



SHEILA DIXON  
*Mayor*  
250 City Hall  
Baltimore, Maryland 21202

June 17, 2009

The Honorable Helen Holton, Chairwoman  
Committee on Taxation, Finance and Economic Development  
Baltimore City Council  
100 N. Holliday Street  
Baltimore, MD 21202

Re: Council Bill 09-0131R-Informational Hearing – Baltimore Economic Recovery Team

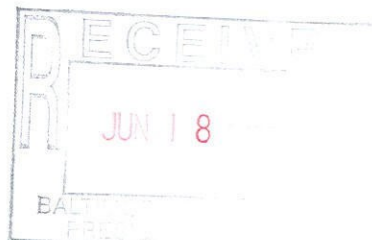
Dear Councilwoman Holton:

On behalf of the members of the Baltimore Economic Recovery Team (BERT), we are pleased to support Council Bill 09-0131R -- Informational Hearing -- Baltimore Economic Recovery Team. Enclosed you will find BERT's first Quarterly Report to Mayor Dixon and the citizens of Baltimore. We look forward to discussing this report and related matters with you at the hearing.

Kind Regards,

Jamie Kendrick  
BERT Co-Chair

Jean Lewis  
BERT Co-Chair



*Comments*



# Quarterly Report

## Baltimore Economic Recovery Team



March – June 2009

In the weeks leading up to the passage of the American Recovery and Reinvestment Act (Recovery Act), City agencies, community development organizations and local business groups began to develop lists of “shovel ready” projects or programs that had the potential of advancing with an infusion of federal funds and putting Baltimoreans back to work. By that point public expectations were already high: All that was needed was final Congressional action on the Recovery Act, the President’s signature, and detailed guidance from the appropriate federal agencies. Local governments across the country recognized the Recovery Act’s potential to help communities weather the recession.

The process for getting funds to local jurisdictions, however, has been long and complex. Nearly half of the \$787 billion Recovery Act is for tax credits and entitlement programs, which benefit citizens across the country but do not flow directly to local governments. The remaining funds have been apportioned among 13 primary federal agencies and their programs. Those agencies, in turn, have divided the funds between formula and competitive pools and then further among the states and local jurisdictions.

In many cases, the expectation and demand for funds are far beyond the amount that has reached (or will ever reach) the local level. In the case of the Safe Drinking Water Fund and the Clean Water Fund, for example, applications exceeded the available funding by a ratio of more than 30 to 1. Still, by all accounts, the Recovery Act presents a unique opportunity to spur the local economy and help those most impacted by the recession.

### **The Charge Given to BERT**

Given the heightened expectations for Recovery Act funding and the economic crisis facing Baltimore City, on March 10, 2009, Mayor Sheila Dixon established the Baltimore Economic Recovery Team (BERT). She charged the team and its leaders to coordinate, maximize and monitor every dollar made available to the City of Baltimore under the Recovery Act. Mayor Dixon made clear that these funds could not be used to fill holes in the current operating budget or the FY 10 budget; they must be treated as one-time expenditures to invigorate the local economy, reduce the cost of government through capital improvements and energy efficiency, and strengthen the safety net for those members of our community most in need. Specifically, Mayor Dixon charged BERT with the following:

- **Ensure that Recovery Act funds are used on projects and programs that will serve Baltimore well now and in the future.** The work group will recommend to the Mayor broad, overarching goals, connecting, where applicable, with existing plans and strategies (such as the Baltimore City Sustainability Plan and Comprehensive Master Plan). The overarching goals will guide how stimulus funds are allocated, and ensure that all funding supports secondary and tertiary goals, such as residential and commercial growth, as well as energy efficiency.

- **Serve as the City’s clearinghouse for Recovery Act information.** The Team will create a master list of funding opportunities and associated regulations and deadlines, identifying lead agencies and lead staff persons for every possible funding opportunity.
- **Maximize job opportunities for city residents, especially youth, and identify skills-training needs emerging from Recovery Act funding.** The Team will create a mechanism for job seekers to learn about and connect with these job opportunities.
- **Seek the best advice and ideas from citizens and partners in the human services, economic and community development communities.** The Team will partner with the City’s residents, neighborhood leaders, civic leadership and non-profit organizations in conversations about how to best and most quickly deploy stimulus funds.
- **Aggressively pursue all opportunities for Recovery Act funds.** The Team will ensure that Baltimore pursues every possible competitive funding opportunity and submits compelling applications for its projects. The Team will report on the number and type of applications made for stimulus funds.
- **Manage Recovery Act funds in an open and transparent manner.** The Team will provide regular reports to the Mayor and City Council, State and Federal Delegations, and the public at-large on how funds are spent.
- **Track the outcomes of the Recovery Act funds awarded to the City and its partners.** The Team will put in place a structure for agencies to report on the number of jobs sustained or created, long-term savings achieved, and other metrics necessary to comply with federal reporting requirements.

### **BERT Team Members**

BERT is led by Jean Lewis, Deputy Director, Mayor’s Office of Criminal Justice and Jamie Kendrick, Deputy Director, Department of Transportation. They report directly to First Deputy Mayor Andrew Frank and work closely with Assistant Deputy Mayor Elaine Garven. Staff support is provided by Ben Piccone, an analyst in the CitiStat Office.

Advising the team are two seasoned local leaders: Mark Wasserman, Senior Vice President, University of Maryland Medical System, and the Honorable Vera Hall. Mr. Wasserman has served the City and State for decades, as an advisor to Mayor and Governor William Donald Schaefer and as the Secretary of the Maryland Department of Business and Economic Development. Ms. Hall served in the Baltimore City Council from 1987-1995 and chaired the state democratic party. As a former teacher, she is intimately familiar with issues related to City schools and social service programs.

Mayor Dixon directed the following agencies to appoint a senior staff member as liaison to the Recovery Team: Baltimore Development Corporation, Department of Finance,

Department of General Services, Health Department, Department of Housing and Community Development, Housing Authority of Baltimore City, Department of Planning, Police Department, Department of Public Works, Department of Recreation and Parks, Department of Transportation, Baltimore Homeless Services, Health Department, Fire Department, and the Baltimore City Public Schools. Mayoral offices such as Employment Development, Criminal Justice and Neighborhoods also participate.

### **Organization of the Work: Getting the Recovery Act to Work for Baltimore**

Twice monthly, members of BERT gather to review citywide progress in implementing the Recovery Act; however, the majority of the work is accomplished in and by the agencies receiving BERT funding. Since much of the funding from the Recovery Act supplements well-established federal government spending programs, many of the Recovery Act funding opportunities have well-established lead local agencies. For example, annual allocations from the Community Development Block Grant (CDBG) program are administered by the Department of Housing and Community Development (HCD); likewise, the Recovery Act allocation of CDBG funds is administered by HCD.

In a few instances, there is no well-established lead local agency because Congress established or funded a program for the first time under the Recovery Act or because the funding allocated under the Recovery Act is disproportionate to annual allocations. In these cases, the BERT leadership either recommended to the Mayor the designation of a lead local agency or convened a multi-agency panel of BERT members to develop and implement the program funded by the Recovery Act. For example, the Energy Efficiency and Conservation Block Grant (EECBG) program was established by Congress in 2007, but had never received an appropriation. The Recovery Act marks the first time that any state or local government has received any funding under EECBG. At the recommendation of the BERT leadership, Mayor Dixon designated the Bureau of General Services' Energy Office as the lead local agency for EECBG. Supporting the Energy Office in developing the EECBG plan is the Office of Sustainability.

In all instances, whether there is an established lead local agency or the grant application is developed by a multi-agency team, grant applications must be submitted to the BERT Co-Chairs for review and approval. This is done to ensure that the application 1) is consistent with the goals of the Recovery Act and the policies and priorities of the Dixon Administration, 2) is not duplicative of or inconsistent with other applications being submitted, and 3) leverages other public and private funding opportunities, where possible.

Every Monday morning, the BERT Co-Chairs deliver to Mayor Dixon a memorandum summarizing the work of BERT for the previous week, including the grants submitted and formula funds received, and a summary of current challenges and issues relating to the Recovery Act. The Co-Chairs also meet regularly with Cabinet members to discuss issues pertaining to their agencies. The work of the agency staff has been remarkable, especially in the context of a Citywide hiring freeze and the everyday demands of managing local government.

## Engaging Communities and the Private Sector in BERT Efforts

BERT leaders have had no shortage of opportunities to hear directly from the public about their goals and ideas for Recovery Act funds, through participation in radio call-in shows, speaking at community meetings, and participating in roundtable sessions with groups interested in particular funding streams. From the day that Mayor Dixon appointed BERT, Baltimore's civic and philanthropic community has been particularly helpful in lending its advice and expertise to help advance Recovery Act projects. These groups have joined in an action-oriented approach to aid recovery effort. For example:

- The Annie E. Casey Foundation has identified and deployed technical assistance and management expertise, at BERT's request, to help shape the City's efforts around weatherization.
- The Association of Baltimore Area Grantmakers (ABAG) is organizing community partners and experts to provide technical assistance with competitive applications for the Assisted Housing Energy and Green Retrofit Program grants.
- Another group of funders, educators, community service providers and local agency representatives is working to develop the City's application for Early Headstart and to ensure that the school system's expansion of Pre-K through Title I Recovery Act dollars is coordinated with Head Start programs.
- A diverse set of business and industry leaders, funders and educators is developing a plan to transform the Edmondson High School-Westside Skills Center into a school of choice, focusing on careers in architecture, construction, engineering and sustainability.
- A group of funders and representatives of local agencies have begun identifying measurable outcomes and performance measures to demonstrate the impact of stimulus projects.
- The Baltimore Community Foundation has taken a leading role in helping the City to prepare the City's application for the Energy Efficiency and Conservation Block Grant program, using the City's Sustainability Plan to guide their work.
- Representatives from the philanthropic community, community development intermediaries and non-profits joined representatives from city agencies to review proposals submitted to the Community Development Block Grant and Community Service Block Grant programs.

## Description of Funding Opportunities

Funds flowing to the City of Baltimore come in two primary ways: formula allocations and competitive grants.<sup>1</sup> Each funding program has its own unique application, eligibility, procurement and monitoring requirements, as set by the federal agency that administers the program. This makes data collection and reporting particularly challenging.

Formula allocations are typically based on population characteristics, such as percentage of low-income persons within the jurisdiction. Some formula allocations flow directly to the local government from the federal granting agency; other formula allocations flow through State agencies, such as the Surface Transportation Program and the Community Services Block Grant, which then apportion funds to local governments through State-derived formulas. In both cases, there is an application that must be filed to receive the formula allocation. Formula allocations were among the first available from the federal government, especially formula funds related to infrastructure and criminal justice. Other formula allocations continue to be adjusted as unemployment and foreclosure rates become available. It is important to note that once an application for federal funds is submitted to the federal government, it can take up to 90 days for the application to be approved. Funds are then available to be spent on a reimbursable basis.

**Table 1. Availability of Selected Formula Allocations**

Federal Program/Agency	Date Allocation Became Available for Application	Formula Application Deadline	Baltimore's Formula Allocation
Federal Highway Administration – Surface Transportation Program	March 2, 2009	50% of funds must be obligated by June 10, 2009	\$33.5 million
Department of Housing and Urban Development – Community Development Block Grant	May 5, 2009	June 5, 2009	\$6,226,574
Department of Housing and Urban Development – Homelessness Prevention and Rapid Re-Housing Program	March 19, 2009	May 18, 2009	\$9,523,896
Department of Health and Human Services – Community Services Block Grant	April 10, 2009	May 20, 2009 <sup>2</sup>	\$4,441,730
Department of Labor – Workforce Investment Act (Youth and Adult)	March 6, 2009	Funds remain available for obligation until September 30, 2010	\$6,144,936
Department of Justice –	March 12, 2009	May 18, 2009	

<sup>1</sup> In addition, there is direct aid to residents, such as increased eligibility for Medicaid or other entitlement programs, and competitive grants and loans to colleges and universities, hospitals, etc. For the purpose of this report, only formula allocations and competitive grants to the City government are reported, unless otherwise noted.

<sup>2</sup> The State Department of Housing and Community Development agreed that Baltimore could identify subrecipients to provide services two weeks later.

Byrne Justice Assistance Grants (Formula)			\$5,275,246
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Competitive grants are generally administered directly by the federal agencies, although in a few instances, such as the Byrne Justice Assistance Grants, competitive grants are also offered at the State level. Competition for these programs has been especially fierce. The Baltimore Development Corporation assisted two local shipyards in applying for assistance under the Small Shipyards Grant Program; the U.S. Maritime Administration received more than 500 applications requesting \$1.25 billion against Recovery Act funding of \$100 million (less \$2 million for MARAD administrative expenses.) Competitive grant programs at the federal level have been much slower to become available. In some programs, an entirely new set of regulations had to be developed and opportunities for public comment are then required for those regulations. In order to comply with the Recovery Act’s deadline for making grants available (generally May 15, 2009), some federal agencies simply posted on their website a “Notice of Funding Availability” that did not include an application for the funds. As of this writing, some funding programs are still not available for application.

**Table 2. Availability of Selected Competitive Federal Programs**

Federal Program/Agency	Date Application First Became Available	Application Deadline
Department of Commerce – Economic Development Assistance Grants	March 20, 2009	Rolling – until all funds expended
Department of Justice – Local Youth Mentoring Programs	March 9, 2009	April 20, 2009
National Oceanic and Atmospheric Administration – Coastal Habitat Restoration	March 16, 2009	April 13, 2009
Department of Transportation – Surface Transportation Discretionary Grants	May 15, 2009	September 10, 2009
Department of Health and Human Services – Head Start Expansion	April 2, 2009	June 23, 2009
Department of Labor – Green Jobs Grant Program	TBA	TBA
Department of Homeland Security – Fire Station Construction Grant Program	May 29, 2009	July 10, 2009
Department of Health and Human Services – Early Head Start expansion	April 2, 2009	July 9, 2009
Department of Justice – Byrne Justice Assistance Grants – Federal Competitive	March 12, 2009	April 27, 2009

### **Priming the Pump: Results from BERT’s First 3 Months**

Although actual dollars have been relatively slow to flow from the federal government to the local level, Baltimore’s Economic Recovery Team has been hard at work “priming the pump” for investment as soon as the dollars arrive. Dozens of formula and competitive grant applications have been filed, new budgeting and accountability mechanisms established, and project planning and deployment teams chartered to make the best use of every dollar that comes to Baltimore. While our second quarterly report will begin to show hard data on dollars received and spent, jobs supported, and outcomes



met, this report demonstrates how Baltimore has laid the foundation for economic recovery.

### Community Development Block Grant Program and Community Service Block Grant Program

An under-reported casualty of the economic downturn has been Baltimore’s non-profit community development infrastructure. The latter part of 2008 and early 2009 saw the closing of two important community development organizations in Baltimore: Tri-Churches Housing in Southwest Baltimore and the Patterson Park Community Development Corporation in Southeast Baltimore. Several other CDCs have experienced dramatic reductions in funding that have curtailed redevelopment activities, and also reduced the availability of housing and foreclosure counseling and “clean and green services”. These losses erode the gains made in several of Baltimore’s most challenged neighborhoods.

At the urging of the Baltimore chapter of the Maryland Asset Building Community Development (ABCD) Network and others, Mayor Dixon directed that \$2.5 million be set aside to help struggling non-profit organizations “weather the storm” of a down economy- not just the community development corporations, but also the many not-for-profit service providers. Preserving Baltimore’s community development and community services infrastructure for years to come will be one legacy of Baltimore’s economic recovery efforts. When the economy begins to rise again, we can be sure that non-profit organizations in the City will still exist; and produce quality, affordable housing and assistance for those in need.

Tables 3, 4 and 5 show investments made from the Community Development Block Grant and Community Services Block Grant in Baltimore’s not-for-profit organizations. Funding is subject to approval of the City’s plan by the U.S. Department of Housing and Urban Development and the U.S. Department of Health and Human Services, respectively. It is anticipated that these organizations will be able to begin spending Recovery Act funds by early August 2009; all funds must be obligated by September 30, 2010.

**Table 3. Community Development Block Grants to Not-for-Profit Organizations –  
Shovel Ready Development Projects by Not-for-Profit Organizations**

Organization	Amount	Project Description
Bon Secours Foundation/OROSW	\$200,000	Clean and Green construction projects
Poppleton Cooperative	\$950,000	Assisted housing will be under construction in Fall 2009
Chesapeake Habitat for Humanity	\$250,000	Rehabilitation of homes on E. Jefferson Street
Druid Heights Community Development Corp.	\$300,000	Gateway housing project – 1800 – 2200 blocks of McCulloh Street
Empire Homes of Maryland, Inc.	\$700,000	Restoration Gardens transitional housing project; will be under construction in Fall 2009
People’s Homesteading Group	\$115,000	Rehabilitation of houses in 400 block of E. 22 <sup>nd</sup> Street in Barclay
<b>TOTAL</b>	<b>\$2,515,000</b>	

**Table 4. Community Development Block Grants to Not-for-Profit Organizations –  
General Programmatic Support**

<b>Organization</b>	<b>Amount</b>	<b>Program Description</b>
A Step Forward	\$60,000	Supportive housing
Banner Neighborhoods	\$25,000	Handy-man project for elderly residents in Patterson Park area
Belair-Edison Neighborhoods, Inc.	\$50,000	Operating support – foreclosure prevention
Brooklyn-Curtis Bay Coalition	\$35,000	Operating support – foreclosure prevention, code enforcement
CASA of Maryland	\$70,000	Operating support – employment and training center
CHAI Housing Services	\$76,000	Operating support – foreclosure prevention
Civic Works	\$86,000	Apprenticeships for energy efficiency projects
Garwyn Oaks/Northwest Housing Resource Center	\$28,000	Operating support – foreclosure prevention, code enforcement
Jubilee Baltimore	\$40,000	Operating support – affordable housing development
Maryland New Directions	\$100,000	Operating support – employment development for women and ex-offenders
Parks & People Foundation	\$80,000	Public housing greening and youth employment initiative
Pennsylvania Avenue Redevelopment Collaborative	\$65,000	Clean and Green project along Pennsylvania Avenue Main Street
Rebuilding Together	\$100,000	Handy-man project for elderly residents in Upper Park Heights neighborhoods
Reservoir Hill Improvement Council	\$64,000	Operating support – green infrastructure
Southeast Community Development Corp.	\$55,000	Operating support – green infrastructure, commercial revitalization
St. Ambrose Housing Aid Center	\$100,000	Operating support – homeownership counseling, foreclosure prevention
Volunteers of America/Harford Road Senior Center	\$50,000	Handy-man project for elderly residents in Hamilton area
<b>TOTAL</b>	<b>\$1,084,000</b>	

**Table 5. Community Services Block Grants to Not-for-Profit Organizations  
– Programmatic Support**

<b>Organization</b>	<b>Amount</b>	<b>Project Description</b>
Women's Housing Coalition	\$45,000	B-more Green and CNA training.
Caroline Friess Center	\$120,000	Employability training, training for pharmacy technicians and nursing assistants.
Maryland Center for Arts & Technology	\$120,000	GED, Pharmacy technician, phlebotomist and nursing assistant training.
Harbor City Services, Inc.	\$120,000	Training and employment in document management, data destruction, gen. warehouse services for individuals with mental illness and substance abuse problems.
Center for Urban Families	\$120,000	Support for job readiness and placement program.
Jump Start/Job Opp. Task Force	\$120,000	Training program to develop construction skills.

Organization	Amount	Project Description
Neighborhood Housing Services of Baltimore	\$50,000	Foreclosure prevention services.
Barclay Deconstruction	\$85,000	Pilot program to safely deconstruct 4 homes with apprentices; part of Safe and Sound Compact.
Seedco, Inc.	\$90,000	Citywide, with emphasis in Cherry Hill. Facilitates access to benefits programs, including SNAP (food stamps)
PACT	\$90,000	Therapeutic nursery care for homeless children with special needs.
AIRS/City Steps	\$90,000	Support for outreach center designed to address needs of homeless youth.
Franciscan Center	\$105,000	Support for emergency and nutrition services.
Govans Ecumenical Development Corp. (GEDCO)	\$120,000	Support for emergency and nutrition services, services for senior citizens.
Tuerk House	\$125,000	Development of new program for job training in structured program in Sandtown Winchester.
Esperanza/Catholic Charities	\$120,000	Support of health center serving low-income Latino community
Bon Secours of Maryland Foundation	\$101,494	Southwest Cooperative Agriculture Project. Builds farmers market and urban garden in conjunction with Red Line
Group Ministry, Inc.	\$80,000	Transitional housing, training and employment for people returning from prison
Coalition to End Childhood Lead Poisoning	\$125,000	Citywide with focus on Sandtown-Winchester/Harlem Park, HEBCAC, SW Balt, Southern Park Heights. To be coordinated with weatherization.
BWI Partnership	\$80,000	Transportation to BWI for jobs
Action In Maturity	\$54,360	Transportation program for senior citizens
<b>TOTAL</b>	<b>\$1,960,854.00</b>	

In addition to preserving Baltimore’s community development and community services infrastructure, the City reserved portions of the CDBG and CSBG Recovery Act funding to advance agency programs stalled by lack of local government funding. CDBG funding is being used to rehabilitate houses in conjunction with the West Baltimore Transit-Centered Community Development Plan and to support neighborhood “main streets” as designated by the Baltimore Development Corporation. CSBG funding is supporting the City’s strategy to dramatically improve birth outcomes and additional job training programs through the Mayor’s Office of Employment Development. See Tables 6 and 7 for details.

**Table 6. Community Development Block Grants–  
Shovel Ready Community Development Projects by City Agencies**

<b>Organization</b>	<b>Amount</b>	<b>Project Description</b>
Main Street Façade Grant Program (BDC)	\$800,000	Supports façade work on West Baltimore Street (Poppleton) and in Brooklyn-Curtis Bay and Belair-Edison
Citywide Murals Program (BOPA)	\$65,000	Supports Summer/Fall 2009 murals program
Harlem Park Housing Revitalization (HCD)	\$940,000	Funds will be used to stabilize historic structures surrounding the park square.
Baltimore Montessori Public Charter School	\$225,000	Roof replacement project
<b>TOTAL</b>	<b>\$2,030,000</b>	

**Table 7. Community Services Block Grants–  
Projects by City Agencies**

<b>Agency/Program</b>	<b>Amount</b>	<b>Project Description</b>
Recreation and Parks -- Summer Programs	\$65,000	Summer programs for youth identified by community action centers
HCD -- Pro 2000 Data Entry Program	\$125,000	Train and hire low-income individuals to do data entry
HCD -- Community Action Centers	\$120,000	Upgrade computers and other equipment, training materials, other supplies, outreach literature
HCD -- Administrative	\$129,180	Contract Manager & support position
HCD -- CNA/GNA Nursing Program	\$130,224	Expanding nursing training program at NWCAC to an additional center (to be subcontracted)
Mayor's Office of Employment Development	\$725,959	Job readiness and training program (a portion of these funds to subcontracted out to community-based trainers)
Baltimore Homeless Services	\$290,000	Outreach initiative targeting vulnerable populations (to be subcontracted)
Baltimore City Health Department -- Virtual Grocery Stores	\$60,000	Grocery service for low income families in neighborhoods without access to chain grocery stores
Baltimore City Health Department -- Birth Outcomes	\$1,000,000	Educate families and provide medical assistance to families with infants and/or expecting a child
<b>TOTAL</b>	<b>\$2,645,363.00</b>	

### **Homeless Services: Homelessness Prevention and Rapid Rehousing**

Baltimore will receive \$9.5 million in Homelessness Prevention and Rapid Rehousing Program (HPRP) grant funds. Baltimore Homeless Services (BHS) will administer the funds in partnership with the United Way of Central Maryland. BHS will enter into an agreement with the United Way to distribute HPRP funds through a competitive process. The Leadership Advisory Group for Baltimore's Ten Year Plan to End Homelessness, a group that includes business, philanthropic, and government leaders, will review applications and make funding awards that are consistent with the Ten Year Plan. The United Way will be responsible for issuing and developing the RFP; BHS will be responsible for monitoring the grants and reporting to HUD.

The RFP will be issued to current grantees of Baltimore City that work with homeless individuals and/or families and will seek proposals that target two groups of persons facing housing instability: 1) Individuals and families who are currently in housing but at risk of becoming homeless and need temporary rent, utility assistance or other eligible assistance to prevent them from becoming homeless; and 2) individuals and families who are experiencing homelessness and need temporary assistance in order to obtain and retain stable, affordable housing.

### **Public Housing in Baltimore**

The Housing Authority of Baltimore City (HABC) was established in 1937 to provide federally-funded public housing programs and related services for Baltimore's low-income residents. HABC is the fifth largest public housing authority in the country, with more than 1,000 employees and an annual budget of approximately \$300 million. The Agency currently serves over 20,000 residents in more than 10,000 housing units.

Under the Recovery Act, HABC will receive by formula \$32.7 million for capital projects, including the rehabilitation of vacant rental units. HABC's Board of Commissioners has acted quickly to deploy these funds for meaningful improvements at public housing sites around the City. With its Recovery Act formula allocation, HABC plans to:

- Renovate 156 long term vacant scattered site units; and,
- Renovate and convert 6 scattered site units to make them accessible to persons with mobility impairments (UFAS compliant); and,
- Renovate 26 extensively damaged vacant units at 4 conventional developments; and,
- Upgrade the electrical distribution system at Perkins Homes; and
- Completely replace the heating system at Cherry Hill Homes.

As of May 29<sup>th</sup>, HABC had already obligated 29% of its Recovery Act funds and begun rehabilitation work on 53 scattered site vacant rental units. Designs and bid review are in varying stages of process for the work at other scattered sites and at Perkins and Cherry Hill Homes. With this work already underway, HABC is at the forefront of Recovery Act implementation nationwide.

### **Rebuilding Baltimore's Aging Infrastructure**

The earliest funds being spent from the Recovery Act are being used to resurface and streetscape major roadways, rebuild bridges, and improve the City's water delivery and wastewater processing systems. Even before the Recovery Act had passed, the Baltimore City Department of Transportation had submitted to the Maryland State Highway Administration its list of "shovel-ready" projects; within days of enactment, the Departments of Public Works and General Services submitted their applications to the Maryland Department of the Environment for grants under the Clean Water State Revolving Loan Fund and the Safe Drinking Water Revolving Loan Fund. As a result of their early and aggressive action, Baltimore City received \$33.5 million through the

federal Surface Transportation Program, and the Departments of Public Works and General Services received \$21.3 million from the Maryland Department of Environment for water and wastewater projects.

As of this report, four of six transportation projects have been awarded and the work is or soon will be underway; bids for the fifth project have been received; and the sixth project has been advertised for bids. Consistent with the experience of other transportation agencies around the country, bids for these contracts have come in well below the estimated cost – in some cases, as much as 40% lower than estimated. As a result, the Department of Transportation estimates that it will be able to advertise three additional projects, estimated at \$9 million total, later this year. Work on these “Phase II” projects should begin in the Spring 2010 construction season.

*Table 8. Status of Recovery Act Projects – Baltimore City Department of Transportation*

Project Description	Total Contract Award Amount <sup>3</sup>	Prime Contractor	DBE Participation <sup>4</sup>
Orleans Street Streetscape – Central Avenue to Wolfe Street	\$6,158,714.40	M. Luis Construction Co.	Rowen Concrete, Inc. (8.85%) Bay City Construction Inc. (19.77%) Fallsway Construction Co., Inc. (2.44%)
Resurfacing of Frankford Avenue – Sinclair Lane to Druid Park Drive	\$1,218,497.56	Machado Construction	Machado Construction (76.82%)
Resurfacing of Hilton Street – Frederick Road to Gwynns Falls Parkway	\$843,765.61	Machado Construction	Machado Construction (66.62%)
Resurfacing of Northern Parkway – Falls Road to Park Heights Avenue	\$6,584,427.40	M. Luis Construction Co.	Guardrails, Etc. (2.01%) Rowen Concrete, Inc. (8.36%) Bay City Contractors, Inc. (9.58%) Carter Paving & Excavating (4.48%)
Park Heights Avenue Streetscape – Garrison Blvd. to Northern Parkway	Bids received on June 3, 2009; Award anticipated in mid-July 2009		
Argonne Drive Bridge Reconstruction	Advertisement scheduled for June 10, 2009		
Edmondson Village Street Lighting	Advertisement expected in Fall 2009		
Citywide Street Resurfacing	Advertisement expected in Fall 2009		

<sup>3</sup> In addition to the total contract award amount, approximately 15% of the total contract award amount is also set aside for construction inspection, contingencies and administrative expenses.

<sup>4</sup> The federal Disadvantaged Business Enterprise (DBE) program is very different from Baltimore’s local Minority/Women-Owned Business Enterprise (MBE) program. There are two significant differences: eligibility is not limited to race or gender; and, DBE firms selected as a prime contractor may perform work itself in furtherance of the participation goal.

Citywide Traffic Signal Reconstruction and Rewiring	Advertisement expected in late Summer 2009
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Similarly, the Departments of Public Works and General Services have awarded a contract for one of three Recovery Act projects; an advertisement for bids has been posted for a second project; and, the third project will take advantage of existing energy-savings contracts (ESCOs) to reduce water consumption in City buildings.

*Table 9. Status of Recovery Act Projects – Departments of Public Works and General Services*

Project Description	Project Status
Patapsco Waste Water Treatment Plant Enhanced Nutrient Removal Sanitary Contract	Bids due 6/24/09 Contract award 9/09 (est.)
Montebello Filtration Plant #2 Reservoir Cover	Bids opened 4/22/09; Award expected mid-Summer
Water Conservation in Municipal Facilities	Contract award 9/09 (est.)
Energy Efficiency and Conservation Block Grant	Formula due to Dept. of Energy on June 25, 2009

### **Cleaner, Greener Baltimore: Energy Efficiency**

The Recovery Act provides the City with approximately \$6.3 million from the Energy Efficiency and Conservation Block Grant program. This formula funding can support a wide variety of programs, including energy audits and energy efficiency retrofits in governmental, residential and commercial buildings, the creation of financial incentive programs for energy efficiency improvements, transportation programs that conserve energy, projects to reduce and capture methane and other greenhouse gas emissions from landfills, community greening projects, and more. The City is developing a comprehensive approach to the EECBG program under the direction of the City’s Energy Office (which sits within the Department of Public Works and General Services) and the Office of Sustainability. It is the City’s intent to undertake a mix of projects which set the stage for long-term energy savings programs, invest in neighborhood-led energy efficiency programs, and improve City facilities to reduce operating costs from energy use. A detailed plan is due to the U.S. Department of Energy on June 25, 2009.

### **Cleaner, Greener Baltimore: Ramping up for Weatherization**

On May 31<sup>st</sup>, a delegation of City and State agency leaders and private sector partners departed Baltimore for a three-day “Green Boot Camp” sponsored by the Living Cities Foundation. Baltimore’s growing reputation around sustainability planning, its aggressive work around “healthy homes,” and the support and advocacy from several local organizations garnered an invitation to this session at Harvard University’s

Kennedy School of Government. While at the “Green Boot Camp,” the Baltimore City delegation will develop an action plan for leveraging new Recovery Act funding for energy efficiency projects, including weatherization, with funds and programs from public utilities, other government agencies, and the philanthropic community.

Ken Strong, a creative and veteran City government employee has been brought on to oversee the weatherization program, which will see a five-fold increase in weatherization funding over the next three years. More than \$15 million in Department of Energy weatherization funding will be available to Baltimore by formula allocation. Under Mr. Strong’s leadership, the City will seek to coordinate its weatherization efforts with the Health Department’s “Healthy Homes” and lead paint abatement initiatives, housing rehabilitation programs from HCD, energy efficiency programs offered by BGE under the Empower Maryland program, and other local initiatives.

Key to this effort is the development of a skilled workforce and local contractor capacity, especially among minority- and women-owned businesses and access to training that meets federal certification standards. These challenges are the top priorities for the City’s new, multi-agency team focused on healthy, energy-efficient homes.

### **Strengthening Baltimore’s Economy**

While the frozen credit markets have stifled efforts to market Tax Increment Financing bonds for the \$1.6 billion Westport Waterfront redevelopment project, City agencies have partnered with the project’s developer to identify and apply for every Recovery Act funding program for which the redevelopment could be eligible. With the federal Base Realignment and Closure process continuing apace, Mayor Dixon and the Baltimore Development Corporation consider it a high priority to keep the Westport Waterfront project moving forward. In support of this effort:

- BERT members worked with Westport Waterfront LLC to prepare an application for the “green infrastructure” set-aside of Clean Water State Revolving Loan Fund; the Maryland Department of the Environment awarded the project \$230,000 for the creation of dry-swales to reduce storm water runoff at the project.
- BDC has made application to the National Oceanographic and Atmospheric Administration’s Coastal Wetlands and Habitat Restoration grant program for \$950,000 to reconstruct wetlands at Westport Waterfront; decisions are due on these grants by the end of June.
- The Planning Department and BDC are working with the Developer to file an application for Economic Development Administration grant funding for site infrastructure; it is expected that this application will be for approximately \$5 million. Applications are considered by EDA on a rolling basis.
- BDC and the Department of Finance’s Bureau of Treasury Management are investigating the multiple financing alternatives offered by the Recovery Act,



including Recovery Zone tax-credit bonds. This analysis is ongoing and could provide a reasonable substitute for Tax Increment Financing bonds.

These efforts are paying off, not only in dollars received, but in the private sector's continued interest in the project. Westport Waterfront LLC has advised BDC that because the City has continued to aggressively pursue funding opportunities for the redevelopment, interest remains high in the project among prospective office and commercial tenants, homebuilders and equity investors.

### **Employment Development: Workforce Investment Act ARRA Funding**

The Mayor's Office of Employment Development (MOED) was allocated approximately \$6.1 million in formula Workforce Investment Act American Recovery and Reinvestment Act (ARRA) funds from the Department of Labor (DOL) through the State of Maryland Department of Labor, Licensing and Regulation (DLLR). The allocation covers the period of February 17, 2009 through June 30, 2011, and includes:

- Adult Funds: \$1,545,216
- Youth Funds: \$3,558,951
- Dislocated Worker Funds: \$1,040,769

### **Youth**

With the support of Mayor Dixon, Baltimore City has been fortunate to operate a successful summer jobs program for many years. In the summer of 2008 the program employed a record 6,500 youth. The City received 7000 applications for the 2009 program, 3000 of which will be supported by Recovery Act funds. The remaining slots will be paid for with funds from city employee corporate and philanthropic donations. Private businesses will also hire youth to work for the summer.

On April 22, 2009, MOED held its YouthWorks Career Fair with more than 60 employers and 500 older youth in attendance. Private sector companies, city and state agencies, and nonprofit organizations interviewed youth (who had already completed a one-week job readiness programs) throughout the day. The YouthWorks summer jobs initiative is scheduled to begin on June 22<sup>nd</sup> and end on July 31<sup>st</sup>.

### **Adult and Dislocated Workers**

DOL's vision for the Recovery Act is to preserve and create jobs, promote the nation's economic recovery and assist those most impacted by the recession. The focus is to retool the skills of American workers and reestablish the workers in viable career pathways.

On April 16, 2009, MOED hosted a Training Forum at its Eastside One Stop Career Center to engage and educate workforce partners on the Recovery Act. This forum afforded workforce partners an opportunity to learn how Recovery Act funds were allocated at the national, state and local level and how they could engage in this process.

MOED subsequently released a Request for Expressions of Interest (REI) for skills training that will lead to full-time unsubsidized employment. Responses to the REI have been very positive; more than twenty-five training proposals were submitted by the deadline of June 3, 2009. The Baltimore Workforce Investment Board members will review and rate the proposals and inform MOED of its funding recommendations by the end of July. MOED anticipates that it will complete contract negotiations with the successful applications over the summer so that occupational skills training can begin in September.

### Creating a Safer Baltimore

For years, the Baltimore City Police Department and its partners in the criminal justice community have benefited from funding from the Byrne Justice Assistance Grant (JAG) local government formula program. Passage of the Recovery Act provided an additional influx of \$5.2 million to support public safety initiatives that will reduce violence in Baltimore. These stimulus funds will enable the BPD to purchase “Pocket Cops” – new handheld technology that will provide real time crime information to police officers on the streets – and hire additional crime analysts. Funding will also support the Mayor’s Office of Employment Development’s Reentry Center, the Violence Intervention Program at the University of Maryland Shock Trauma Unit, and the Safe Streets program.

The Byrne Justice Assistance Grant program also makes funds available to States for various crime-fighting purposes, and allows for some grant-making directly from the Department of Justice. In coordination with the Mayor’s Office on Criminal Justice, City agencies and partners have applied for seven grants totaling more than \$3 million to advance specific program initiatives:

- Expansion of crime analysis programs (2 new civilian analysts; i2 software and hardware)
- Support for and expansion of serology program (9 total positions)
- Support for Warrant Apprehension Task Force overtime hours
- Support for “Safe Surrender,” a multi-agency initiative that allows non-violent offenders to surrender on warrants at locations other than a court house or police station
- Support for overtime service of warrants for parole and probation violations
- Support for a supervised visitation program for children affected by abuse or domestic violence
- Expansion of the Safe Streets program

Finally, the Baltimore Police Department has applied for COPS funding, also administered by the Department of Justice, to place 50 additional officers on patrol throughout the City.

### Great Schools...Great Kids: Baltimore City Public School System's Plan for Recovery Act Funds

Over the next two years, Baltimore City Public Schools will receive an influx of funds designed to fill budget shortfalls and make much needed investments in education through the Recovery Act. In total, the school system expects to receive \$111.9 million for general funds, assistance to high poverty schools and services to students with disabilities. Table 10 below describes the three funding streams and the goals associated with them.

*Table 10. ARRA Funding Stream Goals for BCPSS*

Goal of Funding Stream		Amount
<b>State Fiscal Stabilization Fund</b>	To minimize and avoid reductions in education and other essential public services by helping to ensure that local educational agencies have the resources to avert cuts, retain teachers, and to support the modernization, renovation, and repair of school and college facilities.	\$30 million (over 1 year)
<b>Title I</b>	Funds for schools that have high concentrations of students from families that live in poverty in order to help improve teaching and learning for students most at risk of failing to meet state academic achievement standards.	\$52 million (over two years)
<b>Title II, Part D</b>	To improve student academic achievement through the use of technology in schools; ensure that every student is technologically literate by the end of eighth grade; and to encourage the effective integration of technology with teacher training and curriculum development.	\$1.5 million (over two years)
<b>IDEA</b>	To ensure adequate and appropriate educational services are provided to children and youth with disabilities throughout the nation.	\$28.4 million (over two years)
<b>TOTAL</b>		<b>\$111.9 million</b>

In addition to these formula-based programs, the Baltimore City Public School System is exploring several discretionary grant opportunities for school facility improvements, transformation school initiatives and early childhood education, among others.

### What Lies Ahead: The Next Three Months of Economic Recovery

Over the summer months, BERT expects that the federal agencies will give final approval to all of our applications for formula funding. This will allow dollars to flow to struggling non-profit organizations under the Community Development and Community Services Block Grant programs, workforce development organizations to redouble their job training efforts, and energy efficiency programs to begin in earnest. Similarly, we

expect that federal agencies will issue a significant number of competitive grant awards in the next three months; and, City staff will continue to prepare funding applications which will continue to be due through mid-September.

As dollars begin to flow to specific projects, BERT will increase its monitoring and reporting on expenditures, jobs supported, and program outcomes. Generally, BERT will use the templates provided by the several federal agencies to track performance. This will allow for consistent record-keeping and reporting by City agencies and their subrecipients, and allow staff to focus their energies on effective program delivery. All of this information will be posted on the BERT website to provide the maximum transparency of Recovery Act spending.

Finally, as program plans are approved, contracts advertised and awarded, and project delivery commences, we can expect to see Baltimore residents at work on these projects. BERT will closely monitor agency compliance with the Mayor's "Residents First" Executive Order, which requires contractors to share information with the Mayor's Office of Employment Development about hiring needs. Mayor Dixon expects that as contractors bring on new employees, they will look first to residents of Baltimore City to fill those positions.

# Funded Recovery Act Projects

## June 10, 2009

