

FROM	NAME & TITLE	Laura Larsen, Budget Director 	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 469, City Hall		
	SUBJECT	City Council Bill 23-0151R, Informational Hearing — Infrastructure Investment and Jobs Act -Inflation Reduction Act		

DATE:

TO

The Honorable President and
Members of the City Council
City Hall, Room 400

August 13, 2023

The Department of Finance is herein reporting on City Council Bill 23-0151R, Informational Hearing — Infrastructure Investment and Jobs Act - Inflation Reduction Act, the purpose of which is to detail the Infrastructure Investment and Jobs Act and the Inflation Reduction Act. This legislation specifically calls on the Mayor’s Office of Infrastructure Development (MOID) to present on the City’s strategy for applying for and receiving funds, as well as plans for reporting progress to the City Council and the public.

President Biden signed the Infrastructure Investment and Jobs Act (IIJA) in November 2021 and more recently the Inflation Reduction Act (IRA) in August 2022. MOID, established in July 2022, is leading and coordinating the City’s process for developing federal grant applications and responses, and establishing procedures that will impact the federal dollars made available through the programs outlined in the IIJA and IRA. Most of these programs are available through an application process by local jurisdictions and states, grant awards through the program may require a local funding matching. The Department of Finance acknowledges the inherit complexity of these processes (as well as the different types of formula funding, financing, and grant work) and has been an active partner with MOID to ensure the City is able to use the funding efficiently and effectively.

As a result of the Infrastructure Investment and Jobs Act (IIJA), Baltimore City has seen increased federal transportation formula funding since 2021. Funding has increased by over 30% each year, from \$30 million in 2021 to over \$40 million as of 2023. Funding will remain at this level while the IIJA remains in effect. This funding goes to addressing critical capital transportation needs such as bridge improvements, road rehabilitation, ADA and pedestrian improvements, as well as overall traffic safety initiatives. The Fiscal 2024 capital budget includes \$40.4 million in funding.

The City will prioritize equity and transparency in the funding process and infrastructure projects. Finance will work in partnership with MOID to ensure that the appropriate fiscal impacts and information are reported promptly and accurately to all relevant stakeholders.

The Department of Finance will attend this Informational Hearing and respond to any fiscal inquiries.

cc: Michael Moiseyev
Nina Themelis