

December 2009

Boston's Use of Federal ARRA Funds in 2009

Capital projects received most dollars but funds for operational use are important

The Menino Administration has been aggressively pursuing federal American Recovery and Reinvestment Act (ARRA) funding and in 2009 the City has been awarded grants totaling \$226.5M that apply for one to three years. Approximately 73% of the ARRA funds awarded in 2009 are for capital purposes in the areas of housing, transportation, development and schools.

These totals do not include \$23.3M of ARRA state stabilization funds that were used by the Commonwealth as a substitute for the fourth quarter Chapter 70 school aid due to cities and towns. As such, these funds do not represent additional funds beyond what was already expected from the state this fiscal year.

ARRA Funds in 2009 \$ in millions		
Category	Grant	%
Housing	\$83.5	36.9%
Transportation	39.4	17.4%
Development	32.3	14.3%
School Operations	31.1	13.7%
Police Operations	15.8	7.0%
QSC Bonds	20.0	8.8%
Other	4.4	1.9%
Grand Total	\$226.5	100.0%

Housing related projects or services will receive the largest share of the total ARRA funds awarded to date. Approximately \$73M or 32% of the total are intended for the modernization of Boston

Housing Authority developments. An additional \$10.5M will be used to expand homelessness prevention services or jumpstart stalled housing projects.

Boston will receive approximately \$39.4M for investment in transportation infrastructure. The largest grant of \$21.5M will be used to resurface 18.6 miles in five city geographic areas. Reconstruction of a segment of Dorchester Avenue will be aided by a grant of \$12.9M and an intelligent transportation grant of \$5M will allow a build-out of 37 new traffic cameras and expansion of the City's fiber optic network.

The City, through the Boston Redevelopment Authority, has received funding of \$27M to issue Recovery Zone bonds that can spur private sector and institutional growth. Funding is also available for job training for disadvantaged and dislocated adults, the remediation of three Brownfield sites and assistance for four stalled construction projects.

A more limited amount of ARRA funds will be used to support operational services in the School and Police Departments. Two police grants totaling \$15.8M have been awarded to retain 100 police officers in FY10 and at least 50 for FY11 and FY12. School funds totaling \$31M split between FY10 and FY11 will support strategic investments in the BPS' literacy efforts, English Language Learners program and professional development around inclusion and special needs referrals.