



City of Phoenix

To: Mayor and Council
Executive Team

Date: March 26, 2009

From: Karen Peters
Government Relations Director

Subject: FEDERAL UPDATE: MARCH 20 – MARCH 26, 2009

This memorandum provides an update of the past week's federal activities – Congressional action, lobbying and national meetings. Please let me or Tom Remes know if you have any questions or need further information on specific legislation or issues.

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Energy Efficiency and Conservation Block Grant (EECBG) Funds

Vice President Biden and Energy Secretary Chu announced plans to invest \$3.2 billion in energy efficiency and conservation projects in U.S. cities, counties, states, territories, and Native American tribes. The EECBG program, funded by President Obama's American Recovery and Reinvestment Act (ARRA), will provide grants for projects that reduce total energy use and fossil fuel emissions, and improve energy efficiency nationwide.

The funding will support energy audits and energy efficiency retrofits in residential and commercial buildings, development and implementation of advanced building codes and inspections, and creation of financial incentive programs for energy efficiency improvements. Other eligible activities include transportation programs that conserve energy, projects to reduce and capture greenhouse gas emissions, renewable energy installations on government buildings, energy efficient traffic signals and street lights, deployment of combined heat and power and district heating and cooling systems.

Up to \$456 million of this funding will be made available under a separate competitive solicitation for local energy efficiency projects. That solicitation will be released at a later date.

The City of Phoenix will receive \$15,233,500 of formula funding, approximately \$1 million more than the City of Philadelphia will receive. The city's federal lobbyists had several discussions with Department of Energy staff and Congressman Pastor's office about the need to use a formula that incorporates the most up-to-date census data so that Phoenix's true population figures are reflected.

American Recovery and Reinvestment Act (ARRA) Transit Funds

The federal stimulus program allocated approximately \$65 million dollars for shovel-ready transit projects in the greater metropolitan Phoenix area to help create jobs and give the local economy a boost. Last week, the Valley Metro Board of Directors, which represents

14 cities and towns as well as Maricopa County, determined how funds would be distributed and what projects they would recommend for these funds. On Wednesday night, the Maricopa Association of Governments (MAG) Regional Council approved an agenda item to disburse the ARRA transit funds and include the projects in the MAG 2008-2012 Transportation Improvement Program (TIP).

The City of Phoenix will receive \$28,521,217 out of the ARRA 5307 funding for the following shovel-ready projects:

- Central Station Transit Center Refurbishments
- Happy Valley/I-17 Park and Ride Construction
- Pecos Road/40th St Park and Ride Expansion
- Regionwide Preventative Maintenance
- Intelligent Transportation System Enhancement – Regional Transit Stop Data
- Citywide Bus Stop Improvements
- Regionwide Light Rail Park and Ride Shade Canopies

Additionally, the City of Phoenix will receive \$640,070 out the ARRA 5309 Fixed Guideway Modernization funding for:

- Bus Access Crossover at Bell Road/SR-51

American Recovery and Reinvestment Act (ARRA) Highway/Street Funds

The MAG Regional Council also approved an agenda item to disburse the ARRA highway/street funds and include the projects in the MAG 2008-2012 Transportation Improvement Program (TIP). For the highway disbursement, the ARRA legislation sub-allocates 30 percent of the highway funding to local jurisdictions in Arizona. The amount sub-allocated to MAG was \$104.6 million, of which Phoenix will receive \$35,436,181. These funds will be used for various street improvements including pavement preservation and overlays.

New ARRA Lobbying Requirements

Last Friday, the White House unveiled new restrictions for the \$787 billion fiscal stimulus package in a Presidential Memorandum, including requirements barring lobbyists from meeting with administration officials regarding funding proposals and requiring agencies to post any communications with lobbyists regarding funding proposals on a public website. Government Relations and Law Department staff are reviewing the impact of this memorandum.

Senate Budget Resolution

On Thursday, the Senate Budget Committee approved Chairman Kent Conrad's (D-ND) budget resolution with few changes. This action ensures that the full Senate will consider a plan largely similar to President Obama's \$3.55 trillion request. The vote was 13 to 10, along party lines. The full Senate will debate the resolution next week. The proposal includes less non-defense discretionary spending and fewer details over how to overhaul the healthcare system and curb global warming than the White House version. But, it does deal with President Obama's top priorities of healthcare, energy, education and deficit reduction.

