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## Federal Stimulus Funds Headed to Boston

*One-time funds for school and police operations must be carefully targeted*

Over \$100M in Federal economic stimulus funds have been identified as coming to Boston over the next two years with more to follow once the state determines the allocation of State Fiscal Stabilization Funding that is assigned to Massachusetts. Stimulus funds that will be available for school and police operations should be carefully targeted given the nature and restrictions of the funds.

The American Recovery and Reinvestment Act of 2009 authorizes the spending of \$787B in public funds to create jobs, help state and local governments and invest in the long-term health of the economy. Tax cuts total \$212B, leaving \$575B which is divided between \$267B in direct spending for individuals and \$308B for appropriations. Of the jobs created by this Act, 90% are intended to be in the private sector.

Massachusetts is estimated to receive over \$11B and funds at the local level are directed toward modernizing public housing, investing in neighborhood development, supporting public education and summer jobs, upgrading transportation infrastructure, strengthening public safety and advancing renewable energy and energy efficiency initiatives.

As the City prepares its budget for FY10, special attention is given to how stimulus funds can be used to mitigate layoffs and enhance services. The funds for departmental operations are primarily limited to the School and Police Departments. School funds identified to date include an estimate of \$17M a year for two years in Title 1 funds tied

to schools with high concentrations of disadvantaged students and \$12M a year for two years in IDEA funds (Individuals with Disabilities Education Act) earmarked for special needs programs. Additional school funds will come from the State Fiscal Stabilization Fund. The Police Department is expected to receive \$4M through a Byrne grant and should receive additional funding from the competitive COPS grant program.

These funds should be targeted to provide long-term benefits in areas such as technology without creating long-term commitments by artificially propping up employee levels that cannot be supported in two or three years. The City should insure full accountability of the funds received and how they are spent.

For municipal infrastructure funding, the Administration has submitted a list of transportation projects that are ready to go in 180 days and can be completed in two years. A few of the “shovel ready” projects that meet these criteria have already been awarded stimulus funds totaling \$40M from the Boston Region Metropolitan Planning Organization (MPO). Projects approved so far include:

- Dorchester Avenue including reconfiguring four major intersections
- Roadway resurfacing of six roads
- Technology to link traffic lights & signals