

Memorandum

To: All Alders

From: Mayor Dave Cieslewicz, Ald. Tim Bruer, Ald. Mark Clear

Date: 3/19/2009

Re: Stimulus Funding Process

President Obama and Congress have created a brave new world with the \$790 billion American Reinvestment and Recovery Act (ARRA). Never in our lifetimes has there been an attempt to spend this much federal funding this fast. The fact that this is all occurring outside the normal federal, state and local budget processes makes issues surrounding process and public input all the more challenging. But let's not forget that these are good problems to have. This memo describes what we know about the process at this point.

The swiftness with which the President wants this money to "hit the streets" will sometimes make it a challenge to get all the alder and public input that we would like. But we will do our best. Approval will be sought through the normal budget amendment process before grant funding is received or new funds are expended. Furthermore, some of the projects on the stimulus list aren't new. Many have already been approved by the Council through the 5-year Capital Improvement Plan or other vehicles.

Here's how alders and members of the public can get involved now, before many funding requests are made:

- The Comptroller's office will provide regular updates to the document that lists all proposed funding requests and their status.
- An update on stimulus funding has been added as a recurring item on the agenda of the Board of Estimates.
- The Mayor's office is working on a website that he hopes to have up and running early next week that will provide regular updates on stimulus issues and collect comments from the public.

Most of the stimulus funding the City will likely receive falls into one of three categories:

1. Funds we receive through a formula allocation. We know how much we're getting and in many cases, already have priorities in place to spend our allocation. Transit Capital grants, Public Housing Capital grants and Byrne grants are primary examples.

2. Funds we receive through a formula allocation that will be passed through to other agencies and non-profits. So, we know how much money we'll be getting, but we don't yet know how the money will be spent. For example, we know our allocations for CDBG and Emergency Shelter Grants, but Bill Clingan will be developing an expedited process for non-profits to apply for grant funding.
3. Competitive grant programs that will require an application from the City to either the State or Federal government. In these cases, we don't yet know how much funding we will get or how it will be spent. City agencies will be developing grant applications in the coming weeks. The best examples of this type of funding includes COPS grants, public health initiatives and grants or loans from the Clean Water Act/Safe Drinking Water Act. We will do our best to give an early alert to alders on grant programs, such as the COPS Program, that would require a future City funding commitment.

We would encourage alders to take the initiative to get involved and actively participate now by attending Board of Estimates meetings, frequently checking the stimulus website and conferring directly with the Mayor's office, Council Leadership and agency heads.