
Government of the District of Columbia



Office of the City Administrator

Testimony of
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City Administrator

**Public Oversight Briefing on
Strategy for Use of “American Recovery and Reinvestment Act of 2009”
Funds by the District of Columbia**

Council of the District of Columbia

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The John A. Wilson Building
1350 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Thank you, Chairman Gray, for inviting me to testify today about the steps the District Government is taking to fully and effectively utilize the Federal funding available through the American Recovery and Reinvestment Act of 2009 (“ARRA”).

As I have testified before, the Administration is committed to taking full advantage of the opportunities provided by ARRA, and we are also committed to doing so in a manner that is fiscally responsible, efficient, effective, and transparent, while addressing the goals of the statute and the needs of District residents.

In particular, I understand that you are interested in knowing more about the competitive grant funds that are available through ARRA. There are a number of competitive programs that I believe we are well-positioned to compete for and we are developing proposals for a number of these already. The largest of those are in the following areas:

- **Transportation** – \$1.5 billion for transportation projects, including road, bridge and transit improvements, with preference given to “projects of regional or national importance.”
- **Broadband** – \$4.7 billion for a new “Broadband Technology Opportunities Program” to improve access to broadband, especially in “unserved and underserved areas.”
- **Neighborhood Stabilization** – \$2 billion to fund programs to purchase abandoned properties and return them to active use to help stabilize the neighborhoods that have been hit hardest by the foreclosure crisis.
- **“COPS” Police Hiring** – \$1 billion to support the hiring of new police officers.
- **Employment Training in High Demand Industries** – \$750 million for programs that prepare workers for jobs in the “green” sector and the healthcare and high-tech industries.
- **Education Improvement** – \$4.35 billion in State incentive funds and \$650 million in grants to local education agencies for innovative programs, as well as an additional \$250 million in funds for statewide student data systems.
- **Energy Efficiency and Conservation Block Grants** – \$400 million in competitive funds (to be combined with \$2.8 billion in formula grants) for energy efficiency projects.

- **Economic Development** – \$150 million to support discrete economic development projects, including \$50 million for public works projects related to economic development.
- **Health Center Renovations** – \$1.5 billion for renovation of community health centers.
- **Fire Station Renovations** – \$300 million for renovation of fire stations

This is a long list, and, in fact, it still does not include every program for which we may ultimately apply. There are a number of others – some of which are quite large, like the \$2 billion Health Information Technology account – that will likely have competitive components and that we will likely pursue. However, there is too little information available at this time to discuss how we might participate in those programs. We have assigned agency staff to monitor these programs, and are awaiting guidance from the Federal agencies charged with implementing them.

With regard to the programs under which we are pursuing competitive grants, I have designated a lead District agency for each, and we are tracking their progress in developing proposals and meeting federal deadlines for their respective submissions. For example, we have a letter of interest for fire station renovation funding ready for submission today, and we are in the process of drafting a response to the Department of Justice’s request for proposals (which came out yesterday) for a portion of the COPS police hiring funds.

OCTO is spearheading our effort to develop a city-wide application for broadband funds, and has already had meetings at the Department of Commerce to learn more about what that agency is seeking. DOES will, of course, take the lead on the District’s proposal for employment training in high-demand industries, but Director Walsh has been working with DDOE, DYRS, DCPS, DDOT, OPM, the Office of Planning, and a number of other agencies such as UDC, as well as the business and non-profit communities, to ensure that he has a complete picture of the District’s training needs and employment trends. At the same time, DDOE Director Hawkins has been meeting (all day this past Saturday in fact) with virtually every District agency to explore opportunities for using the energy and environment formula-based ARRA funds – and also to compete for non-formula EECBG dollars – on “green” programs and projects around the city.

DDOT and the Office of Planning are working to develop a number of very promising large-scale transportation projects for the competitive infrastructure grant program (such as the 11th Street Bridge and the K Street Transitway), and the Deputy Mayor for Economic Development and his team are working on a proposal to the Economic Development Administration. The Department of Housing and Community Development is working on a new proposal to HUD for

Neighborhood Stabilization Funds, which are designed to help localities purchase and rehabilitate foreclosed homes in areas where they are clustered. Also, I should note that DCHD already won a \$2.6 million competitive grant under ARRA for its lead-hazard reduction program.

As you know, the scope of ARRA is extremely broad, and so it's difficult to cover everything we are doing – even on the competitive side – in the time I have here. However, I want to repeat that the Administration is committed to making our use of ARRA funds as transparent as possible. We have created a stimulus funds web site: www.recovery.dc.gov for that purpose, and are updating it regularly. We also are required by the statute to provide quarterly reports of our ARRA activities to the Federal government, which will be posted on recovery.gov.

I further understand that you have questions about how ARRA funds might be used to close the city's FY09 budget gap, but I would respectfully request that we set that conversation aside for now, as this issue will be addressed, very specifically, in the Mayor's FY2010 budget proposal, which, as you know, will be delivered to Council on Friday.

This concludes my prepared remarks. I am happy to answer any questions you have.