



CITY OF PHILADELPHIA

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STEPHEN J. AGOSTINI
Budget Director

January 28, 2010

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

Dear Mayor Nutter:

This letter transmits to you the City of Philadelphia's status summary of activity under the American Recovery and Reinvestment Act (ARRA) along with a certification that the City has met its reporting requirements for the January 10th, 2010 reporting deadline as established by the ARRA.

ARRA requires us to report quarterly on a number of basic data points about grants that are awarded - the most significant being: amounts awarded, amounts spent, jobs created/retained because of the Recovery funding and any sub-recipients and/or vendors that have been brought onto the project to execute the work.

This letter summarizes Recovery activity up to December 31st, 2009, and looks at the following:

- Funds applied for, awarded, and spent in the City of Philadelphia and our partner organizations;
- The items that will be reported to the Federal Government and the State of Pennsylvania regarding our Recovery grants;
- Overall summary of this quarter's reporting process

TOTAL FUNDING SUMMARY

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

- Total Recovery Funds to the City of Philadelphia **Awarded to date**: \$135.791 million
- Total Recovery Funds **Spent** to Date by the City of Philadelphia: \$4,334,190
- Total Jobs **Funded By ARRA** from Funds Spent to Date: 114.13 Jobs

As in our last report, while reports will be submitted for entities including the Philadelphia Workforce Development Corporation, School District of Philadelphia, Philadelphia Housing Authority, SEPTA, etc., those reports are being submitted individually by those agencies and are not part of the City of Philadelphia's reporting requirements. We do not have updated numbers as to how much these entities have applied for and been awarded. Updated numbers for those entities should be available through the Federal government on Recovery.gov as of February 1st.

DETAILED FUNDING INFORMATION

Eligible Recovery Formula Money Awarded to City of Philadelphia to Date (Total - \$77.516 million):

- \$14 million – Community Development Block Grants (Awarded August 13th, 2009)
- \$251,203 – Senior Community Service Employment Program (awarded April 1st, 2009)
- \$14.1 million – Energy Efficiency and Conservation Block Grants (awarded September 29th, 2009)
- \$5.87 million – Citywide 101 (awarded June 29th, 2009)
- \$4.5 million – Citywide 102 (Awarded September 14th, 2009)
- \$21.4 million – Homelessness Prevention and Rapid Rehousing (Formula) (awarded August 24th, 2009)
- \$2.1 million – Homelessness Prevention (awarded September 15th, 2009)
- \$13.5 million – Byrne JAG Local Grants (awarded August 8th, 2009)
- \$1,795,000 – Restoring Ecosystems (November 12th, 2009)

Competitive Money Awarded to City of Philadelphia to Date (Total - \$58.275 million):

- \$7.1 million – PHL baggage Screening Section AE (awarded June 15th, 2009)
- \$19.6 million - PHL Baggage Screening Section 23 (awarded June 15th, 2009)
- \$5.72 million – PHL Runway and taxiway rehab (awarded August 20th, 2009)
- \$434,000 - Healthy Homes for Foster Care (Awarded March 10th, 2009)
- \$875,000 – Healthy Homes For Day Care (Awarded March 10th, 2009)
- \$685,000 – Homeless Prevention and Rapid Rehousing (Competitive) (Awarded September 15th, 2009)
- \$200,000 - Water and Sewer Replacement, plant maintenance and green projects (Water and Wastewater Loans) (Awarded April 20th, 2009)
- \$150,000 – Research on Varicella Vaccine (Awarded September 15th, 2009)
- \$125,000 – Supplemental Funding for Immunizations (Awarded September 3rd, 2009)
- \$8.3 million – Community Service Block Grant (Awarded July 30th, 2009)
- \$565,000 – Evaluation of Vaccines for Preventable Diseases (Awarded September 3rd, 2009)
- \$11 million – COPS Grant (awarded July 1st, 2009)
- \$249,333 – Strengthening Communities Fund (award September 30th, 2009)
- \$2,655,578 – Center City SE Repaving (awarded November 9th, 2009)
- \$616,740 – Diesel Emission Grant (awarded November 24th, 2009)

In addition to awards to direct City department, we are also tracking awards made to quasi-governmental agencies. In terms of Recovery funds, the Philadelphia Workforce Investment Board received an award of \$13.9 million for employment and training from Department of Labor, and the Philadelphia Housing Development Corporation received \$15.8 million for a weatherization grant.

Funds Spent by the City of Philadelphia - Total - \$4,334,190

- \$339,217 – Community Development Block Grant
- \$38,061 - PHL Baggage Screening Section 23

Jobs Funded By ARRA in the City of Philadelphia (By Grant) – Total – 114.71

- 0.16 – Community Development Block Grant
- 0.51 - PHL Baggage Screening Section 23
- 5.53 - PHL baggage Screening Section AE
- 0.12 - PHL Runway and taxiway rehab
- 1.01 - Senior Community Service Employment Program
- 63.73 - Byrne JAG Local Grants
- 1 - Healthy Homes for Foster Care
- 3 - Healthy Homes For Day Care
- 39.07 - Homelessness Prevention and Rapid Rehousing (Federal Formula)
- 0.58 - Energy Efficiency and Conservation Block Grants

Jobs Funded By ARRA in the City of Philadelphia (By Department) – Total – 114.71

- 0.16 – Office of Housing and Community Development (OHCD)
- 6.16 – Philadelphia International Airport
- 1.01 – Mayor’s Commission on Aging
- 52.02 – First Judicial District
- 10.61 – Licenses & Inspections
- 1.1 – Mural Arts Program
- 4 – Health Department
- 39.07 – Office of Supportive Housing
- 0.58 – Commerce/Philadelphia Industrial Development Corporation (PIDC)

REPORTING FOR January 10th, 2010

For the Office of Management and Budget (OMB) reporting period that ends December 31st, 2009, the City of Philadelphia will submit thirteen reports as a **prime recipient**. These are grants which the City has received directly from the federal government, including:

- Community Development Block Grant (\$14,046,029)
- Healthy Homes Day Care (\$875,000)
- Homeless Prevention & Rapid Re-housing (\$21,486,240)
- Varicella Vaccine Research Grant (\$150,000)
- Supplemental Funding for Child and Adult Immunizations Grant (\$125,288)
- Evaluation of Meningococcal Conjugate Vaccine and Other High-Priority Vaccine Preventable Diseases (\$564,358)
- Byrne Grant (\$13,544,604);
- COPS Grant (\$10,903,350);
- Energy Efficiency Community Block Grant (\$14,108,700);
- Philadelphia International Airport Runway Rehabilitation Grant (\$5,724,694);
- Philadelphia International Airport baggage screening technology section 23 (\$19,550,422);
- Philadelphia International Airport baggage screening technology section AE (\$7,059,511)
- Mayor’s Office of Faith Based Initiatives Capacity Building Project (\$249,333)
- Restoring Ecosystems (\$1,795,000)

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

In addition to the reports the City has submitted as a prime recipient, the City is a **sub-recipient** to either the Commonwealth of Pennsylvania or other organizations for funds (listed separately below) for ten grants. These sub-recipient grants include:

- Healthy Homes Foster Care (\$434,320)

- Homeless Prevention and Rapid Re-housing - Formula (\$2,091,608)
- Homeless Prevention and Rapid Re-housing – Competitive (\$689,776)
- Citywide 101 (\$5,866,853)
- Citywide 102 (\$4,522,600)
- Two PennVest Loans for Water and Wastewater Treatment Improvements (\$100,000 each)
- Senior Community Service Employment Program (\$251,203 – sub-recipient to the Philadelphia Corporation for the Aging)
- Community Service Block Grant (\$8,330,086)
- Center City SE Repaving (\$2,655,578)
- Diesel Emission Grant (\$616,740)

Of these subrecipients, only the Senior Community Service Employment program has begun spending money.

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

SUMMARY OF REPORTING

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

This reporting period represented a marked improvement in the process of preparing and submitting reports to the federal and state governments. Grant managers and policy deputies were timely with submitting draft reports to the Recovery Office, responsive to questions from Recovery staff, and worked to ensure all reports were submitted in advance of January 10th. This quarter, we did not encounter any of significant issues in the areas of oversight or cooperation from City staff that I raised in my letter to you for the October 10th reporting letter. Thanks to the tireless efforts and dedicated work of dozens of City staff members, this quarter's reporting process was incredibly smooth and straightforward.

There was one exception. The Office of Parks and Recreation received an ARRA grant in November, and did not notify the Recovery Office about the existence of this grant or enable the Recovery Office to review the 1512 report before it was submitted. The Recovery Office was finally alerted after the grant award contract was presented to the Finance Office in order to begin spending.

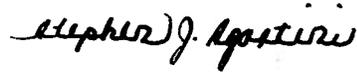
This issue has been reviewed by Recovery Office staff, and a meeting has been scheduled with the Inspector General and the Chief Integrity Officer. This incident underscores the need for Deputy Mayors and Commissions to become actively involved in this process – ensuring that they know with certainty that all grants managers managing ARRA grants are in regular contact with the Recovery Office, that they are attending all ARRA trainings, and that they are reporting to the Federal government within the guidelines set out by the City's Recovery Office.

As with last quarter, there continues to be challenges in interfacing with the Federal government and its agencies to ensure that we are reporting in compliance with federal guidelines and in a timely manner. We are working closely with the White House to address these issues.

Over the past few months, we have been working to create partnerships with other large cities to keep abreast of how other cities are managing their Recovery efforts. This has been enormously helpful and has helped to identify common issues and have a more effective conversation about them with the federal government. In addition, through these conversations with other cities, it has become clear that the City of Philadelphia is among the best in class in terms of systems to ensure accurate and timely reporting.

I am confident that the City's Recovery Office has adeptly met the requirements of the ARRA for this reporting period. Via transmittal of this letter, I certify to the best of my knowledge that the City of Philadelphia has met its obligations under Sec. 1512 of the American Recovery and Reinvestment Act (ARRA). The information submitted is accurate and complete and properly reflects the City's ARRA activity to date.

Sincerely,



Stephen J. Agostini
Budget Director and Recovery Officer

Cc: Honorable Curtis Jones, Jr., Councilman
Anna Wallace Adams, Deputy Budget Director
Camille Cates Barnett, Ph.D, Managing Director
Kevin Dow, Deputy Director of Commerce & Acting Chief Operating Officer
Rob Dubow, Director of Finance
John Elfrey, Deputy Managing Director of Transportation
Allan Frank, Chief Information Officer, DOT
Alan Greenberger, Planning Director & Commissioner, PCPC & Deputy Mayor Planning & Economic Development
Anuj Gupta, Licenses & Inspections
Mary Horstmann, Director of Private Sector Initiatives
Susan Kretsge, Chief of Staff, Office of the Deputy Mayor for Health & Opportunity
Joan Markman, Chief Integrity Officer
Shelley Smith, City Solicitor
St. Martin Torrence, Assistant Managing Director