

American Recovery & Reinvestment Act of 2009
City of San Antonio



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Management & Budget
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Background

Over the past several months, City staff and City Council have worked diligently to secure the City of San Antonio's share of federal economic stimulus funds, also known as the American Recovery and Reinvestment Act of 2009.

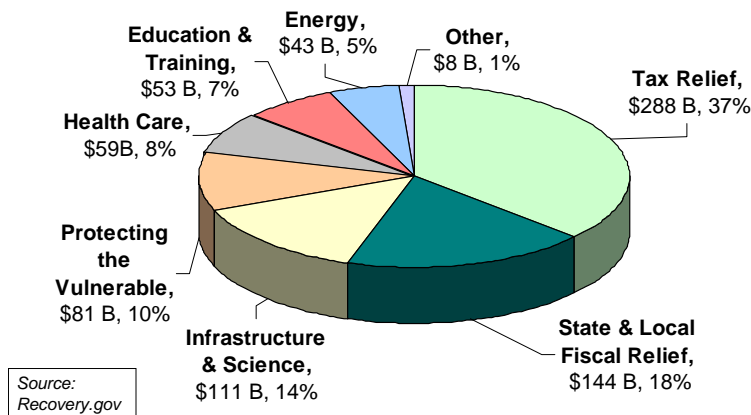
The City began preparing for the prospect of a stimulus bill in late November 2009 based upon preliminary information received from the City's federal legislative consultant team. During the first week of December, City departments were directed to formulate a list of projects which may have been eligible to receive stimulus funding. City staff established a set of criteria for the departments to follow in coming up with the list, which included a demonstrated need in the community, the ability to create jobs, and a requirement that such projects would be able to begin within 90 days.

A prioritized list of projects was submitted to the City Council on January 14th, 2009. That priority list encompassed about 120 projects totaling over \$2 billion (if fully funded). We estimated that approximately 22,000 new jobs would be created if all of the projects received funding.

The City also submitted letters to its congressional delegation and state legislative delegation to let them know about the City Council's priority list of projects and the steps the City had taken to be ready to submit applications if funding were to become available. The Mayor and a number of City Council members and the City Manager met with state and federal authorities to urge that the City receive its share of any potential stimulus dollars.

ARRA Becomes Law

On February 17, 2009, President Obama signed into law the American Recovery & Reinvestment Act of 2009 (ARRA).¹ The purpose of the ARRA is to "create and save jobs, jumpstart our economy, and build the foundation for long-term economic growth."² The Recovery Act provides for \$787 billion in temporary spending and tax relief intended to make investments in infrastructure, energy and science, unemployment assistance, and state and local stabilization.³



¹ http://www.whitehouse.gov/the_press_office/ARRA_public_review/

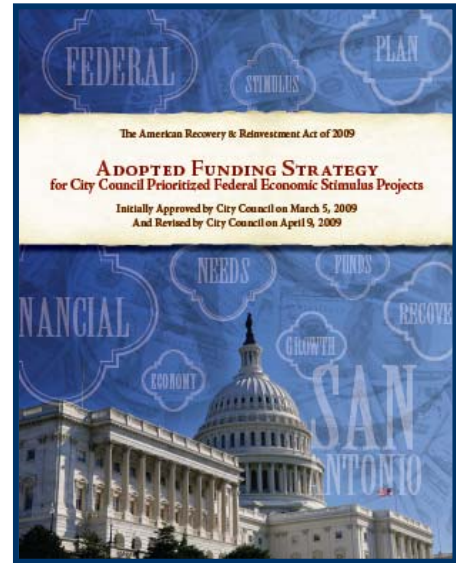
² <http://www.recovery.gov/?q=content/frequently-asked-questions>

³ <http://www.recovery.gov/?q=node/88>



Funding Strategy Plan

Following the signing of the Recovery Act and as new information became available, City departments developed individual "applications" aligning specific priority ranked projects to the requirements set out by the federal and state funding agencies. A funding strategy plan was adopted by City Council on March 5, 2009. The Plan was revised on April 9, 2009 to reflect additional projects to be funded through the Energy Efficiency & Conservation Block Grant.⁴ The Funding Strategy Plan serves as the guide for the City's submittal of applications for stimulus funds. The projects in the Plan are ranked according to city council ballot prioritization and known agency guidelines. Project categories in the funding plan include transportation infrastructure, public safety, energy efficiency, San Antonio River development, health and human services, and child care initiatives, among others.



Known and Estimated Funding

It is important to note that the federal government has developed structured guidelines on how the stimulus funds can be used. These funds will be coming to San Antonio across a variety of pre-existing federally funded programs. The City will not be receiving one stimulus check, but rather, several grant awards spanning from one to three years. Consequently, the City can utilize stimulus dollars only on those programs for which the funding has been authorized by the Federal Government. For example, the City cannot use ARRA-designated Head Start funding for street maintenance projects.

At this time, it is impossible to determine how much funding the City of San Antonio will ultimately receive from the stimulus plan. We do know that the City will receive stimulus dollars either through formula funding or through a competitive application process. As of the week of June 8, 2009 staff has calculated about \$110 million dollars will come to the City from formula funding through various agencies and programs such as the Federal Highway Administration, HUD (CDBG), and the Byrne Justice Assistance Grant administered by the Department of Justice. Additionally, the City has applied for nearly \$35 million dollars through competitive grant opportunities such as the COPS Recovery Grant, the Southern Borders Narcotic Grant, and the Clean Diesel Assistance Grant.

Known & Estimated City Stimulus Funding

Funding Category	\$ Amount in Millions
Streets & Infrastructure	56.2
Public Safety	2.0
Health & Social Services	27.0
Energy Efficiency	25.2
Total Known & Estimated Funding	110.4

⁴ Ordinance 2009-04-09-0261



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Staff is estimating that the City will begin to receive the first installments of stimulus funding from Washington in late June or early July of 2009 through Community Development Block Grants. Additional funding is expected to arrive late summer and into the spring of 2010 through such funding sources as the Department of Justice, the Federal Highway Administration, and the Department of Housing and Urban Development.

Regional Partnering

In late April, the City sent letters to close to 70 organizations in the surrounding region to create an easily accessible consolidated inventory of local stimulus funding and programs for the Bexar County region. Partners include Colleges and Universities, School Districts, Cities, Bexar County, Public Entities, and Non-Profits. The City is in the process of contacting each organization to determine its willingness to participate in this collaboration.

Ongoing City Efforts

The City continues to work closely with granting agencies at the federal and state level to stay on top of emerging grant opportunities, timelines, and application guidelines. This new information is being provided to City Council in weekly updates. As funding becomes available, staff will provide comprehensive status reports to City Council summarizing the soon-to-be-realized benefits of stimulus dollars and related impacts to the community to include job creation and service enhancements.

The City continues to hold weekly strategy sessions with the organization-wide staff team and the City's legislative consulting team. The team meets to discuss application guidelines and requirements, upcoming meetings and events, and communication plans. Along with operating departments potentially receiving ARRA funds, the team also consists of those City departments that will ensure responsible financial management, expedient purchasing of ARRA-related goods and services, and appropriate auditing/compliance of ARRA regulations. The City also places all City Council briefings and updated reports on the City's specifically designated ARRA website.⁵

⁵ <http://www.sanantonio.gov/budget/federalstimulus.asp>