

Stimulus at Work *in Philadelphia*

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

**Fresh Produce
Sold Here!**



**Mayor Nutter
& Kelly**

Your Neighborhood Corner Store. Healthier.



August 2011

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Mayor's Foreword

My fellow Philadelphians,

Too many Americans are still struggling financially and looking for work.

For mayors across the U.S., already consumed with fighting to balance their budgets, attract businesses, keep police and firefighters on payroll, and fill potholes in our streets, the debate in Washington, D.C., around the debt limit was perplexing and frustrating. The resulting downgrade of America's AAA credit rating by Standard and Poor's has only added uncertainty to our economy.

Due to recent reassessments by the Bureau of Economic Analysis, we now know that the 2007-2009 recession was deeper than previously thought and that the country's recovery, to date, has been weaker. Assessments by the Congressional Budget Office show that the Recovery Act did successfully increase the number of people employed, by between 1.2 million and 3.3 million; the Act also averted a depression.

The budget cuts that state and local governments have already sustained are hurting American cities and exacerbating our unemployment problem. Further program spending cuts will simply swell the ranks of the unemployed and hurt those who need our help the most.

In Washington, the focus must now be on creating jobs. The solution must be equal to the challenge. Investing directly in cities and rebuilding America's infrastructure is one clear way that Washington can help create jobs and business opportunities for millions of Americans. I strongly support President Obama in creating an infrastructure bank that would leverage federal dollars into our cities and across the region.

In Philadelphia, we have been effective in leveraging Recovery Act dollars with other public and private sector funds to create good jobs and jump-start the market. Under the Act's Neighborhood Stabilization Program II, the acquisition, rehabilitation and resale of foreclosed homes has provided work for 25 housing developers alone, 12 of which are minority-, women- or disabled-owned business enterprises. Those developers have, in turn, employed over 300 people. Approximately 75 homes per year will be completed until funding is no longer available. Significant NSP II resources are also being directed to provide rental housing for households making less than 50% of area median income.

It is these types of successful projects—projects that not only create jobs, but also maintain existing and create new infrastructure, serve communities, and provide support to Philadelphians—that will benefit present and future generations of Philadelphians, and that I will continue to work with the White House and mayors across the U.S. to bring to our cities.



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 (at right) to view the Recovery website instantly.



Please contact the Recovery Office at 215-686-6131 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

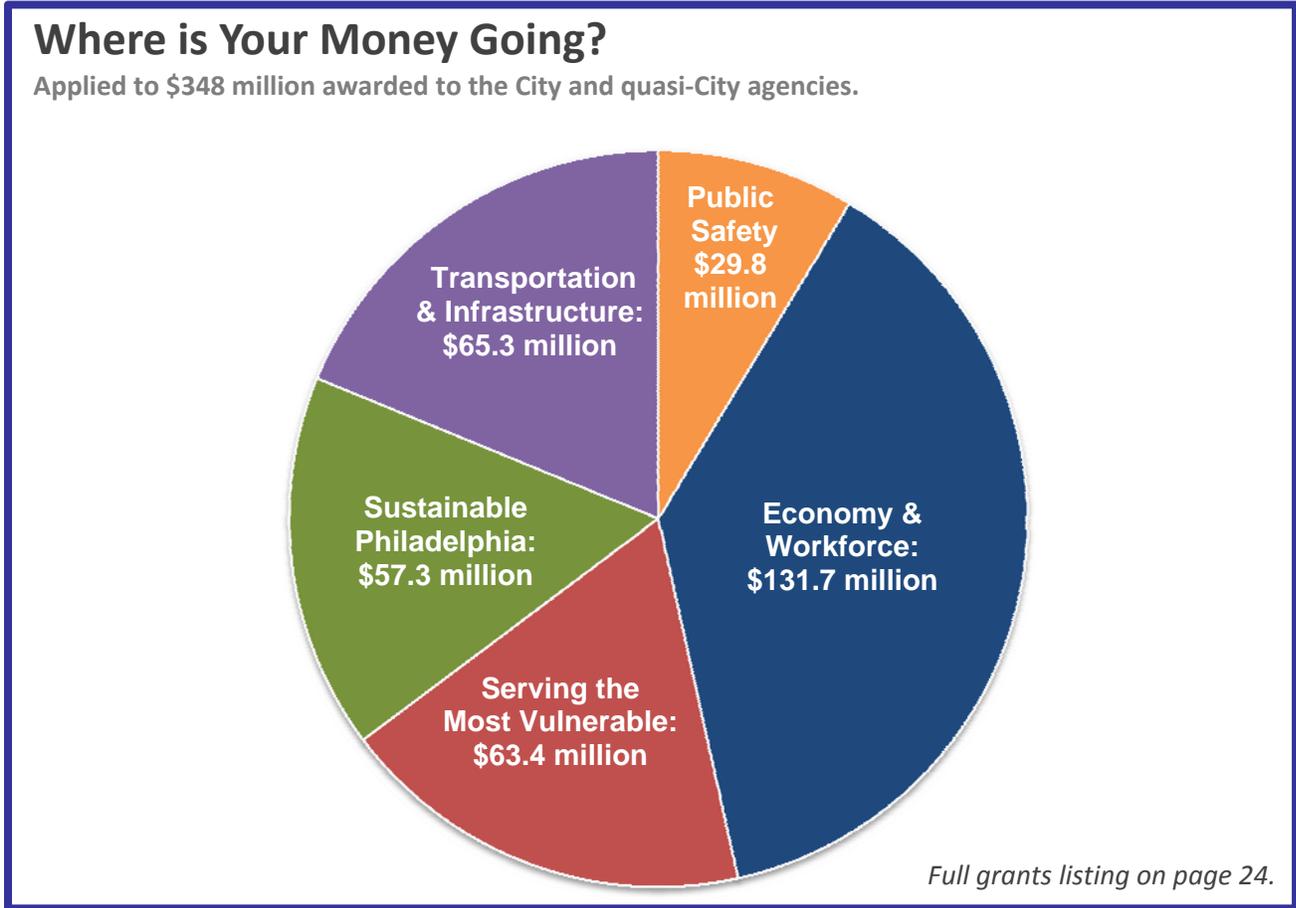
The purpose of this Update is to inform and report on the impact of the Recovery Act in Philadelphia for the quarter spanning April 1, 2011 – June 30, 2011.

Philadelphia is set to receive \$2.2 billion in Recovery Act dollars. Of that total, the government of the City of Philadelphia has been awarded 50 grants totaling \$348 million in Recovery Act dollars. The City is responsible for managing and reporting on \$273 million, while quasi-City agencies manage and report on the remaining \$75 million.

Spending continues at a solid pace. Of the \$273 million, the City has committed \$172.5 million: expended \$98.3 million and obligated (encumbered) an additional \$74.2 million.

In this quarter, the City welcomed a day-long visit from the Advisor to the Vice President of the United States for Recovery Implementation, touring several Philadelphia neighborhoods benefitting from community-based projects funded with Recovery Act dollars.

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—



A “Sign” of Recovery

Look out for the new signs that are being displayed at Recovery Act-funded Public Computer Centers across the city. These reflect a new take on the signs traditionally posted by the City and highlight the benefits of Recovery Act investments to all Philadelphians. One aspect of new signage includes a “Project News” box, which features a QR Code that can be scanned using a Smartphone and immediately delivers the user to the corresponding website.

Your new
COMPUTER CENTER.

Your Employee.
Lindsey helped create this center. You helped create her job. Thank you.

PROJECT NEWS

ONLINE
FREEDOMRINGSPARTNERSHIP.COM

SCAN

TWITTER
@PHILFREEDOMINGS

Thanks for making Philadelphia smarter.
Thanks to the American Recovery and Reinvestment Act for making this project possible. Thanks to all taxpayers and the public servants who work for you, including Barack Obama, President; Michael Nutter, Mayor of Philadelphia; Chaka Fattah, U.S. Representative; and Donna Reed Miller, Councilwoman (District 8).

Freedom Rings Partnership

Other Recovery Act-funded projects, such as *Get Healthy Philly-Tobacco & Obesity* and *EnergyWorks*, are also reaching Philadelphians through new and exciting advertising—

Do you know what your kids are drinking?

To learn how to make healthy changes, visit FoodFitPhilly.org or text “FACTS” to 30364.

GET HEALTHY PHILLY

Message and data rates may apply. Text STOP to end. Text HELP for help.

QUIT WITH HELP. QUIT FOR GOOD.

1-800-QUIT-NOW
SmokeFreePhilly.org

GET HEALTHY PHILLY

AHHHHH.

EnergyWorks
ENERGY EFFICIENCY IMPROVEMENTS

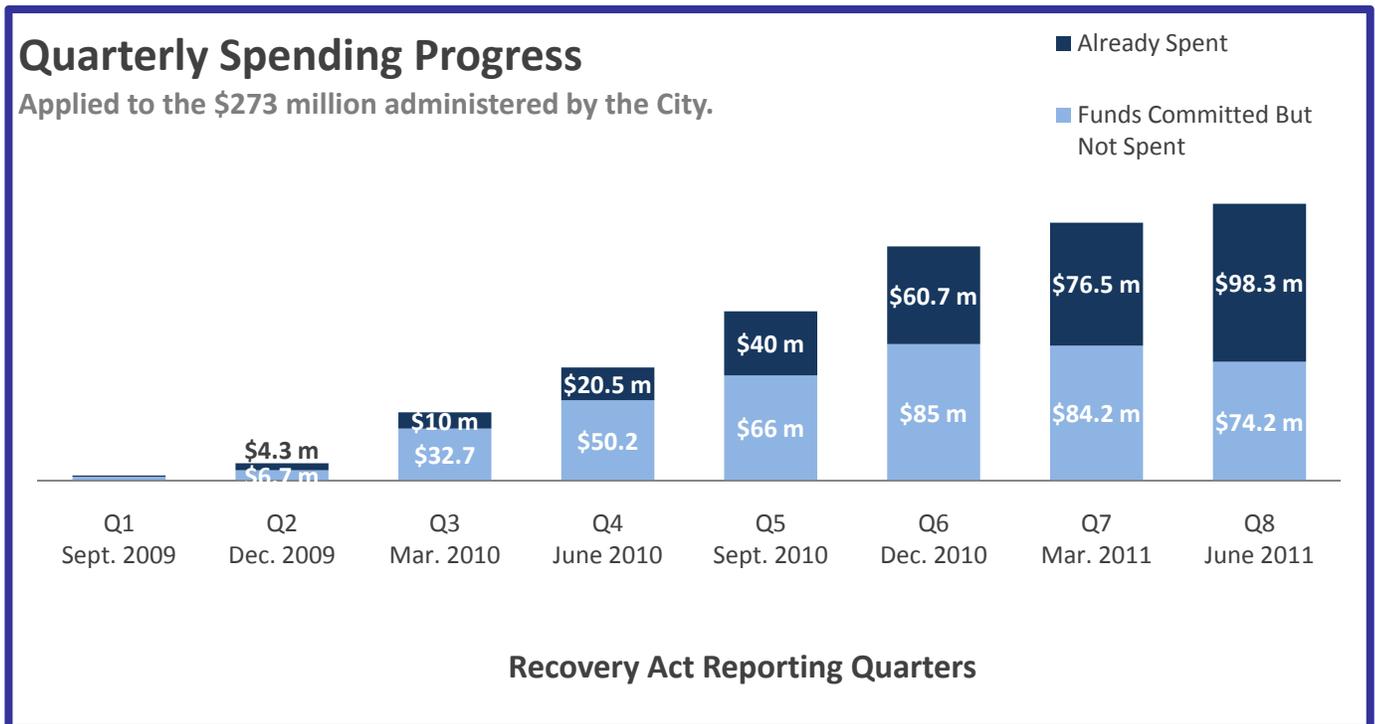
When your house is more comfortable, you're home.

ENERGYWORKSNOW.COM

Stimulating Our Economy

Philadelphia county has benefitted from \$2.2 billion in Recovery Act funding. Of that total, the City of Philadelphia has attracted \$348 million in Recovery Act dollars. This funding is not only helping to serve immediate needs, due to the recession, such as providing rapid re-housing for homeless families and veterans, but strategically investing in the future of Philadelphia, as well.

Of the total \$348 million in Recovery Act dollars awarded, the City has prime responsibility for managing and reporting on \$273 million on a quarterly basis. As illustrated in the table below, to date, the City has committed \$172.5 million: expended \$98.3 million and obligated (encumbered) an additional \$74.2 million directly with hundreds of businesses and non-profit organizations in Philadelphia.



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.

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

Stimulus at Work Spotlight on: **Neighborhood Stabilization Program II**

The City of Philadelphia received \$44 million under the **Neighborhood Stabilization Program II (NSP II) Grant** from the U.S. Department of Housing and Urban Development. Administered by the City’s Office of Housing and Community Development and the Redevelopment Authority, NSP II activities seek to stabilize neighborhoods by addressing the foreclosure crisis, providing quality housing, removing blight, and stimulating the local economy.

The City’s NSP II Program includes four key strategies:

- Turning foreclosed homes into affordable homeownership opportunities in stable neighborhoods
- Creating low-income rental housing
- Creating homeownership and rental opportunities in neighborhoods targeted for redevelopment
- Combating blight by demolishing dangerous vacant buildings

Each of these elements engages private sector businesses, creating jobs and local economic activity.

Working with private-sector developers, the City is financing the acquisition, rehabilitation and resale of foreclosed homes on blocks with few, if any, other vacancies. Under NSP II, 35 homes have been rehabbed, with more under construction and others moving toward closing. The program has provided work for 25 developers, 12 of which are minority-, women- or disabled-business enterprises. Those developers have, in turn, employed over 300 people. Approximately 75 homes per year will be completed until funding is no longer available.

“Prior to NSP II, our business was suffering from the declining economy. Being involved with NSP II has helped stabilize my business and achieve a positive cash flow,” said Tom Moses, developer and general contractor for AET Enterprises and Prestige Home Services. ***“I have been able to bring back people that I laid off and expand hires as a result.”***

Significant NSP II resources are being directed to provide rental housing for households making less than 50% of area median income. These rental units will serve low-income families, veterans and homeless persons. To date, 31 units have been completed, 108 are under construction and an additional 145 will be financed in the next year.

The City has also targeted neighborhoods that need larger scale redevelopment to jump-start the market. In Point Breeze, Mantua and Nicetown/Wayne Junction, more than 200 rental and homeownership opportunities are being supported by NSP II investment. The NSP II funds are also attracting private capital, such as at Nicetown Court II, where NSP II funds will leverage \$10 million in private funds through tax credits. The City is complementing its development in those targeted neighborhoods by removing imminently dangerous structures to combat blight, including the recent demolition of an abandoned warehouse that occupied a full block in Nicetown and the current demolition of 200 vacant or abandoned homes.

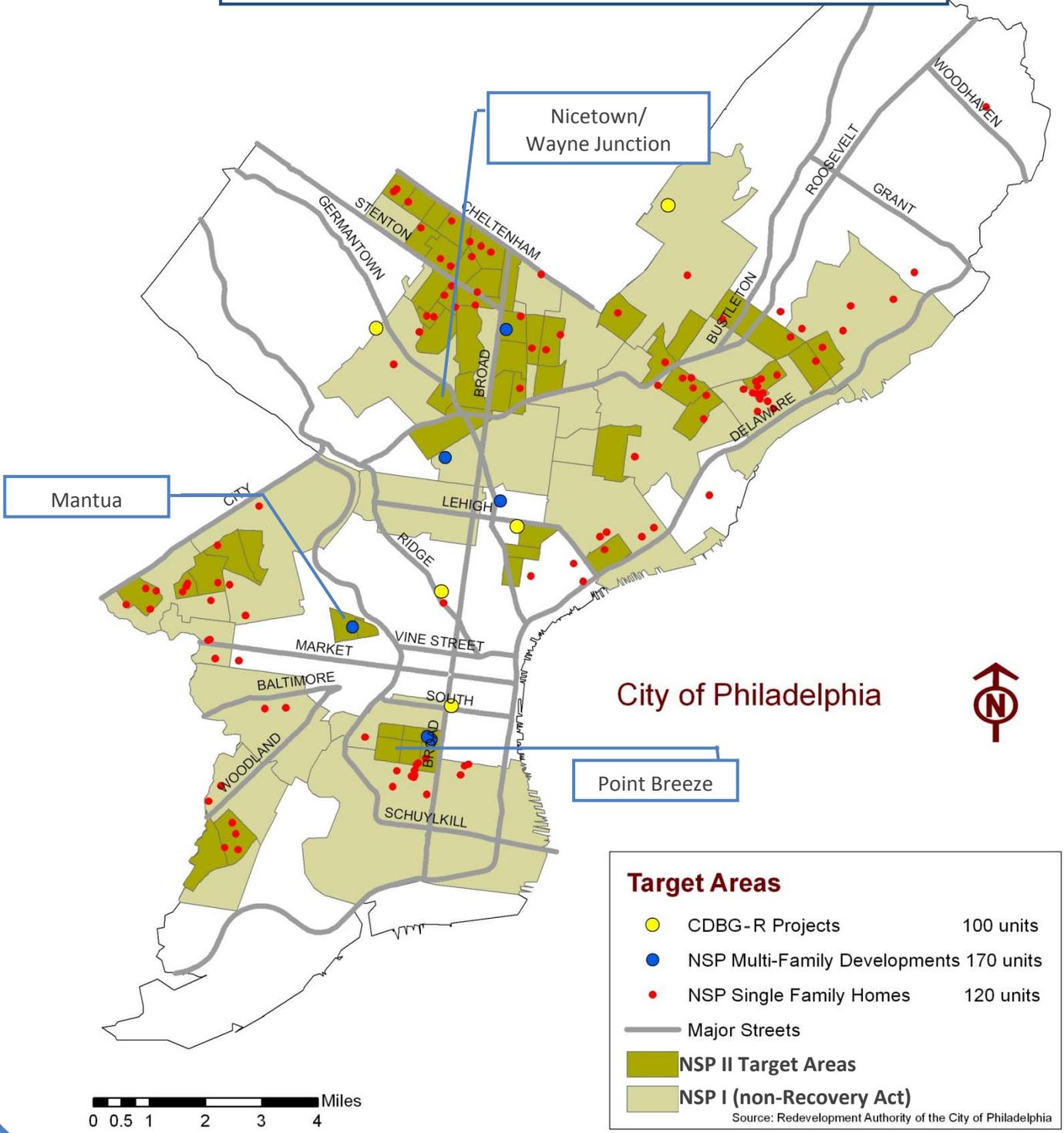
The map on page 8 outlines the housing production activities supported by NSP II and CDBG-R.



Above, workers make progress on the NSP II-funded construction of homes at 17th & Federal Streets.

Neighborhood Stabilization Program II

NSP II and CDBG-R Program Activity May 2011



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

Grants Awarded in this Category: \$29,768,139

Stimulus at Work Spotlight on: Partnerships for Employment

With the worldwide financial crisis in September 2008 severely limiting

the City's resources, the Nutter Administration needed to think creatively about how to implement its new Managed Reintegration Network strategy for ex-offenders. The influx of funds from Recovery Act in 2009 allowed the newly-formed City agency, the Mayor's Office of Reintegration Services (RISE), to bring partners like Resources for Human Development (RHD), a non-profit, on board to provide job training and placement-gaining skills relevant to the job market.

The City included RHD in its application for the **Byrne JAG Grant**. A total of \$1 million was designated for the implementation of *Partnerships for Employment* ("*Partnerships*"), training and certifying ex-offenders in sustainable pest management and weatherization, while working closely with employers to build strong relationships and alliances. This activity stimulated RHD to choose to match these funds with an entrepreneurial effort, financing and managing a \$1.6 million for-profit company, *My Brothers' Keepers*, which provides jobs, housing and healthcare for this population. Under the *Partnerships* program, the most recent metrics from RHD are as follows:

- Total number of participants referred: 510
- Total number of participants enrolled: 431 (exceeding the enrollment goal of 200)
- Total number of active participants: 52
- Total number of participants employed: 204 (Of that, 61 participants have been employed beyond 90 days.)
- Total number of employed participants who have been re-arrested: 5
- Total number of participants terminated: 175

To date, 204 ex-offenders have been placed in full-time and part-time employment, exceeding the goal of 160 placements.

Stimulus at Work Spotlight on: Juan R's Story

Juan R. is a 33 year old father of two, who has suffered from substance abuse and mental health issues, and has been in and out of the justice system for nine years. He was charged with a variety of crimes, including receiving stolen property, drug possession with the intent to deliver, grand theft, and aggravated assault. The most recent 2008 conviction of drug possession with the intent to deliver resulted in him being sentenced to Philadelphia County Jail for a term of one to three years of imprisonment. Due to good behavior, he was released after serving only two years.

Juan was enrolled into *Partnerships* on February 8, 2010, and, due to his determination and consistency in the program, *Partnerships* was able to assist Juan in obtaining full-time employment with benefits at The Energy Coordinating Agency, earning an hourly wage of \$13.50. As of June 2011, Juan has already received a promotion, resulting in an increase of his salary to \$15 an hour. He has expressed no need to participate in "street actions" and is at a place in his life where he can enjoy living without fear.



Stimulus at Work Spotlight on: Second Chances...

A 29-year-old father of a newborn son, **Jerry F.**

was first arrested in 2002 at the age of 20 for weapons offense. In 2005, he was arrested and charged with weapons and drug offenses, which resulted in him being sentenced to five to ten years in prison. After serving five years of his sentence, he was released from prison and placed on probation at Minsec (transitional housing).

“It wasn’t until after I was released from prison that I realized my old life was not productive,” says Jerry. **“I desired a new start on life.”**

Jerry was enrolled into *Partnerships* on April 9, 2010, where he struggled with class work completion and comprehension. However, through a desire and determination to complete the class, Jerry came in early to go over assignments and sought assistance during his lunch breaks. Through *Partnerships*, Jerry earned a pesticide certification and gained full-time employment with benefits as a pest control technician with Pest Free Maintenance. Jerry is currently earning \$13 an hour and is extremely proud of the progress he has made thus far.



Michelle H. (left) receives a hug from Tyra Nelson, director of Partnerships for Employment.

Michelle H., 30, had been in and out of the justice system for 14 years due to substance abuse and mental health issues. In 2004, Michelle and a friend committed burglary and, as a result of the crime, Michelle served seven years in prison.

On January 6, 2011, Michelle was released from prison and admitted into Gaudenzia’s Community Correctional Center (CCC). On February 22, 2011, Michelle was accepted into *Partnerships*, where she obtained full-time employment with benefits with RHD’s Nova II Program as a Home Health Aid, earning \$10 an hour. With this great new opportunity, Michelle has proved that hard work and dedication pays off. Michelle is now able to teach others that no matter a person’s past, with the right tools and attitude, anything is possible.

Douglas M., 39, had been arrested numerous times for Driving Under the Influence (DUI). In 2007, he was arrested and sentenced to two to three years in the Philadelphia County Jail.

Due to good behavior, he was permitted to participate in the prison work release program. On March 29, 2010, he was accepted into *Partnerships*, where, upon completing training, he obtained full-time employment as a prep cook for Marathon Grill restaurant, earning \$10 an hour with benefits. Douglas has since been promoted to sous chef, earning \$14 an hour.

“I am grateful to Partnerships for Employment for working with me and I am also proud of myself for making my dream of employment come true,” says Douglas.



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: Complete Streets

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

As a City Councilman and candidate for mayor, Michael Nutter recognized that the City's infrastructure-related policies did not adequately support active transportation. In June 2009, Mayor Nutter signed an executive order to formalize a policy that began when he took office: the **Complete Streets** approach to transportation. The order required all City agencies to:

- Give full consideration to accommodation of the safety and convenience of all users of the transportation system, be they pedestrians, bicyclists, public transit users or motor vehicle drivers;
- Balance the needs of all users in planning, design, construction, maintenance, and operation; and
- Prioritize the safety of those traveling in the public right of way, and, in particular, the safety of children, the elderly and persons with disabilities.

The **Complete Streets** approach advances not only transportation issues, but also issues related to energy policy, public health and the environment. Early in the Administration, the Streets Department installed over 1,400 additional bicycle racks throughout Philadelphia, the Mayor's Office of Transportation and Utilities (MOTU) hired a Bicycle and Pedestrian Coordinator, and plans were developed to pilot a cross-town bikeway through Center City. The economic downturn and subsequent budget crisis forced the City to take a hard look at its priorities, including whether the initiatives set forth in **Complete Streets** could be maintained or expanded.

The Recovery Act allowed the City to expand its **Complete Streets** efforts by leveraging Recovery Act investments made by the **Department of Transportation's (DOT) TIGER Grant**, the **Department of Energy's (DOE) formula Energy Efficiency and Conservation Block Grant**, and the **Centers for Disease Control and Prevention's (CDC) Communities Putting Prevention to Work—Obesity Grant**. MOTU called upon established partnerships and built new alliances to pursue and leverage multiple sources of Recovery Act funding.

For a look at how the three Recovery Act-funded grants listed above were used to collaborate, see page 12.



Photo: Philly Bike Coalition

Above, a commuter is able to safely navigate a Center City street via a bike lane.

Stimulus at Work Spotlight on: Complete Streets

- **TIGER Grant – Total Award Amount to the City of Philadelphia: \$17.2 million**

Partnering with the Bicycle Coalition of Greater Philadelphia and the Pennsylvania Environmental Council on the grant application, the City of Philadelphia received \$17.2 million in Recovery Act dollars to fill gaps in the city's bicycle and pedestrian trail network. A more complete bike trail network makes active lifestyles easier, which can address some of the City's biggest health challenges including obesity, diabetes, depression, and heart disease. The project is also creating jobs for engineers, designers and construction workers. Performance measures, including use of the trails, have been established for the project, with tracking supported, in part, by the Centers for Disease Control's Recovery Act-funded grant. When the critical gaps in the trail network are filled, it is expected to be easier than ever before to commute by bike or enjoy a walk with friends.



- **Energy Efficiency and Conservation Block Grant – Portion of grant going toward project: \$375,000 (Total Award Amount: \$14 million)**

The City of Philadelphia, a recipient of the American League of Bicyclists' bronze certification, had a multitude of reasons to focus on the city's ever-growing bike culture/population: insufficient bicycle parking opportunities in Philadelphia; too-narrow sidewalks to accommodate large bike-racks; Philadelphia's stock of historic office buildings lack bicycle parking; an absence of safe locations to secure bikes discourages bicycle commuting and leisure; those who do ride routinely chain bikes to trees and trash cans, disrupting the flow pedestrian traffic. In the last four years, however, the changes are evident as the City boasts more than 200 miles of bike lanes and a double digit rate reduction in bicycle accidents. Center City and University City's infrastructure includes more than 1,600 meter poles which can be fitted with a bike rack attachment. Additionally, the City will place another 150 bike racks on commercial corridors and at Recreation Centers throughout the city. The bike racks will be installed through an "Adopt-a-Rack" program, either on sidewalks in front of cooperating businesses, sidewalks in front of City facilities or in parking spots converted for bicycle parking. All racks will be placed on existing asphalt so that no historical sites are affected. *As of June 30th, 622 bike racks have been installed.*



- **Communities Putting Prevention to Work--Obesity Grant – \$15.1 million**

This grant challenged Philadelphia to systematically tackle obesity. One approach taken by the City is to plan and implement measures to increase the safety and comfort for active transportation. The multi-pronged plan includes funding the MOTU's Bicycle and Pedestrian Coordinator and Active Transit Coordinator positions. Together, this staff works to implement an expanded network of bike lanes and bike trails, provide technical assistance to the Streets Department, and implement a bicycle and pedestrian safety program using both Centers for Disease Control funds and state 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.

Grants Awarded in this Category: \$63,460,333

Stimulus at Work Spotlight on: Healthy Homes for Childcare

Home-based childcare facilities provide service to more than 36,000 children under age six in Philadelphia. Due to a number of factors

including location, convenience and cost, the majority of these home-based facilities serve children from low-income, inner-city families. Due to the age and deteriorating nature of the housing stock in the city, these children are at risk of exposure to many residential health hazards. Many of these children also suffer from disparities in healthcare that further heightens their risk.

However, thanks to a **Healthy Homes for Childcare Grant** award of **\$434,320** from the Department of Housing and Urban Development through the Recovery Act, the City's Department of Public Health is able to offer a program to improve the environmental health and safety of children. Through Philadelphia's *Healthy Homes for Childcare* (HHCC) program, eligible home-based childcare facilities receive: 1) facility risk assessment, 2) tailored intervention delivery, and 3) hazard remediation. Program participants receive education about a variety of environmental health and safety topics.

As of June 30, 2011, numerous program goals have either been met or exceeded, as displayed in the data below—



- Number of licensed home-based childcare providers enrolled into the program: **102 (exceeded goal of 100)**
- Number of home-based childcare facilities to receive a complete environmental health and safety assessment, including a lead-dust analysis of the home: **102 (exceeded goal of 100)**
- Number of home-based childcare facilities to receive remediation (e.g., various improvements to homes, where necessary, including new windows, removal of asthma-triggering carpets, floor replacements with tile-flooring, stair safety gates, new roofs, improvements in home electrical systems, carbon monoxide detectors, smoke detectors, fire extinguishers, High-Efficiency Particulate Air (HEPA) vacuum cleaners, painting, ceiling and wall repairs, installation of ceiling fans, installation of air conditioners, masonry work, repair of treads/risers on stairs, venting laundry dryers and bathrooms, etc.): **47 (97% of goal completed)**
- Number of homes to receive a SuperClean (intervention to remove lead dust and allergens by cleaning the entire property using vacuums with HEPA filters and thoroughly washing all surfaces): **47 (97% of goal completed)**
- Average amount of funds spent per house: **\$3,500**

As a result of this relatively small amount of funding, big changes are taking place—most importantly in the health and safety of Philadelphia's children.

Stimulus at Work Spotlight on: A Healthy Home for Childcare

Viola M. (pictured below) was referred to the Recovery-funded *Healthy Homes for Childcare* program by the Neighborhood Interfaith Movement.

A home-based childcare provider for more than 12 years, she currently has six children in her care, ranging from one to four years old. Viola provides childcare services 24 hours per day, allowing parents who work various shifts to be able to leave their child in a quality childcare home environment within their community.

Living in a home built in 1935, with mounting expenses for upkeep and repair, while also trying to sustain a home-based childcare business, was a source of undue stress for Viola. With a net-income of below \$25,000 per year from her childcare, Viola was unable to afford many of the repairs needed to make her home healthy and safe for children.

Through the services of *Healthy Homes for Childcare* and funding from the Recovery Act, the following remediation was completed at her home:



- Replacement of baseboards, new tile flooring in the dining room area
- Two new windows, carpet removal, new tile flooring, and baseboards in the living room area
- Door frame, new laminate flooring and baseboards in the kitchen area
- New treads and risers on the steps between the first and second floors, with new flooring on the landing
- Painting and repair of walls
- Lead dust analysis of the home (entrance floor and window)—results found within normal range
- A “SuperClean” to remove lead dust and allergens and to clean hard surfaces
- Pest control evaluation and treatment services

As a result of Recovery Act funding, Viola has attended several of the Department of Public Health’s environmental health and safety workshops. Through trainings offered by this program and improvements to her home, she has been able to increase her ratings by two levels with Keystone Stars (a quality assurance program for childcare providers) and increase the number of children in her home. She was also encouraged to continue her education and will soon complete a degree as a Child Development Associate.

Viola’s goals include enrolling in the TEACH program (a statewide program that allows childcare providers to go to school part-time earn an Associates Degree in Early Childhood Education, with the intention to ultimately earn a Bachelors Degree.

The pictures below feature some of the improvements made to Viola M.’s home-based childcare.



New baseboards and sheetrock



New floors in the main play area



New treads and risers on the stairs

Creating a Sustainable Philadelphia



Grants awarded for this category invest in 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

Stimulus at Work Spotlight on:

Whipped Bakeshop
636 Belgrade Street
Fishtown

The City of Philadelphia's commitment to becoming the greenest city in the U.S. as well its support for local business is what has attracted



many entrepreneurs to establish their businesses within the city limits.

The Mayor's *Greenworks* goal of reducing citywide building energy consumption by 10% supports the City's efforts. With the support of funding through the Recovery Act's **Energy Efficiency and Conservation Block Grant**, came the creation of the Greenworks Rebate Program, which assists small businesses across Philadelphia with energy-saving retrofits by refunding up to 50% of the cost for qualifying projects. Restaurants upgraded refrigeration equipment, retail shops purchased high-efficiency LED lighting, and office buildings replaced inefficient HVAC equipment. Through the Greenworks Rebate Program, \$9 million in capital has been made available to help businesses finance energy-efficient building practices, materials and equipment for major renovations and new construction projects.

In the burgeoning neighborhood of Fishtown, sits the Whipped Bakeshop. Opened in 2009, Whipped occupies the first-floor of a recently reconstructed building on the corner of Belgrade and Berks Streets. The original building had become a hazard to the neighborhood when it caught fire in 2005 and was demolished. With a fresh start and only a 700 square-foot site footprint, the builder, Onionflats, was able to create a vibrant space, with commercial space on the first floor and basement as well as residential space on the 2nd and 3rd floors. The building is LEED-certified Gold, complete with a large green roof.

The City of Philadelphia was able to provide the building's owner, who is the official grant recipient as well as the occupier of the residential space above Whipped, with a Greenworks Energy Rebate. With the loan amount of \$9,572 going towards solar voltaic arrays installed on two sides of the building, electricity from the panels flows to Whipped during daytime hours, but are designed to power the entire building.

With the Recovery-funded Greenworks Rebate of \$9,572, combined with \$16,156 in funds leveraged by Whipped's building owner for the purchase of solar voltaic arrays, the savings will be clear. The building's owner can expect a 70% reduction in energy consumption, an annual reduction in kilowatt hour (kWh) consumption of 2,786, and an expected annual cost savings of \$420.



Photo: Onionflats

Completed Grants & Projects

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

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 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.
	Mortgage Foreclosure Diversion Program (CDBG-R)	Assisted approximately 1,700 households facing residential mortgage foreclosure.
	Public Computer Centers (BTOP)*	To date, a total of 15 Public Computer Centers have been opened, of the 77 that will be established through the Freedom Rings Partnership.
	Airport Runway Rehabilitation	Rehabilitation and resurfacing of Runway 9R-27L—Philadelphia International Airport's longest runway at 2,600 feet.
Transportation & Infrastructure	Water & Wastewater Program	Low-interest loans for water piping and water treatment plant projects.
	Radio Frequency Identification (RFID) Readers (EECBG)	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 in revenue and saved \$400,000 in avoided disposal fees.
Sustainable Philadelphia	State Clean Diesel Grant	Purchase of 38 zero-emission electric powered baggage tractors (replacing previously used diesel) at Philadelphia International Airport.
	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.
Most Vulnerable	C-Tech Training Grant	Five-week training program for ex-offenders in cable and data installation, leading to employment.
	Child-Support Enforcement Grant	Incentive payments to support child support services to the Philadelphia Family Courts' Domestic Relations Division.
Public Safety	First Judicial District Community Court Staff (Byrne)	Funding and retention of 56 critical court employees at the First Judicial District.

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

Additional Accomplishments

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

Additional accomplishments from this quarter are provided below.

- A Citywide Career Fair, sponsored by Resources for Human Development, Inc., with the support and leadership of the Office of the Deputy Mayor for Public Safety, and held on May 20, 2011, brought together resources for employment, housing, clothing, and education for ex-offenders and homeless individuals. The Fair made this the city's largest single provider of resources for under-served populations seeking employment, independence and re-entry into society. Sixty-eight employers, including Cola-Cola, and Shop Rite, dedicated to providing opportunities to ex-offenders and homeless individuals, attended the Fair, which drew over 1,000 participants, of which, 150 have gained employment.



Above, an employer speaks with a job-seeker at the Citywide Career Fair.

- Mayor Nutter and the Media Mobilizing Project celebrated the opening of five new Public Computer Centers (PCCs), designed to provide training in digital literacy, advanced computer skills and community journalism to 1,500 participants over the next two years. One of the five labs, a Young People's PCC at the Philadelphia Student Union, will fill a void by giving students a free, comfortable place to access the Internet, as well as much-needed workshops on job and college access. Media Mobilizing Project is one of the City's key partners in the citywide effort to infuse technology and training resources in communities across Philadelphia through the Recovery Act-funded **Broadband Technologies Opportunities Program**. Overall, 13 new PCCs were launched this past quarter, bringing the total number of open Centers to 15, while providing 36 people with full-time and part-time employment.



Photo: Public School Notebook/Azim Siddiqui

Above, Mayor Nutter joins two Philadelphia Student Union members to celebrate Media Mobilizing's new Public Computer Centers.

- Projects supported with **Community Development Block Grant-Recovery (CDBG-R)** funds continue, including the rehabilitation of six units in the Chandler Supported Independent Living in Northeast Philadelphia, which is 78% complete. Or Lehigh Park II, a 48-unit apartment complex being built in North Philadelphia, which received \$1.28 million in CDBG-R funds. The City is also currently underwriting a \$1 million loan to Pennsylvania Ballet to create a new performing arts and programmatic space at 321-331 North Broad Street and 1315-1347 Wood Street.

- With the \$21.4 million **Homeless Prevention and Rapid Re-Housing** federal grant, to date, Homeless Prevention providers have provided 2,833 households with \$4.7 million in financial assistance (security deposits, rental, utility or moving costs assistance). Rapid Re-Housing providers have assisted 1,122 households, providing them with \$5.5 million in direct assistance to help them move from emergency and transitional housing and stabilize in permanent housing. The City’s Homeless Prevention and Rapid Re-Housing program has received significant praise from the U.S. Department of Housing, most recently reflected in a letter sent to the City on February 14, 2011, which stated: *“The Office of Supportive Housing has done an exemplary job of working collaboratively with sub-recipient agencies ... to develop a solid Homeless Prevention and Rapid Re-Housing program. The level of planning and collaboration City staff have brought is commendable.”*
- With Recovery funding from the **Broadband Technology Opportunities Program**, Mercy Neighborhood Ministries (1939 W. Venango St.) has partnered with the Free Library of Philadelphia and is now a *Free Library Hot Spot*. *Hot Spots* bring computer access, classes and the Internet to neighborhoods throughout Philadelphia. Each *Hot Spot* includes computers, a printer and all necessary broadband equipment, as well as a reference collection of Free Library materials. The Mercy Neighborhood Ministries *Hot Spot* is open Monday through Friday, from 1 pm to 5 pm. For more information, visit www.mercyneighbors.org/. For more information about the Freedom Rings Partnership, visit freedomringspartnership.com/.
- With the \$25 million Recovery-funded **EnergyWorks** program, significant growth occurred this quarter in the number of residential energy-efficiency audits and retrofits completed. Overall, the program is approaching 300 completed projects, with a pipeline of over 500 audits of homes and commercial properties scheduled across the five-county grant area. Over 100 contractors have signed on to become EnergyWorks contractors, representing every field in the energy efficiency industry, from air sealing and insulation, to HVAC, roofing, and general contracting, therefore, helping to stimulate and grow the market for “green” jobs.
- This past quarter, the City’s \$15 million **Communities Putting Prevention to Work Grant**—known as *Get Healthy Philly* (GHP) initiative —was able to make great strides in making healthy behaviors the default. The Mayor’s Office of Transportation and Utilities, a key GHP partner, will be implementing new north-south bike lanes in Center City Philadelphia. The City Planning Commission, in partnership with GHP, released a report, *Planning and Zoning for a Healthier City*.



The Recovery Act's Impact on Job Creation

Philadelphia, like all major cities, continues to feel the impact of the global recession. In Philadelphia the preliminary unemployment rate is at 10.7%, as of June 2011¹ which is slightly above the national rate of 9.2% (as of June 2011). The challenge to get people back to work is significant and the City is working tirelessly to do its part with the private and public sectors to train, upskill and connect more Philadelphians with gainful employment using Recovery Act dollars.

The Bureau of Economic Analysis' (BEA) initial estimates of GDP growth for the 2007-2009 recession were recently revised to show that the recession was not only deeper than previously assumed, but the recovery to date has been weaker. The BEA originally advised the economy contracted 0.5% in the third quarter of 2008 and 3.8% in the fourth quarter. In fact, due to recent revisions, the economy dropped by 3.7% and 8.9%, respectively.

The impact of the Recovery Act on job creation is regularly assessed and reported on by the President's Council of Economic Advisors² and the Congressional Budget Office (CBO). In its latest report, issued on May 25, 2011³, CBO provides estimates of the Recovery Act's overall impact on employment and economic output in the first quarter of calendar year 2011.

The CBO estimates that the **Recovery Act's policies** had the following effects in the first quarter of calendar year 2011:

- **Increased the number of people employed by between 1.2 million and 3.3 million, and**
- **Increased the number of full-time equivalent (FTE) jobs by 1.6 million to 4.6 million, compared with what would have occurred otherwise. (Increases in FTE jobs include shifts from part-time to full-time work or overtime and are thus generally larger than increases in the number of employed workers).**
- Raised real (inflation-adjusted) gross domestic product by between 1.1% and 3.1%,
- Lowered the unemployment rate by between 0.6 percentage points and 1.8 percentage points,

CBO estimates that the employment effects began to wane at the end of 2010 and continued to do so in the first quarter of 2011. CBO projects that the number of full-time equivalent jobs resulting from the Recovery Act will drop by about half between the first and fourth quarters of 2011.

It is clear that without the Recovery Act, the recession and its impact on unemployment would have been much deeper.

¹ Data Source: Bureau of Labor Statistics

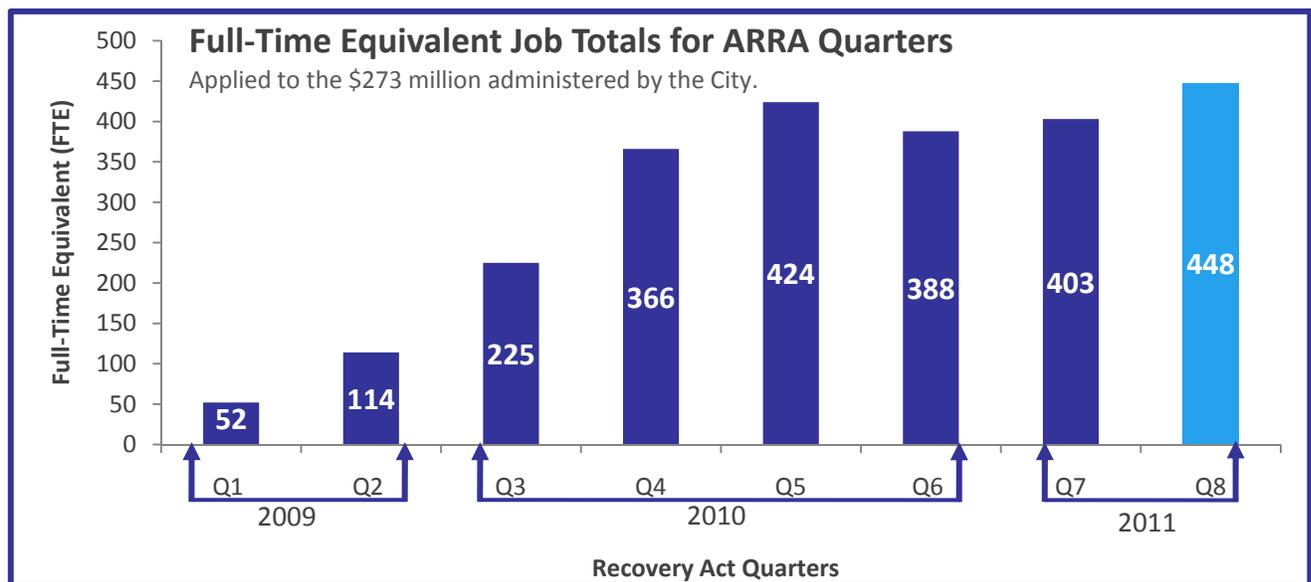
² The President's Council of Economic Advisors' report, *The Economic Impact of the American Recovery and Reinvestment Act of 2009*, issued on July 1, 2011, found that as of the first quarter of 2011, the Recovery Act had raised employment relative to what it otherwise would have been, by between 2.4 and 3.6 million; this is above CBO's estimates.

³ *Estimated Impact of the American Recovery and Reinvestment Act on Employment and Economic Output from January 2011 Through March 2011* (May 2011). <http://www.cbo.gov/ftpdocs/121xx/doc12185/05-25-ARRA.pdf>

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, in Philadelphia, Nolan Properties, the developer of Presser Senior Apartments, received a \$2.2 million (15% of construction costs) Recovery Act-funded 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 \$273 million administered by the City of Philadelphia for the quarter ending June 30, 2011, the City reported 448.66 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.



The Recovery Act has also created and retained FTE jobs beyond those for which the City of Philadelphia has direct reporting responsibility. Based on data taken from www.recovery.gov⁴ for the quarter ending June 30, 2011, approximately 2,344 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.

⁴ Data Source: www.recovery.gov Data as up to June 30, 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 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 June 30, 2011, M/W/DSBE businesses are expected to receive 22% of Recovery Act dollars awarded when participation ranges were set by the City's Office of Economic Opportunity and 12% of Recovery Act dollars when participation ranges were federally mandated. These ranges only apply to participation in contracts that were advertised or competitively bid. 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.

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.

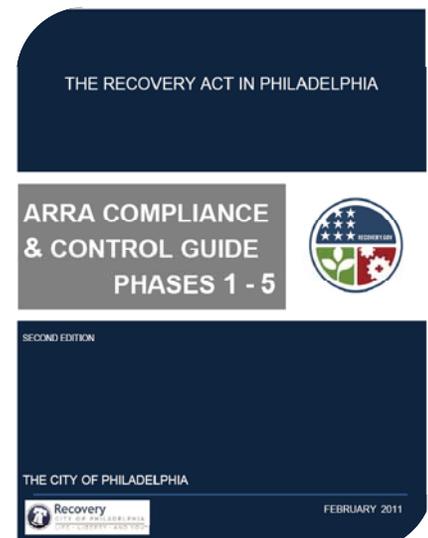
A Project Team, with representation from each of the Deputy Mayors, staff from administrative departments such as the Division of Technology, Finance, Office of Economic Opportunity, and City Council, meets on an as-needed basis to provide programmatic oversight and receive guidance from the Recovery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

The Steering Committee, chaired by the Finance Director, includes senior leaders within the organization, and meets 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 grants 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 eighth 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 eighth quarter’s federally mandated reports—most notably:

- **\$273 million awarded directly to the City of Philadelphia**
- **\$98.3 million expended (spent)**
- **448.66 full-time equivalent jobs created or retained, according to federal calculations**

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 July 14, 2011.*

Recovery Act Grants Listing

As of June 30, 2011

Category	City of Philadelphia & Quasi-City Agency Recovery Act Grants	Award Amount
Economy & Workforce	Neighborhood Stabilization Program II	\$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 -- 13,000 Adults & Youths Employed	\$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 Conservation Block Grant, Competitive "EnergyWorks"	\$25,000,000
	Energy Efficiency Conservation Block Grant, Formula	\$14,108,700
	Fairmount Park Ecosystems	\$1,795,000
	State Clean Diesel Grant Program -- COMPLETED	\$616,740
	Weatherization*	\$15,800,000
	*Grants are managed and reported by quasi-City agencies. TOTAL	\$57,320,440
Most Vulnerable	Homeless 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
	Homeless 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
	Homeless Prevention & Rapid Re-Housing—State Competitive	\$684,888
	MR Waiver-EI (77850) -- COMPLETED	\$578,185
	Supplemental Funding for Reaching more Adults and Children	\$564,358
	Research: Vaccine & Immunization (Evaluation of Meningococcal Vaccine & Varicella Vaccine)	\$275,288
	Behavioral Health/Forensic Triage Specialist	\$261,820
	IT Electronic Laboratory Capacity (ELC)	\$252,752
	Strengthening Communities Fund	\$249,333
	Senior Community Service Employment (SCSEP) -- COMPLETED	\$224,323
	Commission on Aging -- COMPLETED	\$26,880
	Tobacco Control and Prevention 1 – State -- COMPLETED	\$20,854
	Homeless Shelter Initiative -- COMPLETED	\$18,000
TOTAL	\$63,460,333	
Transportation & Infrastructure	Baggage Screening	\$26,609,933
	TIGER (Pedestrian and Bike Trail Network)	\$17,200,000
	City Repaving	\$15,572,986
	Airport Improvement Program (Runway Rehabilitation) -- COMPLETED	\$5,724,694
	Water & Wastewater Program -- COMPLETED	\$200,000
	TOTAL	\$65,307,613
Public Safety	Byrne Justice Assistance Grant	\$13,544,604
	COPS Hiring	\$10,903,350
	Child Support Enforcement (First Judicial District) -- COMPLETED	\$3,532,421
	Victims of Juvenile Offenders (First Judicial District)	\$481,784
	Sustain Juvenile Offenders (First Judicial District)	\$399,140
	Local Energy Assistance Plan	\$300,000
	DUI Treatment Court (First Judicial District)	\$295,591
	Telecommunications (C-Tech) Training -- COMPLETED	\$151,593
	Adult Probation Officers (First Judicial District)	\$159,656
TOTAL	\$29,768,139	
City Total		\$272,790,986
City & Quasi-City Grand Total		\$347,618,986

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

