

Memorandum

TO: Mayor and City Council
FROM: Denise Turner, Assist City Manager
DATE: March 19, 2009
SUBJECT: Update

IFYI HIGHLIGHTS
• Economic Stimulus Funding
• Budget Process

Economic Stimulus Funding – update

Over the past week information regarding how to apply for some of the economic stimulus funding has been released. Attached is information regarding funding application activity in the following areas: HCD, WIA, GPD and Water Resources. Please contact Denise Turner at 373-3880 if you have any questions.

Budget Process

Department Heads are in the process of evaluating their programs for potential cost-savings to prepare a preliminary budget for Council’s review on April 14. We wanted Council to be aware that the public have become informed of some of these discussions and may misinterpret information as final decisions regarding the budget. Council should be assured that no decisions are being made about programs. A preliminary budget will be submitted to Council at which time additional budget direction will be sought.

Housing & Economic Recovery Act of 2008

FYI – this funding is not part of the 2009 Stimulus funding but rather funding extended when the Federal Government put in place its first stimulus package in September 2008. You may recall that funding, known as Troubled Asset Relief Program (TARP), was targeted primarily towards banks but it also including relief for foreclosure.

Neighborhood Stabilization Program (NSP) Grant Application – Funding Announced today, March 19.

Council approved HCD's application to the North Carolina Division of Community Assistance for a \$5.25 million dollar Neighborhood Sustainability Program (NSP) grant to fund a four point strategy to purchase foreclosed and abandoned homes and properties in priority areas. Awards were announced today. The City of Greensboro received \$2.625 million. The City of High Point, Greensboro Housing Authority and Habitat for Humanity received approximately \$2 million each.

American Recovery and Reinvestment Act (ARRA)

Housing and Community Development

Homelessness Prevention Grant – future application

HUD has indicated that the City will be eligible to apply for an additional \$781,141 in Emergency Shelter Grant (ESG) funding. This funding is allocated for financial assistance and services to prevent individuals and families from becoming homeless and to help those who are experiencing homelessness to be quickly re-housed and stabilized. The funds will provide for a variety of assistance, including short-term or medium-term rental assistance and housing relocation and stabilization services. Funds may be used for mediation, credit counseling, security or utility deposits, utility payments, moving cost assistance, and case management. We expect application instructions and implementing regulations will be published within the next two weeks.

Energy Efficiency and Conservation Block Grant (EECBG) – future application

The Recovery Act has, for the first time, provided a funding allocation for the Energy Efficiency and Conservation Block Grant (EECBG) Program which was created as part of the Energy Independence and Security Act of 2007. The City should be eligible for an allocation of the \$3.2 billion available to local governments nationwide. The EECBG will provide funds to local communities to make investments that make them more energy efficient and reduce carbon emissions. HCD is preparing to coordinate the City's application for EECBG funding, which we expect will be due in around 60 days.

Workforce Development

The Workforce Development office has been informed that it will receive \$2.7 million as part economic stimulus funding targeted for Training and Employment Services. The Office of Workforce Development will be able to use the funding for youth programs and training and job search assistance for adults. The Workforce Development Board will meet next week to review possible programs for funding.

Greensboro Police Department

GPD will receive an allocation of \$1,187,267 as part of the Byrne Justice Assistance Grant. The JAG Program, administered by Office of Justice Programs in the Bureau of Justice Assistance, allows states and local governments to support a broad range of activities to prevent and control crime and improve the criminal justice system. The procedure for allocating JAG grants is based on a formula of population and violent crime statistics, in combination with a minimum allocation to ensure that each state and territory receives an appropriate share of funding. Sixty percent of the allocation is awarded to the state and 40 percent is set aside for units of local governments. More information will be provided to Council once additional details of the funding are made available.

Water Resources

State environmental officials have applied for \$71 million for wastewater projects from the American Recovery and Reinvestment Act (ARRA). Greensboro's WWTP Upgrade is among the items included in the state's draft project plan for funding. There are approximately 950 projects on the list totaling \$2 billion are included on the draft project list.

The draft plan distributes funds equally between loans and cost-free subsidies. If sufficient applications are received, at least 20 percent of the monies awarded must be spent on green projects – those that include wastewater reuse, stormwater management, water efficiency and energy generation elements. Priority is given to projects that can proceed quickly, already have any required permits and have additional funding committed, if needed.

Weatherization Program

\$8 billion in funding for weatherization and energy efficiency as part of the ARRA. North Carolina will receive \$131,954,536 for weatherization and \$75,989,000 for the state energy program.

The funding will support weatherization of homes, including adding more insulation, sealing leaks and modernizing heating and air conditioning equipment.

HCD will lead the effort to apply for funding for Greensboro through this program. Additional information will be provided to Council once additional details of the funding are made available.