



AGENDA REPORT

Meeting Date: March 11, 2009
Item Number: F-5
To: Honorable Mayor & City Council
From: Katie Lichtig, Assistant City Manager
Cheryl Friedling, Deputy City Manager
Subject: AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

RECOMMENDATION

It is recommended that the City Council authorize the City Manager or designee to apply for and accept grant funding under the American Recovery and Reinvestment Act of 2009 consistent with the project categories outlined in this report.

INTRODUCTION

On February 17, 2009 President Barack Obama signed into law the American Recovery and Reinvestment Act (ARRA) of 2009. The \$828 billion economic stimulus plan includes funding for a variety of capital improvements and investments in several program areas, including public safety, community service and energy conservation. The allocations relevant to cities are a combination of competitive and formula grants.

DISCUSSION

In preparation for the ARRA release, the City submitted four infrastructure projects to the League of California Cities and the U.S. Conference of Mayors, which include:

- a \$10 million project to resurface city streets,
- a \$2.5 million plan to replace a 60-year-old waterline at Charleville Boulevard,
- a \$7 million effort to replace 50-year-old water reservoirs, and
- a \$2.5 million sewer line replacement project.

The Public Works Department has also submitted thirteen projects as part of the pre-application process for the Safe Drinking Water State Revolving Fund (SDWSRF). The SDWSRF provides grants to assist public water systems in achieving or maintaining compliance with the federal Safe Drinking Water Act (SDWA). The City's project

submittals are a combination of water infrastructure repair and replacement, as well as water conservation education programs.

The ARRA Highway Infrastructure Program is also underway. On February 26, 2009, the Los Angeles County Metropolitan Transportation Authority (LACMTA) Board of Directors approved the formula allocation and programming of federal highway and transit capital funds made available through the ARRA. The funds are being apportioned throughout the county by population. The funding levels have not yet been finalized, however, the City anticipates receiving between \$737,000 and \$1,100,000 for "shovel-ready" transportation projects.

The City intends to use the MTA funds for improvements to reconstruct and/or resurface roadways that are eligible under the Federal Highway Administration rules. This could include Santa Monica Boulevard, but the work to be accomplished would be limited to road repairs and maintenance. This is due to the reality that other improvements such as intersection improvements and widening are subject to on-going policy discussions and therefore do not meet the definition of "shovel-ready." Should other competitive funding become available that could be used for these additional improvements along Santa Monica Boulevard, staff will return for direction from the City Council on whether to pursue this funding.

City staff continues to coordinate closely with our Sacramento and Washington D.C. lobbyists to advocate on behalf of the City's ARRA grant submissions. In addition, the City has created an interdepartmental team to evaluate the funding programs and to identify projects that Beverly Hills could either automatically receive funding through formula grants or projects that the City would be eligible to submit for competitive funding. Projects under consideration are consistent with the policy framework outlined in the City Council's adopted 2009 State and Federal Legislative Platform. The City may be evaluating and submitting projects within several categories including:

- Police crime prevention and investigation technologies
- Fire station renovation and fire prevention public information materials
- Broadband technology and disaster recovery programs
- Water infrastructure replacement and water conservation programs
- Street infrastructure repair and maintenance
- Social services programs
- Library community outreach programs
- City facility renovation and upgrades

FISCAL IMPACT

The City anticipates receiving between \$737,000 and \$1,100,000 from the ARRA Highway Infrastructure Program. Staff is pursuing additional grant opportunities through the broader categories included in the ARRA. Over the next few weeks staff will determine City eligibility, apply for grants, coordinate with lobbyists and legislators, and comply with project accounting and other procedural regulations.

Katie Lichtig
Approved By

