Conservation Block Grant**, is expected to generate approximately 330,000 kW hours of solar electricity per year. The installation will help Philadelphia meet a goal outlined in *Greenworks* to purchase and generate 20 % of electricity used in Philadelphia from alternative energy sources by 2015.
- The official kick-off by Mayor Nutter and Representative Brady of the Public Computer Centers, a project funded by the Recovery Act's **Broadband II Grant** and part of the Freedom Rings Partnership, took place at Philadelphia FIGHT on April 26, 2011. This was the first of 77 Public Computer Centers that will be open for public access and computer training classes. The Recovery Act funding will support the 77 centers and four mobile units, which will provide Internet access to citizens at non-profit organizations, recreation centers and workforce development agencies.

¹ Bittman, Mark (2011, April 5). Go Philly!. *The New York Times*. Retrieved from <http://www.nytimes.com>.

Putting Recovery on the Map

As of March 31, 2011, Philadelphia county has received a total of \$2.1 billion in Recovery Act grants, contracts and loans, thereby providing thousands of much-needed jobs to its citizens. Now you can track the money using the map on the City's Recovery website to see what Recovery-funded projects are happening near you. The map, which was created by the federal government, provides an overview of data, such as project activity and jobs, as reported by recipients of Recovery Act funds for all of Philadelphia county, not just the City of Philadelphia. It is also important to note that while the dots signify where recipients are physically located, it does not capture where all awarded Recovery Act funding is being put to use or having an effect across the city. Take a look—visit www.phila.gov/recovery/projectMap.

MAP LEGEND: **Green** = Contracts | **Blue** = Grants | **Pink** = Loans



What Does Recovery Look Like?

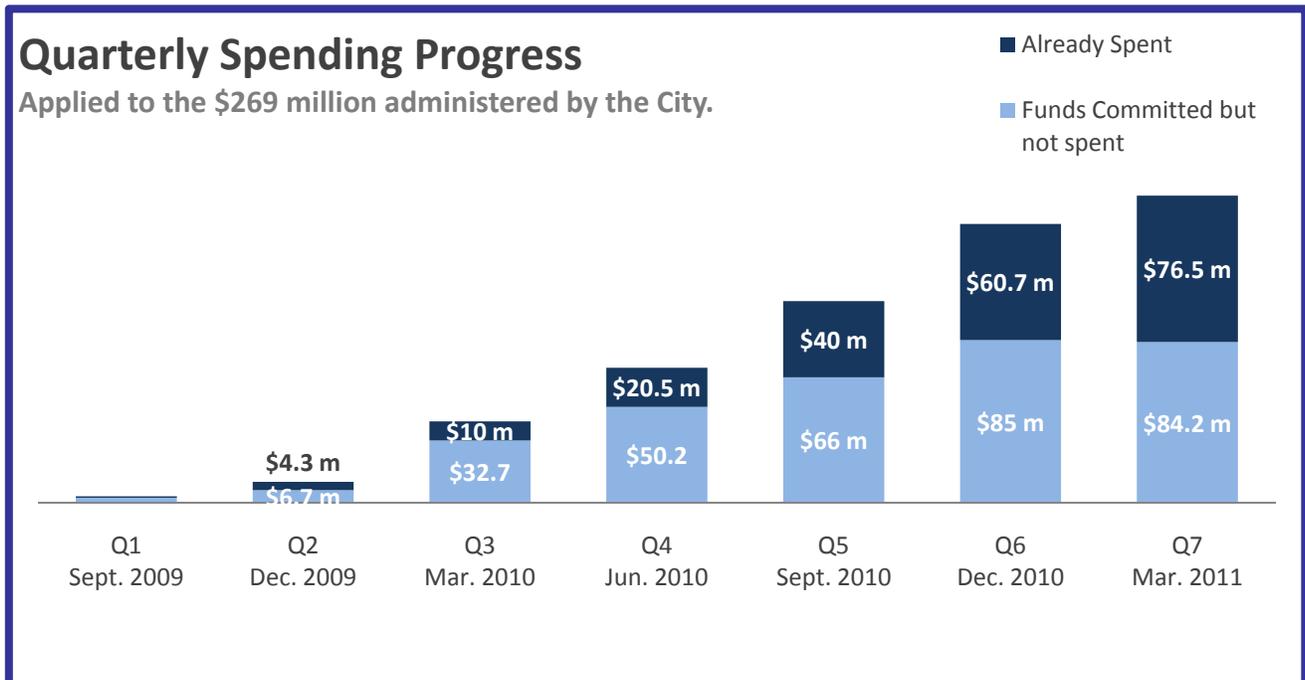


A new feature has been added to the City's Recovery website—a Flickr photo-sharing site. This feature allows you to take a look at work being done and the impact being made across Philadelphia—all a result of Recovery Act dollars awarded to the City and its quasi-City agencies. In addition to pictures posted by the Recovery Office, Philadelphians are encouraged to submit pictures if they see a Recovery project taking place in their neighborhood. Please email all photos to recovery@phila.gov. To view the Recovery Office's Flickr Photostream, please visit www.flickr.com/photos/phila-recovery/sets.

Stimulating Our Economy

The City of Philadelphia has attracted \$344 million in Recovery Act dollars. This funding is not only helping to serve immediate needs, due to the recession, such as providing job training for recently laid-off or dislocated workers, but strategically investing in the future of Philadelphia, as well.

Of the total \$344 million in Recovery Act dollars awarded, the City has prime responsibility for managing and reporting on \$269 million on a quarterly basis. As illustrated in the table below, to date, the City has obligated \$160.7 million: expended \$76.5 million and committed (encumbered) an additional \$84.2 million directly with over 200 businesses and non-profit organizations.



Several of the City's quasi-City agencies independently manage \$75 million of the Recovery Act dollars awarded, as explained below:

- \$15.8 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 Dec. 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)

Growing Philadelphia's Businesses, Economy & 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.

Stimulus at Work Spotlight On:

GAP Financing Loan Program

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

The City is leveraging its Recovery Act dollars to help local businesses that have put development projects on hold due to a lack of adequate funding sources. Through the **\$14 million Community Development Block Grant-Recovery (CDBG-R)** program, local businesses and developers have received the essential gap financing needed bring their projects to “market.” The \$4.3 million of **CDBG-R** funds have been used to create the **GAP Financing Loan Program**, which is managed by the Philadelphia Industrial Development Corporation (PIDC). This program targets development projects that have assembled most of their financing but still have a financing gap due to the current credit environment. Through the Loan Program, PIDC provides small businesses with low interest loans to complete economic development projects. **CDBG-R** financing has been utilized across the city in numerous projects, with three examples listed below. As a result, the local economy has seen an increase in jobs and investments, and Philadelphia’s neighborhoods have seen revitalization.

- Beech International Student Housing (*at right*), located at 1520 Cecil B. Moore Avenue near Temple University’s main campus in North Philadelphia, is a mixed-use development project including 200 beds and first floor commercial space. The \$20 million project is being funded with tax exempt bonds, however, even after maximizing grants and other sources of capital, a financing gap remained. A **\$1.3 million loan** from the **GAP Financing Loan Program** filled this need. ***This project will develop a blighted and vacant lot, create a minimum of 34 jobs, and provide goods and services to Temple University students and the surrounding community. Construction is on budget and on schedule for completion by August 2011.***
- In 2008, River City Flats, LP (RCF) purchased a two-story masonry building located between 1204-34 Frankford Avenue, in the Frankford neighborhood of Philadelphia, and divided it into five parcels. RCF will be renovating and leasing 10,000 square feet of space in the 1210-22 parcels to a subsidiary of the Stephen Starr Restaurant Group, with plans to establish the space into a German-style beer garden, with indoor and outdoor seating. ***With a \$700,000 loan from the Recovery Act’s GAP Financing Loan Program, the developer will acquire the funds necessary to complete the project, with a creation of at least 30 new jobs, as well as revitalization of a blighted space.***
- Falls Center is the redevelopment of the historic Medical College of Pennsylvania, located at 3300 Henry Avenue in East Falls. The site is a 700,000 square foot campus of buildings with residential, office, medical services, and light manufacturing. Having maximized conventional financing outlets, the developer needed additional financing to complete the remaining unoccupied space. A **\$1 million loan** from the **GAP Financing Loan Program** provided the necessary funds to complete the fit-out costs. ***This project has reinvigorated an obsolete hospital campus with new uses that are creating new jobs, providing goods and services, and, ultimately, making the campus’ operations viable.***



Creating a Sustainable Philadelphia



Grants awarded for this category invest in a more sustainable future for Philadelphia aligning with 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

Stimulus at Work Spotlight on: Greenworks Rebate Program

Philadelphia. In an age of awareness about consumption and sustainability, and in alliance with Mayor Nutter's Greenworks goal of reducing building energy consumption by 10%, the City has been instrumental in pushing for more businesses to embrace energy efficiency. This spotlight profiles a locally-owned business that is not only renovating an entire building, but also making investments in Fishtown—a neighborhood that is continuing to enjoy a revitalization.

With funds from the Recovery Act's **\$14 million Energy Efficiency and Conservation Block Grant (EECBG)**, the City created the *Greenworks Rebate Program* in partnership with the Philadelphia Industrial Development Corporation and The Reinvestment Fund. The rebates help businesses finance energy-efficient building practices, materials and equipment for major renovations and new construction projects. The *Greenworks Rebate Program* ensures that small businesses have access to capital to improve their energy efficiency, by refunding up to 50% of the cost of energy retrofits, up to \$10,000.

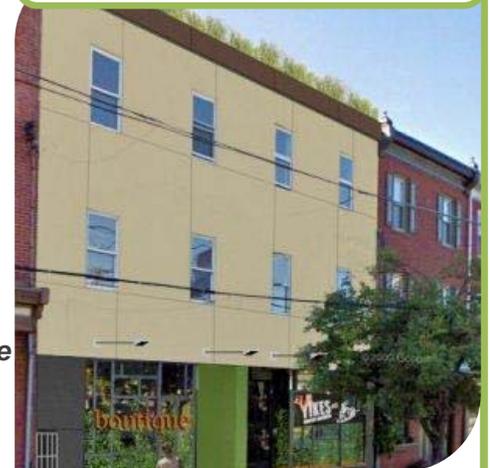
As a socially responsible business, YIKES, Inc., a local Web design and development firm, has been committed to building a more socially, environmentally and financially sustainable local economy. Upon looking for a new location for their business in Philadelphia, YIKES' owners came across a vacant and neglected building on E. Girard Avenue. With plans to completely renovate the building's two addresses (204 and 206), not only creating space for their business, but for other commercial/retail and residential space, YIKES wanted to keep the whole process local and "green." With the *Greenworks Rebate Program*, YIKES was approved for a \$10,000 rebate for an energy-efficient Heating, Ventilating and Air Conditioning (HVAC) system. Through an expected energy consumption reduction (kWh) of 34%, the expected annual cost savings (based on current rates) is approximately \$2,678. In fact, as a result of this rehabilitation, YIKES is anticipating being named Philadelphia's first rehabilitated building certified as Leadership in Energy and Environmental Design (LEED) Platinum—the U.S. Business Council's highest rating.

Through the installation of an energy-efficient HVAC system, thanks to a rebate from Greenworks, YIKES can expect an energy consumption reduction (kWh) of 34%, as well as an annual kWh consumption of 14,883, an annual reduction in CO2 emissions (lbs) of 18,752 lbs, and an annual cost savings (based on current rates) of \$2,678.

Providing support and assistance to small businesses has been a core goal of the City of



Above, a "before" look at 204-206 E. Girard Ave. Below, a rendering of the completed renovation.



Improving Transportation & 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.

Stimulus at Work Spotlight on: GREAT-PA/NJ Regional Trail Project

Grants Awarded in this Category: \$65,307,613

When people think of an environmentally-friendly commute, public transportation is what primarily comes to mind for most. But have you ever thought about biking to work? Through the implementation of Mayor Nutter's *Greenworks* as a citywide campaign for sustainability, environmentally-friendly transportation options—for both work and recreation—are major components of a greener city. Supporting and improving the city's trail network will provide Philadelphians with more choices for traveling throughout Philadelphia.

In February 2010, the City (as the main applicant), partnering with the Bicycle Coalition of Greater Philadelphia, the Pennsylvania Environmental Council, Camden County, and other project sponsors, received a \$23 million **Transportation Investment Generating Economic Recovery (TIGER) Discretionary Grant** from the U.S. Department of Transportation, with **\$17.2 million going to projects in Philadelphia**, in order to fill critical gaps in the City's bicycle and pedestrian trail network. The TIGER Grant will fund 65% of the selected seven projects in Philadelphia, with additional funding coming from other federal and state funding sources. *For a look at where the projects are taking place and a description of each, see page 12.* Growing the City's network of trails will provide commuters and recreationists with more options, further contributing to the *Greenworks* goal of reducing vehicle miles traveled by ten percent, while additionally improving air quality, and promoting regional and local riverfront redevelopment. And the overall "bikeability"/"walkability" of the city and its surrounding areas will be positively impacted.

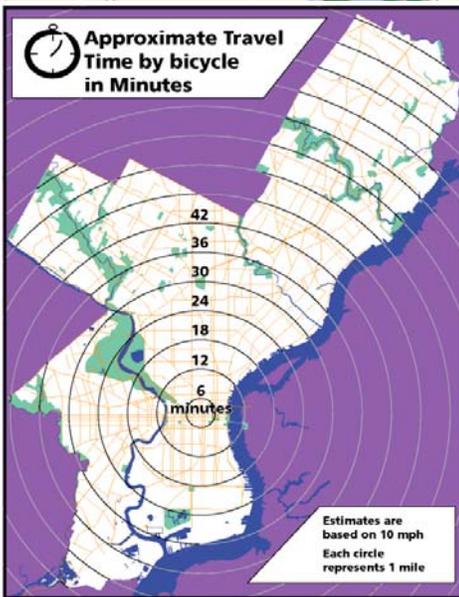
Grant funding will support approximately 130-miles of interconnected biking and walking trails for the approximately six million people in the eastern Pennsylvania and southern New Jersey region.

Following the Trail—

The renderings below provide a look at the end-result of several Recovery-funded segments of trails. Whether it's the 58th St. Greenway, Schuylkill River Trail (SRT) Boardwalk Extension or the SRT CSX Pedestrian Bridge, these projects will make Philadelphia even more bicycle and pedestrian-friendly.



GREAT-PA/NJ Regional Trail Project



Project Number	Project Details
1	Connects the Manayunk Canal Towpath that presently terminates at Shawmont Avenue with the final section of the Schuylkill River Trail (SRT) in Philadelphia to the Montgomery County line.
2	Enhances the Walnut Street Bridge for bikes and pedestrians.
3	A pedestrian bridge from Schuylkill River Park Trail to Schuylkill River Park at 25 th and Spruce over CSX tracks.
4	Extends the SRT from Locust St. to the South St. Bridge.
5	A new bike/pedestrian path connecting Bartram's Garden to the 58th Street Greenway at Lindbergh Blvd.
6	A new on-road greenway to connect Bartram's Garden to the Cobbs Creek Bikeway.
7	A trail on Delaware Ave., from Allegheny Ave. to Lewis St.

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.

Grants Awarded in this Category: \$63,163,862

Stimulus at Work Spotlight on: **Clean Diesel Grant**

Every day, many Philadelphians are exposed to a number of air pollutants that can adversely affect their health, especially for vulnerable populations, such as children and the elderly. Elevated levels of outdoor air pollution, such as ozone, particulate matter (PM) and other air toxins can exacerbate or increase symptoms and disease, decrease lung function and even lead to premature death. They also contribute to lost work and school days, adversely impacting our economy. The Environmental Protection Agency (EPA) has classified diesel PM as a likely cancer-causing substance in people.

As a result of an award of **\$616,740** under the Recovery Act's **State Clean Diesel Grant**, the City of Philadelphia replaced 38 diesel powered baggage tractors at Philadelphia International Airport (PHL) with 38 zero-emission electric powered baggage tractors. To support this project, 19 dual-port electric charging stations were installed using other funding sources. PHL estimates that the project will annually eliminate approximately 7 tons of carbon monoxide, 0.4 tons of toxic diesel PM, 6.5 tons of Oxides of Nitrogen (NOx), and 0.4 tons of Volatile Organic Compounds (VOCs). NOx and VOCs react in the presence of heat and sunlight to form ozone, a harmful air pollutant. The project will also reduce diesel fuel use at PHL by about 114,000 gallons a year. Additionally, because baggage tractors spend a significant amount of time in enclosed areas, the project helps protect on-site workers from the harmful impacts of diesel pollution when they work in indoor baggage handling facilities.

The long service life of airport ground service equipment ensures emission reductions for many years in the future. Electric-powered baggage tractors increase safety by eliminating the risk of diesel fuel spills. Airport employees, travelers and the surrounding community will benefit from reduced emissions of PM, NOx, VOCs, and carbon monoxide.

With funding from the Clean Diesel Grant, Philadelphia International Airport will reduce diesel fuel use by about 114,000 gallons a year. The project will also annually eliminate approximately 7 tons of carbon monoxide, 0.4 tons PM, 6.5 tons of NOx, and 0.4 tons of VOCs. In addition to cost-savings seen by the City, benefits of the grant include improvements to the health and safety of PHL's on-site workers.

The progress accomplished under the Clean Diesel Grant is part of several projects that will be receiving a 2011 (PA) Governor's Award for Environmental Excellence.



At right, a look at the new zero-emission electric powered baggage tractors in use at PHL, made possible with Recovery Act funding.

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, education, training and job placement for ex-offenders, addressing abandoned and vacant buildings, and crime prevention resources for police.

Stimulus at Work Spotlight on: Clean & Seal

Grants Awarded in this Category: \$26,235,718

In struggling urban communities across the U.S., a single blighted or abandoned building can be the trigger that leads to the deterioration of an entire neighborhood. The City continues to address the issue of abandoned properties across Philadelphia and must consider numerous factors on a case-by-case basis when determining whether a community could benefit from the demolition or rehabilitation of a vacant building.

The City's Clean and Seal Unit is an abatement unit that acts directly to correct code violations found by inspectors from the Department of Licenses and Inspections (L & I) during the inspection process. When owners fail to take corrective action of an abandoned building, the Clean and Seal Unit takes action to close the property to ensure the safety of the neighborhood. L & I then bills the owner for the cost of the service, which typically costs \$1,000. If there is no payment within 30 days, L & I places a lien on the property.

"I am proud that the Department of Licenses and Inspection has eliminated the backlog of properties to be cleaned and sealed," said L & I Commissioner Fran Burns. ***"The Clean and Seal program has been a partnership between the Department of L & I and the community."***

As a result of \$420,000 provided from the **\$13.5 million Byrne Grant**, the backlog of properties in need of cleaning and sealing has been eliminated. Previously it had taken L & I eight months to clean and seal a building. Structures are now cleaned and sealed within ten days of receiving a complaint. Since utilizing Recovery Act funding in 2009, the Unit has cleaned and sealed a total of 1,040 properties to date, and has employed a team of up to 12 abatement workers. As of June 2011, when Recovery funding for the project ends, the Unit has projected that an additional 80 properties will have been cleaned and sealed. The gains made are due both to Departmental increases in efficiency and the receipt of Recovery Act dollars.

Since receiving Recovery Act funding, the Clean and Seal Unit has employed up to 12 abatement workers who have been key in clearing the backlog of vacant properties needing to be cleaned and sealed. To date, a total of 1,040 properties have been handled by the Unit, with an additional 80 properties expected to be cleaned and sealed by June 2011.

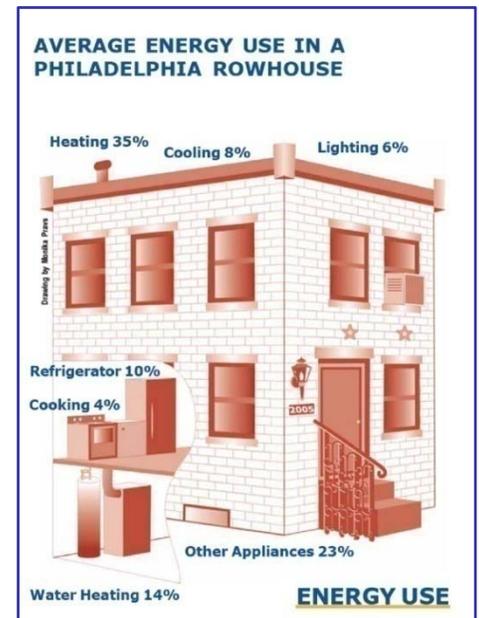


Additional Accomplishments

As illustrated on the previous pages, the Recovery Act is creating new opportunities through investments in our people, infrastructure and technology that, without the Act's funding, could not have taken place.

Additional accomplishments from this quarter are provided below.

- Utilizing \$15.8 million in Recovery Act dollars from the **Weatherization Assistance Program**, the Philadelphia Housing and Development Corporation (PHDC) has weatherized and provided energy-efficiency improvements to over 1,000 occupied, existing homes for low- and moderate-income residents. Over the remaining ten months of Recovery Act funding, PHDC will retrofit an additional 1,000 units. PHDC's ongoing home repair program provides subsidized or free home repairs in houses and rental units, assisting individuals with physical disabilities, senior citizens and low-income homeowners maintain their homes.
- The number of residential energy-efficiency audits and retrofits completed grew significantly in this quarter, as a result of funding from the **EnergyWorks Grant**. Over 100 audits and 160 retrofits have been completed, with a pipeline of over 400 audits schedules across Philadelphia and the four-county grant area. Nearly 100 contractors have signed on to become EnergyWorks contractors, representing every field, from air sealing and insulation, to HVAC, roofing and general contracting, which reflects a move from traditional trades to work geared towards energy efficiency.
- The investment of **Neighborhood Stabilization Program II (NSP II)** funds in the city continues, with the Redevelopment Authority (RDA) anticipating closing on Community Venture's project of 11 attached houses for sale to moderate and middle-income households in Point Breeze in mid-April. A total of \$7,500,000 in NSP II funds has been awarded to three other projects, for 23 homeownership units in that same neighborhood. The RDA also closed on WRE II, a 40-unit affordable rental housing project funded with \$925,000 in NSP II funds. The RDA anticipates closing on Patriot House, 15 rental units for homeless veterans, utilizing \$1,800,000 in NSP II funds. To date, the City has committed \$1.62 million to demolish 58 properties in Nicetown, Point Breeze and Mantua.
- In this quarter, the **Homeless Prevention and Rapid Re-Housing Grant** provided 502 households with \$670,126 in direct financial assistance (security deposits, rental, utility or moving cost assistance). A total of 735 households were moved from emergency and transitional housing, and stabilized in permanent housing with \$1,099,979 in financial assistance. And an additional 377 households are in the process of being assessed and placed in permanent housing. To date, Homeless Prevention Providers have provided 2,411 households with \$4,005,754 in financial



assistance. Rapid Re-Housing Providers have assisted 1,113 households, providing them with \$3,756,012 in financial assistance.

- Under the **Byrne Grant**, Resources for Human Development enrolled 108 ex-offenders in weatherization, pest control and rapid attachment courses. In this quarter, five participants became certified in their respective fields.
- Construction is underway for a \$45.1 million hotel project in University City developed by Campus Apartments, after receiving a \$1.6 million **EnergyWorks** loan from the City to fill a gap in financing. Without the City's financial assistance, the project would have been unable to move forward. This project expects to create 589 construction jobs and 34 permanent hospitality jobs.



- This quarter, with funding from the **Communities Putting Prevention to Work Grant**, the healthy eating part of the Get Healthy Philly (GHP) initiative was able to make great strides in making healthy behaviors the default. Through a partnership with the School District's Office of Food Services, GHP introduced 91 breakfast carts in 60 schools with 37,000 children to improve participation in the District's free meal program. A GHP partnership developed the first-ever nutrition and physical activity standards for after-school programs, which serve over 10,000 low-income children. For more information, visit www.foodfitphilly.org.
- This quarter, the tobacco policy and control portion of the **Communities Putting Prevention to Work**-funded Get Healthy Philly (GHP) initiative helped to decrease the prevalence of adult smoking in Philadelphia to the lowest level since 2002, as a result of the increase in federal cigarette taxes and the City's Clean Indoor Air Worker Protection Law. GHP hosted the city's first-ever Smoke-Free Campus Symposium with nearly 100 representatives from over 20 universities and colleges. GHP has educated over 850 merchants on how to prevent tobacco sales to minors. Through a partnership with the Comprehensive Smoking Treatment Program at the University of Pennsylvania, GHP is providing public health detailing to 200 physicians in Philadelphia that care for approximately 100,000 low-income city residents.
- With its award of \$6.4 million from the **Broadband Technologies Opportunities Program (BTOP)**, in this quarter, the City began the implementation process for the public computing centers, which will place approximately 820 computers at 77 sites and four mobile units across Philadelphia, including recreation centers, health and social services organizations, and workforce development agencies, in underserved areas. The City leveraged its grant award to partner with Drexel University and the Urban Affairs Coalition, and formed the *Freedom Rings Partnership* with a combined total of \$18.2 million in Recovery Act funding.

Leaving Legacies – Investing in Our Future

The City of Philadelphia has taken the opportunity presented by the Recovery Act to think strategically, not only about immediate needs during the recession and its aftermath, but how investments can build a more sustainable and innovative city that will continue to create jobs and grow a stronger economy beyond the life of the Act.

Newly Completed Projects

Recovery Act-funded grants and projects that finished in this quarter are highlighted below.

C-Tech Training Grant

Participants in the City’s Mayor’s Office of Re-Integration Services for Ex-Offenders (RISE) received vocational and skills-based training in cable and data installation, thanks to funding from the **\$151,593 C-Tech Training Grant**. Participants, all recent ex-offenders, completed a five-week program, receiving instruction by certified trainers who greatly stressed hands-on training and experience. Overall, 43 participants were enrolled, 35 completed the program and 21 were placed into employment.

State Clean Diesel Grant

With funding from the **\$616,740 Clean Diesel Grant**, the City purchased 38 zero-emission electric powered baggage tractors at Philadelphia International Airport (PHL). These new tractors will reduce diesel fuel use by about 114,000 gallons a year. The project will also annually eliminate a number of harmful pollutants, improving the health and safety of PHL’s on-site workers.

Previously Completed Projects

Category	Project	Details
Economy & 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 Philadelphia Navy Yard, for development of two flexible-use buildings.
	<i>Way to Work Philadelphia!</i>	Jobs provided for 13,000 adults and young people.
	Community Services Block Grant-Recovery (CSBG-R)	Connected 5,709 low-income Philadelphians to much-needed employment, training and education.
	Utilities Emergency Services Fund (CDBG-R)	Assisted 12,559 low-income families in paying utility bills.
Transportation & Infrastructure	Mortgage Foreclosure Diversion Program (CDBG-R)	Assisted approximately 1,700 households facing residential mortgage foreclosure.
	Airport Runway Rehabilitation	Rehabilitation and resurfacing of Runway 9R-27L— Philadelphia International Airport’s longest runway at 2,600 feet.
Sustainable Philadelphia	Water & Wastewater Program	Low-interest loans for water piping and water treatment plant projects.
	Radio Frequency Identification (RFID) Readers (ECCBG)	Purchase and installation of RFIDs supported the citywide incentive-based recycling program. Within five months, the City earned more than a quarter of a million dollars of revenue and saved \$400,000 in avoided disposal fees.
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, age 55 and older.

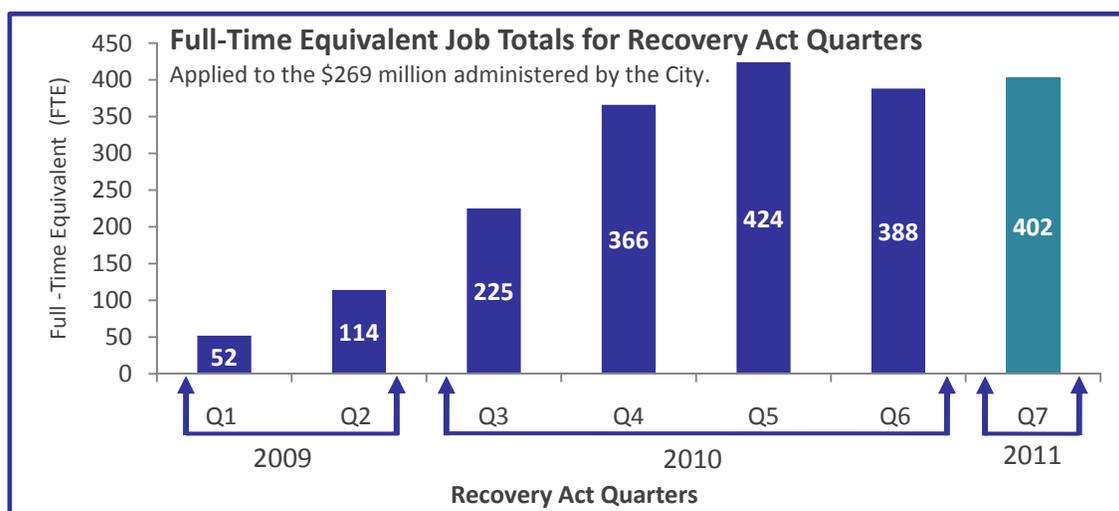
The Recovery Act's Impact on Job Creation

Philadelphia, like all major cities, has felt the impact of the global recession. However, there have been signs of improvement, with an unemployment rate of 10.3%, as of February 2011—a decrease from 11.5% in the same month in 2010². While this is still above the national rate of 9.5% (as of February 2011), the City has worked diligently to connect more people with gainful employment using Recovery Act dollars. Preventing long-term unemployment and exclusion from training and the workplace is paramount to Philadelphia's economic recovery.

Federally Reported Jobs: Hours Worked

The federal government has developed strict rules for how new or retained jobs are counted and reported quarterly for Recovery Act dollars. Jobs must be calculated based on hours worked, which are 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. The calculation also does not capture indirect jobs where, for example, Nolan Properties, the developer of Presser Senior Apartments, received a \$2.2 million (15% of construction costs) GAP Financing Loan from the City, which was necessary in order to close the gap in funding and move forward with the renovation project. In the Presser example, FTE jobs could only be counted for 15% of the time that workers were on site. At the height of the project, the City reported 3.18 FTE jobs for the quarter ending September 30, 2010, yet it is recognized that an estimated 80 workers were employed with the renovation. Because the Presser project has been completed, FTE jobs will not be captured in this or successive quarters. For these reasons, the quarterly FTE job number does not fully represent, but rather underestimates, the true impact of Recovery Act dollars.

For the \$269 million administered by the City of Philadelphia for the quarter ending March 31, 2011, the City reported 402.8 FTE jobs directly created or saved, using the federal formula. However, this is only a portion of the jobs that Recovery Act investments have created or saved in Philadelphia, to date.



² Data Source: Bureau of Labor Statistics

The Recovery Act has also created and retained FTE jobs beyond those that the City of Philadelphia has direct reporting responsibility for. Based on data taken from www.recovery.gov³ for the quarter ending March 31, 2011, approximately 2,451 FTE jobs have been created or saved across the health, education, transportation and infrastructure, energy, and construction industries in Philadelphia County. Again, this number is conservative and underestimates the Recovery Act's true impact on jobs in Philadelphia.

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 increase its minority, women, and disabled-owned business enterprises (M/W/DSBE) participation to 25% by the end of Fiscal Year 2011. 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. The purpose of the summits has been 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 March 31, 2011, M/W/DSBE businesses are expected to receive 19% of Recovery Act dollars awarded when participation ranges were set by the City's Office of Economic Opportunity and 11% of Recovery Act dollars when participation ranges were federally mandated. These ranges only apply to participation in contracts that were advertised or competitively bid.

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.

³ Data Source: www.recovery.gov Data as up to March 31, 2011.

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.

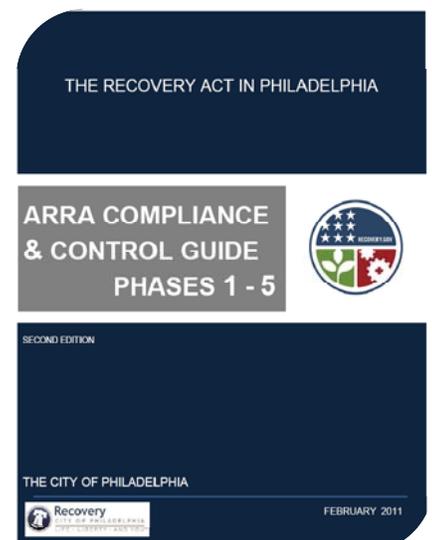
A Project Team, with representation from each of the Deputy Mayors, staff from administrative departments such as Division of Technology, Finance, Office of Economic Opportunity, and City Council, meets on an as-needed basis to provide programmatic oversight and receive guidance from the Recovery Office.

The Steering Committee, chaired by the Finance Director, includes senior leaders within the organization, and meets to review grant applications requiring approval, on an as-needed basis. The Committee provides oversight and strategic direction for the City's management of Recovery grants, ensuring there is no duplication and that grant applications are aligned with the Mayor's goals. The Chief Integrity Officer and Councilman Curtis Jones, Jr., City Council's Recovery liaison, are both permanent members of the Steering Committee.

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

The Recovery Act specifically requires all recipients of Recovery Act awards to file quarterly reports, known as 1512 reports, that include, among other information, the total amount of Recovery Act dollars received, total expenditures (including by sub-contractors), and the total number of full-time equivalent jobs created or retained.

This Update uses figures from the seventh quarter’s federally mandated reports—most notably:

- **\$269 million awarded directly to the City of Philadelphia**
- **402.8 full-time equivalent jobs created or retained according to federal calculations**
- **\$76.5 million expended (spent)**

In this quarter, the City submitted 35 individual quarterly reports on time—23 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 two 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 \$75 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 submitted to the various federal and state agencies.

*The federal government extended this quarter’s reporting deadline to April 14, 2011.

Recovery Act Grants Listing

Category	Grant Name	Award Amount	Jobs Created/Retained Full-Time Equivalent
Economy & Workforce	Neighborhood Stabilization Program II	\$43,942,532	16.48
	Community Development Block Grant-Recovery (CDBG-R)	\$14,046,629	0.64
	Community Service Block Grant-Recovery (CSBG) -- COMPLETED	\$8,333,186	n/a
	Broadband Expansion Round II	\$6,362,129	6.40
	Recovery Zone Facility Bonds* -- \$16 million in Bonds Issued	\$22,928,000	See below
	Way to Work Philadelphia!* -- COMPLETED -- 13,000 Adults & Youths Employed	\$22,000,000	See below
	Employment & Training for Adults & Youths*	\$14,100,000	See below
	*Grants are managed and reported by quasi-City agencies.	TOTAL	\$131,712,476
Sustainable Philadelphia	EnergyWorks	\$25,000,000	12.60
	Energy Efficiency Conservation Block Grant (EECBG)	\$14,108,700	15.02
	Fairmount Park Ecosystems	\$1,795,000	7.40
	State Clean Diesel Grant Program-- COMPLETED	\$616,740	n/a
	Weatherization*	\$15,800,000	See below
*Grants are managed and reported by quasi-City agencies.	TOTAL	\$57,320,440	
Most Vulnerable	Homeless Prevention & Rapid Re-Housing—Federal	\$21,486,240	54.89
	Communities Putting Prevention to Work—Nutrition & Physical Activity	\$15,018,277	52.62
	Communities Putting Prevention to Work—Tobacco	\$10,356,927	31.29
	Title IV-E Foster Care & Adoption	\$6,679,356	n/a
	Homeless Prevention & Rapid Re-Housing—State Formula	\$2,091,608	5.48
	Communities Putting Prevention to Work—Evaluation	\$1,747,143	10.57
	Lead Hazard/Healthy Homes for Child Care & Foster Care	\$1,309,320	4.00
	IT Electronic Health Records (EHR)	\$912,733	1.01
	Homeless Prevention & Rapid Re-Housing—State Competitive	\$684,888	4.65
	MR Waiver-EI (77850) -- COMPLETED	\$578,185	n/a
	Chronic Disease Prevention & Wellness	\$564,358	3.51
	MR Waiver-EI (77875)	\$405,577	n/a
	Research: Vaccine & Immunization	\$275,288	1.42
	Behavioral Health/Forensic Triage Specialist	\$261,820	1.03
	IT Electronic Laboratory Capacity (ELC)	\$252,752	1.01
	Strengthening Communities Fund	\$249,333	1.09
	Senior Community Service Employment (SCSEP) -- COMPLETED	\$224,323	n/a
	Commission on Aging -- COMPLETED	\$26,880	n/a
	Communities Putting Prevention to Work—Tobacco II	\$20,854	n/a
	Homeless Shelter Initiative	\$18,000	n/a
	TOTAL	\$63,163,862	
Transportation & Infrastructure	Baggage Screening	\$26,609,933	32.87
	TIGER (Bike Trail Network)	\$17,200,000	n/a
	City Repaving	\$15,572,986	10.02
	Airport Improvement Program (Runway Rehabilitation) -- COMPLETED	\$5,724,694	n/a
	Water & Wastewater Program -- COMPLETED	\$200,000	n/a
	TOTAL	\$65,307,613	
Public Safety	Byrne Justice Assistance Grant	\$13,544,604	65.63
	COPS Hiring	\$10,903,350	47.20
	Victims of Juvenile Offenders (VOJO)	\$481,784	4.43
	Sustain Juvenile Offenders	\$399,140	4.92
	Local Energy Assistance Plan	\$300,000	1.00
	DUI Treatment Court	\$295,591	3.65
	Telecommunications (C-Tech) Training -- COMPLETED	\$151,593	n/a
	Adult Probation Officers	\$159,656	1.97
	TOTAL	\$26,235,718	
	City Total	\$268,912,109	402.8
	City & Quasi-City Grand Total	\$343,740,109	n/a

Note: For quasi-City agencies, full-time equivalent (FTE) job data is not counted as part of the City's FTE totals.



THE CITY OF PHILADELPHIA
APRIL 2011