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**CITY COUNCIL REPORT**

**CITY CLERK DEPT.**

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**POLICY AGENDA**

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TO: Lisa Takata  
Deputy City Manager

AGENDA DATE: January 7, 2014

FROM: Tom Remes  
Government Relations Director

ITEM: 3B

SUBJECT: 2014 FEDERAL LEGISLATIVE AGENDA

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This report describes the City's proposed federal agenda for the second session of the 113th Congress. Once input is received from the Mayor and Council, the agenda will define the City's federal legislative and regulatory priorities and guide the City's lobbying activities at the federal level. This report contains the overall priorities for four issue groups: (I) Transportation; (II) Public Safety; (III) Community Development; and (IV) Water and Environment. A detailed description of departmental priorities and specific milestones for each issue group is provided in Attachment A.

**BACKGROUND AND GUIDING PRINCIPLES**

The City has many critical relationships with the federal government, and is committed to understanding and complying with federal laws and regulations that impact our operations. The federal government provides significant grant funding to the City. Some funds pay for operating programs such as Head Start, police officers, and emergency preparedness. Other funds pay for capital improvements like airports, transportation, and river restoration projects. Some funds are distributed by formula and others are competitive grants. In return for these federal funds, the City becomes responsible for compliance with established requirements.

With the elimination of earmarks and the decline in federal grant funds, the City works to identify new grant opportunities for program funding. Applying for and securing grants from non-traditional sources, such as private foundations and large corporations, is critical to the City's grant fund portfolio.

The City interacts with Members of Congress and works regularly with the federal agencies that handle regulations and funding. It is vital for the City to work with our federal partners in order to achieve successful outcomes. The federal lobbying team in Washington, D.C. is an integral part of the City's success as they are able to negotiate with the numerous federal agencies and assist City staff with resolving the myriad of issues that occur.

In order to prioritize and guide federal lobbying efforts, staff recommends that the Mayor and Council endorse two guiding principles as the highest priorities: (1) to promote fiscal sustainability and (2) to protect local authority.

### Promote Fiscal Sustainability

To promote fiscal sustainability, the City would, for example, support efforts to achieve parity in federal funding for Phoenix with other cities of equivalent population. Staff would also oppose federal actions imposing unfunded mandates on cities or reducing funding available for important programs or infrastructure needs.

### Protect Local Authority

To protect local authority, staff would support federal action that empowers local communities and oppose efforts to preempt local decisions.

## PROPOSED AGENDA FOR CALENDAR YEAR 2014/FEDERAL FISCAL YEAR 2015

Staff from departments within each issue group identified their priorities for Calendar Year 2014/Federal Fiscal Year (FFY) 2015. Priorities represent specific requests from the City's departments; and action items represent the measureable outcomes. These departmental requests are consistent with the City's guiding principles. Staff recommends that the City include the following specific issues in its agenda for FFY 2015.

### I. Transportation - Aviation, Street Transportation, and Public Transit

Staff from the City's Aviation, Street Transportation, and Public Transit Departments identified the following priorities.

#### A. Aviation

Aviation staff identified priorities of (1) eliminating across-the-board budget cuts at the Federal Aviation Administration (FAA), (2) working to address airport funding and staffing needs, (3) opposing unfunded mandates, and (4) seeking federal funding for capital airport projects.

#### B. Street Transportation

Street Transportation staff recommends advocating for federal funding through transportation reauthorization, grants, and/or appropriations for large capital projects including arterial expansions, bridges, and improvements to freeway projects in Phoenix.

#### C. Public Transit

Public Transit staff identified priorities of (1) continuing to dedicate a portion of motor fuels taxes to the Mass Transit Account, (2) identifying alternative reliable federal sources to fund public transit, (3) restoring the Alternative Fuel Tax Credit, (4) revising federal funding, (5) securing funding in the President's annual budget for light rail, and (6) increasing capital funding for the region to advance the replacement of aging rolling stock used for fixed route services.

#### D. Surface Transportation Reauthorization Legislation

Staff recommends that the City work to include the following priorities in the next surface transportation reauthorization bill: (1) increase federal transportation infrastructure investment, (2) place program emphasis on energy independence and sustainability, (3) support an urban focus, (4) streamline and simplify the federal aid

process, with direct funding to large cities and Metropolitan Planning Organizations (MPOs), and (4) support a longer term (four to six years) authorization upon expiration of the Moving Ahead for Progress in the 21st Century Act (MAP-21) to allow for better planning.

## **II. Public Safety – Police, Fire, Office of Emergency Management, Regional Wireless Cooperative, Prosecutor, and Family Advocacy Center**

Staff from the City's Police, Fire, Office of Emergency Management, Regional Wireless Cooperative, Prosecutor, and Family Advocacy Center Departments identified the following priorities.

### **A. Police**

Police Department staff identified priorities of (1) identifying funding to make public safety technology enhancements to improve service to the community, (2) ensuring adequate funding for programs supporting local public safety efforts, and (3) advocating for public safety grants and programs.

### **B. Fire**

Fire Department staff recommended that the City continue efforts to (1) advocate for sustained funding levels for the Urban Search and Rescue (USAR) program, Staffing for Adequate Fire and Emergency Response (SAFER) and the Assistance to Firefighters (AFG) grant programs, and (2) search for funding opportunities to expand the Crisis Response Unit program.

### **C. Office of Emergency Management (OEM)**

Emergency Management staff identified priorities to maintain and enhance the region's emergency/disaster response capacity by (1) advocating for a higher federal risk level ranking, (2) ensuring that the Metropolitan Medical Response System (MMRS) remain an individual federal program, and (3) advocating for homeland security grants and programs.

### **D. Regional Wireless Cooperative (RWC)**

The RWC staff identified priorities of (1) advocating for the passage of the Middle Class Tax Relief and Job Creation Act of 2012, (2) requesting that the First Responder Network Authority (FirstNet) take specific clarifying actions regarding the National Public Safety Broadband Network (NPSBN), and (3) continuing to pursue postponement of the January 2017 FCC deadline for 700 MHz narrow-banding to Calendar Year 2024.

### **E. City Prosecutor's Office**

City Prosecutor's staff recommends that the City seek funding through appropriations or competitive processes to (1) expand and improve service to the community through a Prosecutor's Office Domestic Violence Unit, (2) develop and expand the City's Veterans Court, and (3) develop technological solutions for receipt of evidence in criminal cases.

**F. Family Advocacy Center (FAC)**

FAC staff recommends asking Congress to (1) fully fund Violence Against Women Act (VAWA) priorities, (2) maintain a \$1.07 billion dollar cap on Victims of Crime Act (VOCA) funding, and (3) increase funding for Futures Without Violence, which is a critical funding source for domestic violence shelters and the National Domestic Violence Hotline.

**G. Comprehensive Immigration Reform**

On March 26, 2013, the Mayor and Council adopted a policy statement to “support immigration reform legislation that offers border control and security for Arizona without imposing new mandates on local law enforcement, as well as an immigration system that fosters economic development, preservation of families and allows all of the residents of Phoenix to fully participate in our economy and community.” Staff recommends that the City continue to work closely with the federal lobbying team and the U.S. Conference of Mayors and National League of Cities (NLC) to track and provide input on immigration reform legislation and support legislation that includes the Mayor and Council's priorities.

**III. Community Development – Neighborhood Services, Housing, Human Services, and Community & Economic Development**

Staff from the City's Neighborhood Services, Housing, Human Services, and Community & Economic Development Departments identified the following priorities.

**A. Neighborhood Services**

Neighborhood Services staff identified priorities to support full funding in the areas of (1) Community Development Block Grants, (2) the Neighborhood Stabilization Program, (3) the Weatherization Assistance Program, and (4) the Lead Based Paint Hazard Control Grant.

**B. Housing**

Housing staff identified priorities to provide full funding in the areas of (1) Public Housing Operating Subsidy, (2) Public Housing Capital Fund Program, (3) Section 8/ Housing Choice Voucher Program, (4) Choice Neighborhood Initiative, (5) HOME Investment Partnerships Program, and (6) Other Housing Programs.

**C. Human Services**

Human Services staff identified priorities to maintain or increase funding levels in the areas of (1) Head Start, (2) Low Income Home Energy Assistance Program, (3) Community Services Block Grant, (4) Older Americans Act, (5) Homeless Emergency Assistance & Rapid Transition to Housing Act, and (6) Social Services Block Grant.

**D. Community & Economic Development**

Community & Economic Development staff identified priorities in the areas of (1) working with the University of Arizona, Arizona State University, and other partners to identify linkages and enhance funding for bioscience education and research at Phoenix Bioscience Center, Medical School and Downtown Campus, (2) creating waivers for Arizona to expand Graduate Medical Education (GME), (3) making the New

Market Tax Credits (NMTTC) program permanent and seeking additional funding, (4) protecting Luke Air Force Base, (5) reauthorizing the Workforce Investment Act (WIA), and (6) requesting continuing funding for Phoenix YouthBuild.

#### **IV. Water and Environment – Water Services, Environmental Programs, Public Works, and Parks & Recreation**

Staff from the City's Water Services, Environmental Programs, Public Works, and Parks & Recreation Departments identified the following priorities.

##### **A. Water Services**

Water Services staff identified priorities in the areas of (1) appropriating funding to complete the Rio Salado Oeste Ecosystem Restoration, (2) securing funding for the Tres Rios Environmental Restoration and Flood Control, (3) establishing a Federal Infrastructure Bank, (4) monitoring Chemical and Cyber Security Legislation, (5) monitoring new Stormwater Regulations, (6) working to clarify the jurisdiction of the Clean Water Act on the Waters of the U.S., (7) monitoring the Drinking Water Standards, (8) providing comments on the Lacey Act, and (9) monitoring Environmental Protection Agency (EPA) regulations in Water Quality Standards. An overall goal is to minimize EPA and Endangered Species Act mandates that impact cost of water supplies, water and wastewater system operation and stormwater management.

##### **B. Environmental Programs**

Environmental Programs staff identified priorities in the areas of (1) advocating for legislation that would provide federal funding for environmental assessment, clean-up and redevelopment of Brownfields, (2) participating in local, state, and federal efforts to reform the Endangered Species Act, and (3) continuing to work with the EPA to revise its rule to provide more clarity and flexibility to states in their Exceptional Event demonstrations in the Clean Air Act.

##### **C. Public Works**

Public Works staff identified priorities in the areas of (1) identifying opportunities for federal funding and authorization in furtherance of the City's sustainability program, such as funding for acquisition of open space and preserve lands or other incentives for energy efficiency programs and solid waste diversion programs, (2) continuing funding for the Better Buildings Competitive Grant, (3) identifying funding opportunities for Solar and Sustainable Communities programs, and (4) funding for power or fuel production projects using solid waste resources Landfill Programs.

##### **D. Parks & Recreation**

Parks & Recreation staff identified the following two priorities to (1) support funding for America's Great Outdoors program as well as for competitive and discretionary grants to assist with purchase of property in the City's Sonoran Preserve and (2) coordinate and interact with the U.S. Department of Interior and tribal communities to transition the property at the northeast corner of Indian School Road and Central Avenue to community use.

#### **RECOMMENDATION**

Staff recommends approval of this proposed federal agenda.

## Attachment A

### 2014 FEDERAL LEGISLATIVE AGENDA DETAILED DESCRIPTION OF DEPARTMENTAL PRIORITIES

#### I. Transportation – Aviation, Street Transportation, and Public Transit

Staff from the City's Aviation, Street Transportation, and Public Transit Departments identified the following priorities and milestones.

##### A. Aviation

In 2013, the Aviation Department had to contend with impacts to the Federal Aviation Administration (FAA) as a result of mandatory, across-the-board federal budget cuts enacted by Congress known as sequestration. As a result of sequestration, the FAA furloughed air traffic controllers in the spring of 2013 and proposed to eliminate funding for the Phoenix Goodyear Airport Contract Tower effective June 15, 2013. While Congress eventually funded both of these areas by using Airport Improvement Program (AIP) capital funds, this was only through FFY 2013. For FFY 2014, the FAA faces continued uncertainty as to how and when sequestration will be implemented. These decisions will have a direct impact on the Aviation Department.

With Congress' continued focus on agency budget reductions and recent raid on AIP funds, maximizing the spending power of user-specific fees such as the Passenger Facility Charge (PFC) is crucial. The PFC, which is the main source of funding for the Aviation Department's capital improvement programs, has not been increased from the current rate of \$4.50 since 2000. Since 2000, the value of the dollar has fallen and construction costs have risen, yet the PFC is still at \$4.50, eroding the purchasing power of airports to build facilities to serve the traveling public.

Phoenix Sky Harbor is actively working to expand its international flights and recently added service from Guadalajara, Mexico and added service from Mexico City in December 2014. Customs and Border Protection (CBP) hours of operation and staffing levels remain of key importance to the Aviation Department. This ensures the ability to receive international flights at the times requested by the airlines and assists with passengers being processed through Customs in a timely fashion. A November 2012 economic impact study conducted by the W.P. Carey School of Business found that non-stop international flights created a total economic impact of approximately \$3 billion within the Greater Phoenix metropolitan area in 2011. The ability to receive international flights is critical to the entire Phoenix metropolitan area's economic growth.

Finally, the Aviation Department continues to face the challenge of unfunded federal mandates. On October 1, 2013 the Transportation Security Administration (TSA) informed the Department that on January 1, 2014, it must assume responsibility for staffing all exit lanes, a function the Aviation Department has never before assumed and which properly belongs with the TSA after the events of September 11, 2001. It is estimated that this unfunded mandate will cost approximately \$1.3 million annually. This change was announced without the TSA going through the Notice of Proposed Rulemaking Process outlined in the Administrative Procedures Act.

Aviation staff recommends that the City continue to work on the following priorities:

- Eliminate across-the-board budget cuts at the Federal Aviation Administration (FAA), including the specific and unequal targeting of the Contract Tower Program.
- Increase the Passenger Facility Charge (PFC) from \$4.50 to \$8.50 with future indexing for inflation.
- Increase staffing for Customs and Border Protection (CBP) at airports of entry to allow for a maximum processing time of 30 minutes; allow either overtime for after-hours service or expanded CBP operating hours.
- Maintain or enhance Transportation Security Administration (TSA) staff available to screen passengers through security checkpoints and maintain a 10-minute standard wait time.
- Oppose unfunded mandates, including exit lane staffing.
- Advocate for additional time for the FAA to evaluate its plan to require airports to implement its Safety Management System (SMS), with a focus on the unfunded costs to implement the SMS, the liability of airports and the expansion of the scope of Federal Aviation Regulation (FAR) Part 139.
- Seek federal funding for the following airport projects:
  - Phoenix Sky Harbor Airport --Reconstruction of Terminal 4 North Apron – Phase I (federal share \$12,000,000).
  - Phoenix Sky Harbor Airport - Reconstruction of East Hold Bay (federal share \$5,625,000).
  - Phoenix Deer Valley Airport - Construction of Acute Angle Taxiway Connectors A6 and A7 (federal share \$1,566,000).
  - Phoenix Goodyear Airport -Rehabilitation of Runway 3-21 (federal share \$3,700,000).

#### B. Street Transportation

Staff recommends advocating for federal funding available through transportation reauthorization, grants or appropriations for large capital projects identified in bold font below, and an explanation for each recommendation is provided.

- Design and construct the **67th Avenue Salt River Crossing between Southern Avenue and Broadway Road**, a bridge crossing including roadway and intersection improvements. The project provides a regionally significant roadway for the southwest area of Phoenix and another point of access across the Salt River in times of flooding, increasing traffic flow and helping to eliminate traffic congestion on the existing parallel bridges. The project reduces operation costs during flooding periods and supports continued development in an underserved area of the City that has experienced rapid growth. A design concept report has been completed that outlines design options and associated cost estimates.
- Design and construct **dry crossings (bridges) for all major arterials in the northeast region of the Phoenix metropolitan area**, bounded by the Central Arizona Project (CAP) on the south, Carefree Highway on the north, the Interstate 17 Freeway (I-17) on the west and Cave Creek Road on the east. Many large drainage conveyances in the area require extensive bridge dry-crossings. These crossings are regionally significant and would alleviate some congestion along the I-17 through this area.

- Design and construct **Avenida Rio Salado/Broadway Road (ARS), located between 67th Avenue and 51st Avenue**. The ARS project is an integral part of the planned regional transportation system, including connections to the planned State Route (SR) 30 freeway and the SR 202 Loop. ARS would also improve access to downtown and provide an east-west alternative to Interstate 10 (I-10), which demonstrates continued traffic congestion. Construction of roadway improvements and a bridge across the Salt River between 67th Avenue and 51st Avenue also gives this project regional significance as river crossings are at a premium in this area. In addition, the segment from 51st Avenue to 7th Street is currently funded and has obtained final environmental clearance to proceed.
- Design and construct **bridge crossings for all major arterials in the northwest region of the Phoenix metropolitan area**, bounded by the CAP on the south, Carefree Highway on the north, city boundary on the west and 7th Avenue on the east. Many large drainage conveyances in the area require extensive bridge dry-crossings. These crossings are regionally significant and would alleviate some congestion along the I-17 through this area.
- On the **segment of I-17 from I-10 East to Loop 101 (Agua Fria/Pima), construct additional general purpose lanes, provide for High Occupancy Vehicle (HOV) lanes, and extend the existing HOV lane system along I-17 from I-10 East adjacent to Sky Harbor International Airport**. Improvements are programmed through FFY 2024. In addition, the project proposal would request funding for the continuation of High Capacity Transit (HCT) along I-17 from Bethany Home Road to Loop 101 and consideration for a HCT Multimodal east-west connection that would extend the Northwest Extension of the Phoenix Light Rail Transit (LRT) at Dunlap and 19th Ave to the MetroCenter along the Mountain View Road corridor.
- **On the segment of I-10 from 83rd Avenue to 32nd Street, construct additional general purpose lanes in conjunction with a future HCT Corridor along I-10 from Central Phoenix to 83<sup>rd</sup> Avenue that is currently scheduled for 2019**. This project would accelerate implementation of these planned improvements, as well as connect to any future HCT Corridor west of 83rd Avenue for the West Valley.

### C. Public Transit

MAP-21 repealed several discretionary Federal Transit Administration (FTA) programs, making most FTA programs formula-based. The primary remaining discretionary program is the Section 5309 Fixed Guideway Capital Investment Program, which has been used in the Phoenix metropolitan area for light rail projects.

Staff recommends that the City continue work on the following transit-related legislative priorities:

- Continued dedication of a portion of motor fuels taxes to the Mass Transit Account to provide a predictable fund source for public transit.
- With the decline of the motor fuels tax revenue, identify alternative reliable federal sources to fund public transit.
- Restoration of the Alternative Fuel Tax Credit, which provides about \$3.2 million per year for the City's alternative fuel operations.
- Revise federal funding formulas to mitigate the negative impact of 2010 Census data on the Phoenix-Mesa Urbanized Area (UZA) funding apportionment.

- There are five new large UZAs as a result of the 2010 Census, receiving a projected total apportionment amount of \$90 million. As a result, apportionments for preexisting large UZAs will be decreased as more share in only a slightly larger total amount of large UZA funding. The FFY 2012 Section 5307 Phoenix-Mesa UZA apportionment was \$52 million. The FFY 2013 partial year apportionment (approximately half-year with a Continuing Resolution through March 27, 2012) for the Phoenix-Mesa UZA is \$22.6 million, which projects to a full year apportionment of about \$45 million, a decrease of nearly \$8 million for FFY 2013.
- Secure up to \$20.6 million in the President's annual budget for construction of the Central Mesa light rail extension, bringing the total Section 5309 funding up to \$75 million (City is the federal designee for federal transit funds).
- To help achieve the FTA's goals relative to Transit Asset Management and State of Good Repair as outlined in MAP-21, increase capital funding for the region to advance the replacement of aging rolling stock used for fixed route services. Replacements will be needed in the coming years for local and Bus Rapid Transit (BRT) routes, and the region is looking to expand its articulated fleet in order to accommodate passenger demands, as well as to keep fleets in good working order.
- With the expiration of MAP-21 on September 30, 2014, support a longer term transportation reauthorization bill, for a minimum of four to six years. Transit planning is a long term issue and a two year reauthorization does not provide a consistent funding stream that allows for long term planning for activities such as facility construction and fleet replacement.

#### D. Surface Transportation Reauthorization Legislation

In June 2012, Congress approved the 27-month surface transportation reauthorization bill known as Moving Ahead for Progress in the 21st Century Act (MAP-21). This measure set the stage for future transportation policy, and made changes to the distribution of funding for federal highway and public transportation funding.

Since MAP-21 is a short-term bill, Congress has already begun working on a new authorization bill. Staff recommends that the City work to include the following priorities in the next surface transportation reauthorization bill:

- Significantly increase federal transportation infrastructure investment.
- Place program emphasis on energy independence and sustainability.
- Support an urban focus that heightens the federal commitment to mass transit and other alternatives to highways and private autos.
- Dramatically streamline and simplify the federal aid process, with direct funding to large cities and Metropolitan Planning Organizations (MPOs).
- Longer term (four to six years) authorization upon expiration of MAP-21 to allow for better planning.

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#### Transportation Milestones for FFY 2014/2015:

- Schedule at least six meetings with key members of Congress or staff on the issues of PFC reform and CBP staffing.

- Meet at least once a quarter with the FAA or Department of Homeland Security (DHS) agencies, such as the TSA or CBP, to discuss key administrative and/or legislative issues, including the Safety Management System FAR Part 139, noise data, One Engine Inoperable surfaces, alternative delivery methods for capital projects and CBP staffing levels.
- Meet at least four times with key members of Congress or staff on surface transportation reauthorization, emphasizing the need for a long term surface transportation authorization bill.
- Meet at least four times with key members of Congress or staff on continuation of Alternative Fuel Tax Credit.
- Meet at least four times with key members of Congress or staff on identifying alternative reliable federal sources to fund public transit.

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## **II. Public Safety – Police, Fire, Office of Emergency Management, Regional Wireless Cooperative, Prosecutor, and Family Advocacy Center**

Staff from the City's Police, Fire, Office of Emergency Management, Regional Wireless Cooperative, Prosecutor, and Family Advocacy Center Departments identified the following priorities and milestones.

### **A. Police**

Police Department staff identified its priorities of (1) making public safety technology enhancements to improve service to the community, (2) ensuring adequate funding for programs supporting local public safety efforts, and (3) advocating for public safety grants and programs.

#### **1. Public Safety Technology Enhancements to Improve Service to the Community -**

Staff recommends seeking funding through appropriations or competitive processes to:

- Expand local/regional critical infrastructure protection capacity: Funding would be utilized to expand the capacity of the Automated Reconnaissance and Information Acquisition (ARIA) project that was initiated in 2006 by the City as part of the National Infrastructure Protection Plan, which is designed to protect the critical infrastructure in and around the Phoenix urban area. The goal of the ARIA project is to provide public safety officials with data that may be readily converted into a practical format to reduce risk, maintain the integrity of critical infrastructure sites and efficiently prevent criminal activity. One of the primary capabilities inherent with the ARIA project involves the use of high quality security cameras, which provide officials and managers the type of comprehensive, real-time information about a situation that can only come from a live video feed. Through this initiative, the Police Department would expand the capacity of the current system through the acquisition of additional fixed, portable and mobile camera assets. None of these components are covert in nature and are easily recognized as security camera equipment. By deploying this technology, the Police Department would be able to expand its police presence to promote safety without the need for additional personnel resources.

- Establish a Digital Evidence Unit within the Police Department: Funding would be utilized to establish a dedicated Digital Evidence Unit within the Police Department. The need for this function has grown exponentially in recent years as the number of digital hand-held devices such as smart phones have become a common means for communication by society. Information such as texts, emails, camera images, and web history contained on these devices provide immense investigative benefit during the course of criminal investigations. Digital evidence examinations performed on these devices, however, require specialized equipment to extract the data; trained personnel to perform the examination; and adequate storage capacity that is maintained in a secure environment to ensure the evidentiary value of the data is preserved throughout the criminal justice process.

Also contributing to the need for a Digital Evidence Unit is the increasing amount of digital evidence being produced on a daily basis by new technologies employed in the field, including audio/video from on-officer camera systems, high-resolution photos from crime scenes and surveillance camera footage. Funding through this initiative would be used to secure the infrastructure needed (computers, network upgrades, extraction devices and data storage) to establish the unit. With the creation of a Digital Evidence Unit, digital evidence examinations performed by the Police Department would be completed by trained, certified personnel using updated instrumentation and policy that would be most appropriate. It would also ensure the extracted data and related reports would be properly stored and managed to preserve evidentiary integrity.

- Support infrastructure improvements in the Police Department's crime laboratory: Funding would be utilized to purchase a software application to interface with the Arizona Department of Public Safety (DPS) Crime Laboratory's Rapid Hit DNA program. The software would allow for the sharing of local DNA databases, including DNA profiles from suspects and deceased individuals, which is currently not possible using the federal Combined DNA Index System (CODIS). Use of this system would also allow for the possibility of conducting familial DNA searches in collaboration with the DPS crime laboratory. These two uses would greatly enhance the Police Department's ability to solve violent crimes.

Funding would also be used to acquire new instrumentation to expand the crime laboratory's evidentiary capacity and to replace aging instrumentation, ensuring the high levels of service currently being achieved continue to be maintained.

- Develop an advanced messaging infrastructure for the City's justice partners: Funding would be utilized to establish an advanced messaging infrastructure for the City's justice partners (Police Department, Municipal Court, Prosecutor's Office and Public Defender's Office), to securely and reliably communicate criminal justice information. This technology infrastructure is essential for the City's existing and future justice system data sharing requirements and will be expanded to other departments that handle civil and criminal case information, including the Fire Department, Parks and Recreation Department, Neighborhood Services Department, Finance Department and Public Works Department. Increased criminal justice exchanges through the messaging infrastructure will

eliminate many current manual processes performed by staff within each department. This proposal will significantly improve the City's justice information integration as recommended by the Phoenix Justice System Innovations and Efficiency Study. Expand local/regional critical infrastructure protection capacity: Funding would be utilized to expand the capacity of the Automated Reconnaissance and Information Acquisition (ARIA) project that was initiated in 2006 by the City as part of the National Infrastructure Protection Plan, which is designed to protect the critical infrastructure in and around the Phoenix urban area.

2. Ensure Adequate Funding for Programs Supporting Local Public Safety Efforts - Staff recommends continued support for federal programs and initiatives that aid local public safety efforts, such as those offered through the Office of Community Oriented Policing Services (COPS) and the Edward Byrne Memorial Justice Assistance Grant (Byrne-JAG) Program. For more than a decade, the COPS Office and the Byrne-JAG grant programs have enhanced the City's capacity to combat crime and violence in our communities.
3. Advocating for Public Safety Grants and Programs – Staff recommends the City continue to advocate for public safety grants and programs that provide direct support and resources to assist in multi-jurisdictional crime fighting and prevention efforts.

#### B. Fire

With the passage of the Patient Protection and Affordable Care Act (PPACA), the Phoenix Fire Department may need to change its emergency medical services delivery model to be compliant with the new law. The Fire Department will need to determine what, if any, certification and training will be required of Emergency Medical Technicians and Paramedics in order to comply with the PPACA.

The Staffing for Adequate Fire and Emergency Response (SAFER) and the Assistance to Firefighters (AFG) grant programs provide funding directly from the Federal Emergency Management Agency (FEMA) to local fire departments. The SAFER grant program provides assistance to increase the number of frontline firefighters in local communities and the AFG program provides needed firefighting equipment to local communities.

Phoenix has received grant funding for a total of 98 firefighter positions for three years from the SAFER program and numerous AFG grants for firefighter safety training and equipment.

The Urban Search and Rescue (USAR) program provides trained emergency responders from all over the nation for natural and manmade disasters. Phoenix, a member of the Arizona Task Force One group, has been a member of the program since 1994. Federal funds are provided for equipment, training and planning.

Staff recommends advocating sustained funding levels for the USAR, SAFER and AFG programs.

Public safety personnel at the scene of an incident must concentrate their efforts on protecting and investigating crime scenes, performing emergency medical assistance or conducting fire suppression. A consistent resource, such as the Phoenix Fire Department's Crisis Response Units, helps maintain that focus by responding on scene and assisting with crisis stabilization and emotional recovery of crime victims or other individuals suffering a traumatic event, such as a house fire. Crisis Response crews conduct an assessment and provide an appropriate connection to resources and referrals, thus alleviating the need for first responders to remain on scene, and allowing emergency personnel to utilize their time more effectively. Crisis Response crews also provide support to first responders by assisting with calls involving social service or behavioral health complications. These callers often utilize the 9-1-1 system as a means for assistance when other services would be more appropriate, which causes emergency response units to be unavailable for other needs. Crisis Response teams can assess and connect these individuals through case management and follow-up services with appropriate entities and alleviate hundreds of calls from the dispatch system.

Staff recommends searching for funding opportunities to expand the Crisis Response Unit program.

#### C. Office of Emergency Management (OEM)

Residents of Phoenix and the surrounding region have benefited from Department of Homeland Security (DHS) and Department of Justice (DOJ) programs. DHS distributes Homeland Security Grant Program (HSGP) funds to help build enhanced and sustainable preparedness capabilities to prevent, protect, respond, mitigate and recover from acts of terrorism, human-caused incidents, and natural disasters. The City is a recipient of two grants that have been significantly reduced under the HSGP: UASI and the State Homeland Security Grant Program (SHSGP). In FFY 2011, the Phoenix Urban Area Security Initiative (UASI) allocation was \$7.7 million; in FFY 2012, the allocation was \$4 million. For FFY 2013, the Phoenix Urban Area received an increase of \$1.5 million for a total award of \$5.5 million.

Phoenix UASI grant funds have been used to assess critical infrastructure sites, implement target hardening measures to protect those sites, purchase equipment and vehicles, conduct training and exercises and develop programs such as the Terrorism Liaison Officer Program and Community Emergency Response Teams (CERT).

The Phoenix UASI is in jeopardy of losing funding or being eliminated as an eligible Urban Area. The number of UASIs was reduced from 64 to 31 in FFY 2011 and reduced to 25 in FFY 2013. For FFY 2014, all 12 Federal Emergency Management Agency (FEMA) State and Local Grants may be bundled and the Secretary of Homeland Security has the authority to determine final funding levels. There is also a possibility that DHS would limit grants to the highest risk areas.

Staff recommends continuing to advocating that Phoenix be ranked higher in the federal risk level in order to obtain funding that, as the nation's sixth largest city, Phoenix should receive in order to sustain its capability to protect the region and its residents. DHS determines a region's risk level based on a number of factors that are reflected in its Metropolitan Statistical Area (MSA) formula. Staff is working with DHS and related

agencies to confirm that the data they are using for the Phoenix area is accurate and interpreted correctly.

The Metropolitan Medical Response System (MMRS) is a grant program under the HSGP that provides funding to support integration of emergency management, health, and medical systems into a coordinated response to mass casualty incidents caused by any hazard. It is critical that the MMRS program continue to be an individual program at the federal level, rather than be bundled or absorbed by another program.

Staff recommends continuing to work closely with Congress and the federal agencies to retain the Phoenix UASI and sustain funding levels for UASI, SHSGP and MMRS.

#### D. Regional Wireless Cooperative (RWC)

Passage of the Middle Class Tax Relief and Job Creation Act of 2012 established the First Responder Network Authority (FirstNet) to oversee allocation of the “D-block” of 700 MHz radio spectrum for use in developing and deploying the National Public Safety Broadband Network (NPSBN). FirstNet established a State, Regional, Local and Tribal Consultation Committee and directed it to establish and execute FirstNet’s State, Regional, Tribal and Local Consultation Plan. The Arizona Public Safety Interoperable Communications (PSIC) office is responsible for coordinating the State of Arizona’s responses to FirstNet. The RWC Executive Director, as well as other information technology subject matter experts, serve on Arizona’s NPSBN policy subcommittee.

Staff proposes requesting that FirstNet take the following actions regarding the NPSBN:

- Carefully consider the financial impacts to the region regarding access and use of state, county and City-owned right-of-ways and microwave or other infrastructure for the NPSBN.
- Clearly communicate that the NPSBN is a data system, not intended to replace public safety land mobile radio (LMR) in the foreseeable future.
- Develop clear and simple grant guidance that enables equitable and coordinated grant funding opportunities for local jurisdictions.

The Federal Communications Commission (FCC) has mandated narrow-banding of all 700 MHz channels allocated for public safety use by January 2017. The narrow-banding requirement would limit RWC talk-groups using existing 800 MHz equipment to provide region-wide roaming for end users; therefore, all 800 MHz infrastructure must be transitioned, in order to comply with the 700 MHz narrow-banding deadline. This process entails replacing base stations and other equipment at a cost of over \$40 million and subscriber equipment costs exceeding \$90 million for RWC participants. The RWC has filed two FCC petitions on behalf of its 20 members. The FCC recently ruled in favor of the state of Louisiana’s petition to delay the narrow-banding implementation date to 2024.

Staff recommends that the City continue to pursue postponement of the January 2017 FCC deadline for 700 MHz narrow-banding to 2024, as was allowed for the state of Louisiana.

#### E. City Prosecutor's Office

City Prosecutor's staff recommends that the City pursue the following legislative priorities:

First, staff recommends seeking funding through appropriations or competitive processes to implement a designated Domestic Violence Unit in the City of Phoenix Prosecutor's Office. Funding would allow for 10 dedicated domestic violence prosecutors, 10 dedicated victim service advocates and 10 dedicated support staff members to handle all aspects of a domestic violence case from charging to case conclusion. Funding would include technology hardware for each position (i.e., high resolution printers for quality reproduction of photographs of injuries, laptops for use in court, etc.)

The Domestic Violence Unit would work closely with the police precincts and the Family Investigations Bureau to increase communication during the charging and prosecution of domestic violence cases. The Domestic Violence Unit would also work closely with the community to develop problem-solving initiatives to promote the "change the culture" and reject domestic violence. Specialization would improve the ability of prosecutors and advocates to understand and respond to victim behavior, increase offender accountability and to educate and provide outreach assistance for community awareness.

Second, staff recommends seeking funding through appropriations or competitive processes to further develop and expand the City's Veterans Court. The funding would allow for additional services for veterans, including a peer support program, a navigator program, two dedicated contract defense attorneys, a prosecutor and a community specialist to oversee the coordination of all justice and mental health partners involved in the court process, as well as oversight of existing and implementation of new programs. According to the National Center for State Courts, successful specialized problem-solving courts require dedicated and specially trained prosecution and defense attorneys. Funding would include the technology to support each position.

Third, staff recommends seeking funding through appropriations or competitive processes to further develop and expand the Prosecutor's Office Electronic Case Management System and its integration with Police Department business systems and the Records Management System (RMS) currently being developed. The funding would allow for the development of business systems that would provide the exchange of information. Funding could include programming to develop interfaces by which to receive and exchange information both internally and in order to meet the Prosecutor's Office's disclosure requirements in criminal cases. The Prosecutor's Office has developed electronic interfaces to disclose evidence to defense attorneys. However, some evidence is still being stored, copied and provided in hard copy form. Providing these items electronically would save staff time and costs associated with materials, storage and mailing. The systems that would be developed would be available to the Prosecutor's Office, Police Department, Municipal Court, Public Defender's Office, Fire Department, Parks Department, Neighborhood Services Department, Finance Department and Public Works Department.

#### F. Family Advocacy Center (FAC)

Though the FAC Victim Services Unit does not receive any grant funding for program operations, FAC community partners (both on-site and community based) are impacted by federal funding through the Violence Against Women Act (VAWA) and the Victims of Crime Act (VOCA). In addition, Services/Training/Officers/Prosecution (STOP) funding and Futures Without Violence (formerly the Family Violence Prevention and Services Acts) funding supports a diverse local network of nonprofit and government agencies that interact with and provide services in support of domestic and sexual violence victims and services.

Staff recommends asking Congress to:

- Fully fund VAWA priorities and exempt them from sequestration or other reductions, thus increasing funding for STOP grant funding available to criminal justice system partners including victim services, courts, prosecution and law enforcement.
- Maintain a \$1.07 billion dollar cap on VOCA funding and the requirement that Congress may not move VOCA funding to non-VOCA federal programs.
- Increase funding for Futures Without Violence, which is a critical funding source for domestic violence shelters and the National Domestic Violence Hotline.

#### G. Comprehensive Immigration Reform

On March 26, 2013, the Mayor and Council adopted a policy statement to “support immigration reform legislation that offers border control and security for Arizona without imposing new mandates on local law enforcement, as well as an immigration system that fosters economic development, preservation of families and allows all of the residents of Phoenix to fully participate in our economy and community.” Staff recommends that the City continue to work closely with the federal lobbying team and the U.S. Conference of Mayors and National League of Cities (NLC) to track and provide input on immigration reform legislation and support legislation that includes the Mayor and Council's priorities.

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#### Public Safety Milestones for FFY 2014/2015:

- Meet and communicate with the congressional delegation and federal officials on a quarterly basis in the following areas: 1) Reauthorization of the 9/11 Act; 2) Restructuring of SHSGP; and 3) Accuracy and correct interpretation of the Phoenix MSA formula and corresponding data.
- Detailed briefings for Arizona delegation regarding homeland security/emergency response needs in the MSA.
- Meetings between the Phoenix Chief of Police and staff from the Department of Justice in support of funding opportunities for the Department's technology needs.
- Meetings between the Phoenix Chief of Police and members of the Arizona Congressional Delegation to secure support for law enforcement/criminal justice technology enhancements.
- Briefings for Congressional and agency staff regarding funding to reinstate a Domestic Violence Unit in the City of Phoenix Prosecutor's Office.
- Briefings for Congressional and agency staff regarding Veterans Court expansion.

- Secure delegation and other support for criminal justice partner technology improvements.
- Attend detailed briefings for congressional delegation regarding homeland security/emergency response needs in the Phoenix metropolitan area.
- Track and report significant activities of the FirstNet Board specifically related to grant funding and policy impacts on local government.
- Track and report actions taken by the FCC's Public Safety and Homeland Security Bureau related to the FCC's 2017 deal for narrowbanding 700 MHz.

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### **III. Community Development – Neighborhood Services, Housing, Human Services, and Community & Economic Development**

Staff from the City's Neighborhood Services, Housing, Human Services and Community & Economic Development Departments identified the following priorities and milestones.

#### **A. Neighborhood Services**

Neighborhood Services staff identified priorities in the areas of (1) Community Development Block Grants, (2) the Neighborhood Stabilization Program, (3) the Weatherization Assistant Program, and (4) the Lead Based Paint Hazard Control Grant.

##### **1. Community Development Block Grants (CDBG):**

CDBG is a critical priority as the financial cornerstone of sustainable revitalization in our City during the current economic times. Phoenix has used CDBG funds as the catalyst for extensive partnerships and fivefold leveraging of resources that have turned neighborhoods around; however, more than \$1 billion in funding has been cut at the national level over the past three years.

According to U.S. Census data, Phoenix experienced growth in population, poverty, overcrowded and aging housing units and other indicators of need far in excess of national averages. In 2010, the Phoenix poverty rate rose at twice the rate of increase nationally. Yet Phoenix, as the sixth largest city in the country, is only twelfth in CDBG funding and receives less funding per capita than many other cities. The CDBG distribution formula must be reformed to reduce the funding disparity between older communities and fast growing central cities like Phoenix.

Staff recommends asking Congress to:

- Support CDBG funding at a minimum of \$3.3 billion nationally, which would return program funding to the FFY 2011-12 level.
- Reform the CDBG formula for distribution of block grants to communities.

##### **2. Neighborhood Stabilization Program (NSP) and Foreclosures:**

Despite recent improvement, homeowners in distress continue to have a destabilizing influence on Phoenix neighborhoods. Based on unprecedented high foreclosure rates, Phoenix received over \$116 million in three NSP funding rounds to address foreclosed properties. The program is contributing to a widespread improvement in the Phoenix housing market: 506 Phoenix homebuyers have purchased foreclosed homes; 1,866 multi-family units have been purchased and are being rehabilitated; and a failed subdivision has been rescued and completed. The NSP projects are providing jobs

through contracts with small and economically disadvantaged Phoenix construction companies.

Phoenix NSP partners and programs have received various recognitions for their accomplishments, including the U.S. Department of Energy Challenge Home Builder Award, Valley Forward Environmental Excellence Crescordia Award and two Most Valuable Partner Awards from the Phoenix HUD office, among others.

Staff recommends asking Congress to:

- Continue funding programs such as NSP that help to stabilize neighborhoods with high foreclosure rates.
- Continue foreclosure prevention efforts like the Home Affordable Refinancing Program (HARP), which is currently expanding to increase the number of homeowners who can qualify for refinancing at lower rates. Housing counseling funding is also critical to both preventing foreclosures and promoting new, financially healthy homeownership of vacant homes.

### 3. Weatherization Assistance Program (WAP):

WAP is a one-time grant to homeowners that funds repair and/or replacement of existing energy-related building components and improvements to reduce energy consumption, such as sealing duct systems; insulation; cooling and heating systems; and lowering heat-gain through windows and doors. Over the years, the City has successfully provided assistance to low-income residents through this program.

Staff recommends asking Congress to support funding WAP at 2008 funding levels. This will provide funding to meet the community need and support critical weatherization workforce jobs.

### 4. Lead Based Paint Hazard Control (LBPHC) Grant:

Since 1995, the City has received eight LBPHC grants funded by HUD to address lead hazards in privately-owned housing. The City's Lead Hazard Control Program has remediated lead hazards in 1,377 privately-owned low-income housing units where children under six years of age reside. The program has also provided significant community education for 30,312 people and trained 466 housing industry workers in lead-safe work practices.

Staff recommends asking Congress to continue full funding of the LBPHC Grant.

## B. Housing

As the City's Public Housing Authority (PHA), it is the Housing Department's charge to provide decent, safe, sanitary and affordable housing for Phoenix's families. Continuous federal funding cuts and prorations have had a significant negative impact on the condition of the inventory and service levels the PHA is able to provide. The Housing Department continues to review its financial position to minimize the impact on core services caused by ongoing funding cuts, sequestration and overly-burdensome administrative regulations.

Housing staff identified priorities in the areas of (1) Public Housing Operating Subsidy, (2) Public Housing Capital Fund Program, (3) Section 8/Housing Choice Voucher Program, (4) Choice Neighborhood Initiative, (5) HOME Investment Partnerships Program, and (6) Other Housing Programs.

**1. Public Housing Operating Subsidy:**

Staff requests support for full funding of operating costs based on the negotiated funding formula for public housing operating funds and prevention.

**2. Public Housing Capital Fund Program (CFP):**

Over the past several years, CFP appropriations have significantly fallen behind the actual need to maintain and modernize aging housing stock. These cuts impair the City's ability to provide necessary capital improvements to the aging public housing stock. Staff requests support for adequate funding that supports annual capital improvement needs.

**3. Section 8/Housing Choice Voucher Program:**

Staff requests support for full funding of the Section 8/Housing Choice Voucher (HCV) program and restoration of full funding for administrative fees. These funding appropriations are necessary to ensure that the needs of the vulnerable families participating in the City's housing programs are met. Additionally, staff requests support for substantive voucher program administrative and regulatory reform.

**4. Choice Neighborhood Initiative (CNI):**

CNI, an innovative program to help transform neighborhoods with extreme poverty into mixed income neighborhoods, is the successor program to HOPE VI. Staff requests continued support and funding appropriation for this valuable housing revitalization program, especially targeting PHAs.

**5. HOME Investment Partnerships Program (HOME):**

Staff request support for restoring funding for the HOME program, which allows Phoenix to prioritize and address critical affordable housing needs.

**6. Additionally, for FFY 2015 staff requests congressional support for the following:**

- Advocacy for the reauthorization and expansion of the Move to Work (MTW) program.
- Support for and clarification of policies and programs that allow for additional options to invest in and preserve existing public housing stock, such as the Rental Assistance Demonstration (RAD) program.
- Support for fungibility across programs to help offset proration and continued reductions in funding, allowing PHAs to direct resources toward their highest priority need regardless of funding source.
- A halt to overly burdensome policies that PHAs are unable to implement due to funding and staffing restrictions.
- Expansion of rental assistance through Section 202 Supportive Housing for the elderly.

### C. Human Services

Human Services staff identified priorities in the areas of (1) Head Start, (2) Low Income Home Energy Assistance Program, (3) Community Services Block Grant, (4) Older Americans Act, (5) Homeless Emergency Assistance & Rapid Transition to Housing Act, and (6) Social Services Block Grant.

#### 1. Head Start Programs:

The FFY 2013 funding level for Head Start was authorized at approximately \$8.017 billion. As a result of sequestration, the actual funding was reduced to approximately \$7.573 billion. As a result, the City received a 5.27 percent decrease in funding. A total of 186 slots and 11 City staff positions were eliminated. In addition, contractors also eliminated 20 staff positions.

The City does not receive its fair share of funding for Head Start services. The program is currently able to serve only 24 percent of eligible children, well below the national average of 40 percent. With designation renewal leading to re-competition of funding, the Office of Head Start has the opportunity to remedy the inequity in levels of service across the country. Head Start should be encouraged to target the re-competition of these funds to underserved areas including Phoenix.

Staff recommends asking Congress to:

- Appropriate Head Start funding at a minimum of \$8.1 billion.
- As part of the designation renewal process, redistribute Head Start slots to areas such as Phoenix that are not receiving their fair share.

#### 2. Low Income Home Energy Assistance Program (LIHEAP):

The Mayor and Council, staff and community leaders have all worked extensively with the Arizona Congressional delegation to increase Arizona's share of LIHEAP funds. The primary strategy has been to seek appropriation levels triggering funding to warm weather states. Additionally, the City continues to build a coalition to seek legislative formula revisions.

In FFY 2012, the LIHEAP appropriation was reduced by 23 percent. The resulting reduction for the State of Arizona was 28 percent. The amount of the reduction was caused by two factors. First, a "hold-harmless" clause within the new LIHEAP funding formula prioritizes winter heating over summer cooling needs. Second, Congress continues to override the application of the new formula for the majority of the appropriation using the old formula which does not include any cooling factors. The 28 percent decrease reduced the program's capacity in Phoenix by approximately 5,000 households annually. FFY 2013 and 2014 have been funded at FFY 2012 levels. LIHEAP remains unauthorized since 2007.

The City currently receives over \$5 million in LIHEAP funds to provide emergency utility assistance to approximately 10,000 households. LIHEAP helps low-income households make utility payments more affordable, avoid shutoff of utility services and maintain a safe and healthy environment for households with young children, elderly and disabled. Without these payments, utility disconnections can lead to further issues such as job loss, sickness and homelessness.

For FFY 2015, staff recommends asking Congress to:

- Reauthorize and appropriate LIHEAP funding at \$5.1 billion.
- Ensure Arizona receives its fair share of base and emergency LIHEAP funding by eliminating new formula overrides and removing the “hold harmless” clauses from the entire LIHEAP allocation formula.
- Reform the distribution formula for emergency contingency LIHEAP funding so that it is awarded through the same base funding formula to assure low-income families in Phoenix receive their fair share of relief from rising energy costs.

### 3. Community Services Block Grant (CSBG):

CSBG supports employment, food, housing, health and emergency assistance to low-income families and individuals (including those without children who do not qualify for other types of assistance like Medicaid), the homeless and the elderly. HHS distributes these funds to states based on population. States, in turn, distribute 90 percent of the funds to local community action agencies. CSBG authorization expired in 2003.

The City’s Human Services Department is designated as the Community Action Agency for the City and currently receives \$1.2 million in CSBG funding, representing a 7 percent reduction from prior year funding, as a result of sequestration. Every dollar in CSBG funds received by the City leverages \$41 in matching dollars from federal, state and local sources. As a result of this leveraging, any reduction in CSBG would have a far more consequential impact than the actual reduction, as it would also decrease capacity to fully use leveraged funding dependent on CSBG’s flexibility. Moreover, a reduction or elimination of CSBG funding would impair the City’s capacity to collaborate with community partners to provide an integrated network of services for low-income people. These partnerships include case management services to homeless families, domestic violence initiatives and technical assistance to community and faith-based social service programs and developing nationally recognized Earned Income Tax Credit and financial education programs.

The President’s FFY 2014 budget proposed a 50 percent reduction in CSBG for the second year in a row. The budget provides \$350 million and proposes to use competition to target funds to high-performing agencies that are most successful in meeting important community needs. A 50 percent reduction to the City would be approximately \$700,000, impacting approximately 1,200 Phoenix residents. The basis for the proposed reductions is Community Action Agencies are not held accountable by producing national program outcomes. Producing meaningful national outcomes remains a challenge for a block grant designed to meet local needs.

Staff recommends asking Congress to:

- Support at least \$700 million in CSBG funding for FFY 2015.
- Support reauthorization of CSBG at a minimum of \$746 million.

### 4. Older Americans Act:

The Older Americans Act (OAA) provides funds for Meals on Wheels (home delivered meals), congregate meals, senior center services, transportation, family caregiver support, home and community services, health promotion and disease prevention, civic engagement and community service employment for low-income older workers. The Administration on Aging within HHS distributes these funds to states. The State of

Arizona, in turn, distributes the funds to eight regional Area Agencies on Aging (AAA), which allocate to local funding providers that compete for the funds in specific service areas.

The City currently receives approximately \$2.4 million in OAA funding from AAA Region One. In FFY 2013, the City used these funds to provide up to 354,000 nutritious, home-delivered meals to seniors and disabled adults.

Staff recommends asking Congress to:

- Support reauthorization of OAA; the current authorization lapsed in 2012.
- Support the National Council on Aging request for \$2 billion for FFY 2015, which was also proposed for FFY 2012 and 2013.

5. Homeless Emergency Assistance & Rapid Transition to Housing (HEARTH) Act: The 2009 HEARTH Act substantially changed the McKinney-Vento Homeless Assistance programs in 2011. Through sequestration, the City received a 24.8 percent reduction to its allocation of Emergency Solutions Grant (ESG) funds in FFY 2013-14, from \$1.3 million to \$1.08 million.

The City's Human Services and Housing departments continue to collaborate by combining wrap-around outreach and re-housing services with housing vouchers. This collaboration reflects the Housing First model for serving chronically homeless individuals and families and is in line with HUD and local priorities. Continued federal funding is critical for the success of the Housing First model and will provide valuable emergency shelter, prevention, outreach and rapid re-housing services to the community. The HEARTH Act authorized the program for two years.

Staff recommends asking Congress to:

- Support for reauthorization of the HEARTH Act.
- Return appropriation of \$2.231 billion for HEARTH Homeless Assistance Grants or limit reductions to those already incurred by grantees.

6. Social Services Block Grant (SSBG):

SSBG provides funding to states for a broad range of services, providing a flexible funding source that enables local communities to meet the unique needs of their most vulnerable populations, with primary focus on low-income children, families, elderly and persons with disabilities. Every dollar in SSBG funds received by the City leverages \$98 in matching dollars from federal, state and local sources. As a result, any reduction in SSBG would have a far more consequential impact than the actual reduction. A reduction would also decrease capacity to fully use leveraged funding dependent on SSBG's flexibility. In Phoenix, SSBG funds provide direct casework services at Family Services Centers. Since 1996, SSBG funds have been reduced from \$2.8 billion to \$1.7 billion. Congress has not passed any increases or provided a means to assure SSBG funding keeps pace with inflation.

Staff recommends requesting Congress to continue to appropriate at least \$1.7 billion for SSBG for FFY 2015.

#### D. Community & Economic Development

Community & Economic Development staff identified priorities in the areas of (1) Phoenix Bioscience Center, Medical School and Downtown Campus, (2) Graduate Medical Education (GME), (3) New Market Tax Credits (NMTC), (4) Protection of Luke Air Force Base, (5) Workforce Investment Act (WIA):, and (6) Phoenix YouthBuild.

##### 1. Phoenix Bioscience Center, Medical School and Downtown Campus:

The City has worked with the Translational Genomics Research Institute to support construction of its facility in downtown Phoenix, which is also the headquarters of the International Genomics Consortium. Staff recommends that the City continue working with the University of Arizona, Arizona State University and other partners to encourage federal funds for research at the Phoenix Bioscience Campus.

##### 2. Graduate Medical Education (GME):

In 1997 Congress placed a cap on the number of GME positions that the Medicare program would support. The cap was set at the number of GME positions that Medicare supported in 1996 on a hospital-specific basis. As a result, a hospital that wished to increase its number of GME positions had to cover the entire cost of the new positions from other sources. Not surprisingly, new GME positions established in the country as a whole during the past 15 years are substantially fewer than the number established in the 15 years before the cap, and are unevenly distributed throughout the country.

Among all of the states, Arizona and Georgia have been most disadvantaged by imposition of this cap. The Arizona and Georgia GME enterprises rank 37<sup>th</sup> and 41<sup>st</sup> in size, respectively, among all of the state GME enterprises and the states' physician workforces rank 33<sup>rd</sup> and 41<sup>st</sup> in size, respectively, among all state workforces. Moreover, Arizona, the 16<sup>th</sup> most populous state, grew its population by 26.4 percent during 2000-11 and Georgia, the ninth most populous state, grew by 19.9 percent during the same period. It is clear that both states will have a limited ability to generate a physician workforce adequate for their populations, primarily due to the fact that they have small GME enterprises. (Arizona needs 850 new residency positions just to meet the national average.) As a result, both states face the prospect of experiencing a major physician shortage in the coming years.

Growing states must expand their GME enterprises to meet physician supply needs for the future. While simply removing the GME cap would create a significant rise in Medicare expenditures for GME, allowing individual states to seek a waiver from the GME cap, based on physician workforce considerations and significant growth, will have a negligible impact on total Medicare expenditures for GME. Staff requests support to seek legislation that would grant Arizona and Georgia a waiver, allowing them to expand their GME enterprises and, thereby, avoid a major physician shortage.

##### 3. New Market Tax Credits (NMTC):

On January 1, 2012, the NMTC program was extended for two years. In Phoenix, the NMTC program provides competitively-priced loans to encourage private sector investment in qualified low-income communities in Phoenix. The Department of Treasury Community Development Financial Institutions Fund awarded Phoenix Community Development and Investment Corporation (PCDIC) \$263 million in NMTC allocations: \$170 million in 2003, \$40 million in 2008 and \$53 million in 2011. The

allocations have been capitalized with traditional lenders and corporate tax credit investors from across the U.S. The loans attracted over \$350 million in additional private investment, which funded acquisition, new construction and/or rehab of commercial real estate. Presently, PCDIC is managing a commercial real estate portfolio of \$276 million.

PCDIC certified to the Department of Treasury in its June 30, 2013 annual report that these NMTC investments have created 3,852 construction jobs, 9,384 additional new jobs, plus retained 1,700 jobs in Phoenix. While this program supports a range of economic development strategies, NMTC is particularly valuable to the City's efforts to implement neighborhood and downtown commercial revitalization.

Staff supports the efforts of the NMTC Coalition to obtain congressional approval to make the NMTC program permanent after 2013 as well as to seek an additional \$5 billion annually.

#### 4. Protection of Luke Air Force Base:

Luke Air Force Base was established in 1941 on land donated to the federal government by the City. It has evolved in the decades since to become a major economic force in the Phoenix region. The City partners with west valley cities and Maricopa County to protect and enhance Luke Air Force Base (AFB). Our goals are to:

- Protect the mission of Luke AFB by ensuring property owner participation and cooperation in federally-funded acquisition of land.
- Advocate for follow-on and joint missions for Luke AFB.
- Assist to secure and safeguard funding for Luke AFB.
- Monitor any Base Realignment and Closure Commission (BRAC) or other Force Structure Adjustment-related issues.

#### 5. Workforce Investment Act (WIA):

Reauthorization of WIA is nine years overdue. Given current economic conditions and high unemployment rates, workforce services are in high demand.

National education, labor and other organizations have provided recommendations for WIA reauthorization regarding the size of public boards; sequence of services; performance measures; reporting requirements; and infrastructure funding. Staff recommends continued support for authorizing and appropriating actions to increase resources and provide maximum flexibility for service delivery and training for the 21<sup>st</sup> century economy and workforce. The City recommends continuing to partner with Maricopa County to inform the Congressional delegation about workforce needs in our region and the positive impacts of federal funding.

Staff recommends asking Congress to:

- Reauthorize WIA to maintain strong local flexibility for cities and local Workforce Investment Boards and ensure that local and regional employer needs are met.
- Ensure that the one-stop systems are demand-driven, responsive and reflective of local workforce needs.
- Support WIA appropriations with separate streams of level funding to preserve current adult, dislocated worker and youth service levels.

#### 6. Phoenix YouthBuild:

YouthBuild funds are used to provide workforce development services for young people that support GED completion, academic and work-related skill attainment, gainful employment and connection to vocational/post-secondary education.

The Phoenix YouthBuild Program is a comprehensive community development program that provides people between 16-24 years of age the opportunity to work towards a GED while learning construction skills. Construction projects range from restoring multi-unit buildings to building single family homes in the sustainable construction industry. Strong emphasis is placed on leadership development and community service.

Staff recommends asking Congress to continue funding for the YouthBuild Program.

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#### Community Development Milestones for FFY 2014/2015:

- Work with HUD, City staff and Congress on CDBG regulation changes, especially the development of a population and needs-based formula for allocation of funds. The outdated two-formula allocation system has caused significant cumulative disparity in allocations throughout the country during the past 35 years.
  - Support interagency initiatives that improve the urban environment through more coordinated use of limited resources, policies or practices.
  - Support programs for distressed homeowners, particularly housing counseling.
  - Provide input regarding the implementation of the various consumer protection aspects of the Dodd-Frank Act, the new Office of Housing Counseling and the National Mortgage Settlement.
  - Work with HUD and Congress on revisions to NSP to adapt to changing market conditions via letters or other means of depicting Phoenix-specific needs and providing recommendations.
  - Support innovative pilot projects looking at utilizing the Housing First model with public housing programs providing a waiver for project participant eligibility for chronically homeless families without impacting overall eligibility criteria.
  - Work with key Congressional members and HUD officials in Washington to prevent further cutbacks to the Phoenix Emergency Shelters Grant (ESG) formula allocation.
  - Research and report on new fair share funding strategies, including allocation formula reforms and coalition building, to prevent cutbacks to the CDBG, ESG, LIHEAP and Head Start programs.
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#### **IV. Water and Environment – Water Services, Environmental Programs, Public Works, and Parks & Recreation**

The City has worked in partnership with federal agencies such as the Environmental Protection Agency (EPA) to improve our water, land and air quality and enrich the environment of our community. One large-scale effort has been with the U.S. Army Corps of Engineers (USACE) to restore the dry and environmentally-damaged Salt River bed. Three projects – Rio Salado, Rio Salado Oeste and Tres Rios – span over 20 miles in Phoenix and link with other flood control and river restoration projects in the

Phoenix metropolitan area. The City's interests also include any legislation that affects clean air and water, the Endangered Species Act, water security, salinity research and regulations, brownfields legislation, as well as energy and sustainability programs.

Staff from the City's Water Services, Environmental Programs, Public Works, and Parks & Recreation Departments identified the following priorities and milestones.

#### A. Water Services

Water Services staff identified priorities in the areas of (1) Rio Salado Oeste Ecosystem Restoration, (2) Tres Rios Environmental Restoration and Flood Control, (3) Establishment of a Federal Infrastructure Bank, (4) Chemical and Cyber Security Legislation, (5) New Stormwater Regulations, (6) Waters of the U.S., (7) Drinking Water Standards, (8) Lacey Act, and (9) Water Quality Standards. An overall goal is to minimize Environmental Protection Agency (EPA) and Endangered Species Act mandates that impact cost of water supplies, water and wastewater system operation and stormwater management.

##### 1. Rio Salado Oeste Ecosystem Restoration:

Completion of the \$100 million Rio Salado Habitat Restoration Area from 24<sup>th</sup> Street to 19<sup>th</sup> Avenue is an important accomplishment for the City in collaboration with USACE. Rio Salado provides needed habitat for Arizona wildlife, regional trails and economic development benefits beyond the banks of the riverbed. The next segment of the plan is the Rio Salado Oeste ecosystem restoration project. Rio Salado Oeste will restore an 8-mile reach of the Salt River between 19<sup>th</sup> Avenue and 83<sup>rd</sup> Avenue. The project is currently in the first phase of design from 19<sup>th</sup> Avenue to 51<sup>st</sup> Avenue. Since 2008, the project has received appropriations of over \$3.4 million.

Staff recommends seeking appropriation of \$1.5 million (the balance of FFY 2012 CR of \$1.646 million) to USACE for Rio Salado Oeste pre-engineering and design.

##### 2. Tres Rios Environmental Restoration and Flood Control:

Tres Rios is a 500-acre constructed wetlands, flood control and environmental restoration project with water quality benefits and recreation opportunities along the Salt, Gila and Agua Fria Rivers located downstream from 83<sup>rd</sup> Avenue, west of Phoenix. Water for wetlands and river restoration will be supplied by the 91<sup>st</sup> Avenue Wastewater Treatment Plant (WWTP). The wetlands are critical to expansion of the WWTP and provide an economical alternative for meeting water quality standards. Tres Rios also will provide flood control to more than 600 structures in the project area.

The USACE has completed the project's levee from 105<sup>th</sup> Avenue to 123<sup>rd</sup> Avenue. The flow regulating wetlands and over-bank wetlands were completed in November 2010. The pump station for a continuous water supply to the constructed wetlands was completed in July 2012. Phases III A & B, in-river features, from 105<sup>th</sup> Avenue to El Mirage Road, were completed in May 2012. Phase III C, which has yet to be designed or constructed, will complete the final reach of the environmental restoration of the Salt and Gila Rivers, from El Mirage Road to the confluence with the Agua Fria River. The recreational component of the project is scheduled to be constructed and completed by October 2014, which will include public access to the constructed wetlands for passive recreation and bird watching.

Staff recommends asking Congress to:

- Appropriate \$15 million to the USACE for continued construction of Tres Rios.
- Include reauthorization of the Tres Rios Project at a maximum cost of \$238 million in the Water Resources Development Act (WRDA) of 2014 or 2015.
- Re-introduce language to waive 902 limits for two years, allowing the USACE to include Tres Rios in its work plan to complete the final stage of the project.

### 3. Establishment of a Federal Infrastructure Bank:

Over the past year, there has been discussion about creating a new financing mechanism using elements of existing programs along with new tools based on the National Infrastructure Bank legislation proposed in the last Congress. Funds such as loan guarantees and additional assistance to state revolving fund programs would be available for replacing infrastructure as well as for new infrastructure and an infrastructure bank would review and prioritize projects for funding.

Staff recommends support of this or similar proposals.

### 4. Chemical and Cyber Security Legislation:

The current Administration has suggested that chemical facilities, including water and wastewater treatment plants, are potential terrorist targets and that better protective measures should be mandated. There has also been debate about the risks of cyber attacks on critical infrastructure. In the past Congress, several bills were proposed to require water utilities to develop security and emergency response plans, with the federal government developing baseline threat information and designating substances of concern and threshold quantities that would trigger regulatory actions. A key point of contention is the issue of "inherently safer technologies" that would require water utilities to reduce/replace the use of gaseous chlorine as a disinfectant with "safer" disinfection. The "safer" technologies come with problematic limitations, especially for the desert Southwest.

Staff recommends that the City continue to participate in the national discussion to represent the City's concerns.

### 5. New Stormwater Regulations:

The EPA released a draft strategy that outlined plans for new rules and initiatives for a number of water quality issues, including expansion of coverage for municipal stormwater permits. Among other things, EPA wants to ensure that storm sewer systems use green infrastructure approaches, including long-term control plans for sewer overflows and green infrastructure alternatives in enforcement orders and consent decrees. EPA also plans to develop wastewater treatment requirements that minimize the effects of sanitary sewer overflows, expand stormwater permitting to currently unregulated areas and establish performance standards for stormwater discharges. New regulations often are drafted on a "one size fits all" model that is ill-suited for the arid Southwest and that may create implementation problems for Phoenix and other southwestern cities.

Staff recommends that the City continue to participate in the national discussion to represent the City's concerns.

#### 6. Waters of the U.S.:

In September 2013, the EPA announced that it would abandon pursuit of guidance on Waters of the US and instead pursue a formal rulemaking process to clarify the jurisdiction of the Clean Water Act (CWA). The EPA and USACE sent a draft rule to the White House Office of Management (OMB) the same day of this announcement. The EPA's decision to pursue rulemaking will afford the City an opportunity to comment on the proposed rule.

Staff recommends that the City continue to monitor and participate in the rulemaking process to represent City concerns.

#### 7. Drinking Water Standards:

Recent EPA decisions indicate an effort to promulgate additional drinking water standards. The drinking water industry expects to see several new or revised standards proposed in the next year or two, likely including perchlorate, nitrosamines, several volatile organic chemicals, chromium and revisions to the lead copper rule.

Regulation of hexavalent chromium and perchlorate are controversial, with some members of Congress lobbying heavily to set new rules. The EPA previously released health assessments on both, but new information suggests plans to announce a decision regarding the need to regulate them.

Staff recommends that the City continue to monitor and participate in this discussion.

#### 8. Lacey Act:

The U.S. Fish and Wildlife Service (FWS) recently announced it was considering categorical exclusion for several organisms, including quagga mussels. Categorical exclusion under the Lacey Act prohibits any interstate transfer of a listed species for any reason. Categorical exclusion would greatly shorten the listing process and one of the first species in line would be quagga mussels, which have recently been found in the Colorado River and several Arizona lakes and canals. Water supply in the arid Southwest cannot function without the transfer of water over state borders, which would be impacted by these changes.

Staff recommends that the City continue to monitor and participate in this discussion

#### 9. Water Quality Standards:

The EPA recently proposed a rule outlining a number of possible revisions to water quality standards. These regulations directly impact states and how they establish and implement their water quality programs. The proposed water quality standards serve as a guide to states in implementing their permitting programs and each state subsequently determines discharge permit conditions, including monitoring requirements and discharge limits for pollutants. Many of the proposed changes would ultimately impact permitted discharges under the Clean Water Act's National Pollutant Discharge Elimination System (NPDES) permits. The City holds several of these permits as issued by the EPA and Arizona Department of Environmental Quality (ADEQ).

Staff recommends that the City continue to monitor and participate in this discussion

#### B. Environmental Programs

Environmental Programs staff identified priorities in the areas of (1) Brownfields, (2) Endangered Species Act, and (3) Clean Air Act.

##### 1. Brownfields:

Staff recommends that the City monitor and advocate for legislation that would provide federal funding for environmental assessment, clean-up and redevelopment of brownfields, including federal tax credits for environmental cleanup.

##### 2. Endangered Species Act:

The City is impacted by various requirements of the Endangered Species Act. Staff recommends that the City continue to participate in local, state and federal efforts to reform the Endangered Species Act that promote a reasonable balance between protection and recovery of threatened and endangered species and the regulatory impacts of the Act on the City and its operations.

##### 3. Clean Air Act (CAA) – EPA Exceptional Events Rule for PM-10:

The City and region are significantly impacted by EPA's current approach to interpreting and implementing CAA provisions for addressing high levels of particulate matter (PM-10) air pollutants due to high winds. The EPA's Exceptional Events Rule that implements those CAA provisions is flawed. Staff recommends that the City continue to work with the EPA to revise its rule to provide more clarity and flexibility to states in their Exceptional Event demonstrations; better ensure cooperation between EPA and states; and ensure reasonable and consistent implementation of the rule.

#### C. Public Works

Public Works staff identified priorities in the areas of (1) Open Space and Solid Waste, (2) Better Buildings Competitive Grant, (3) Solar and Sustainable Communities, and (4) Landfill Programs.

##### 1. Open Space and Solid Waste:

The City is committed to sustainability and strong environmental stewardship and has initiated and implemented many programs that go beyond regulatory requirements and laws, resulting in national recognition and a local leadership role.

Staff recommends researching opportunities for federal appropriation and authorization language in furtherance of the City's sustainability program, such as funding for acquisition of open space and preserve lands or funding or other incentives for energy efficiency programs and solid waste diversion programs, such as a waste-to-energy project. The City would also benefit from solid waste research and development to maximize diversion, recycling and beneficial reuse.

##### 2. Better Buildings Competitive Grant:

Phoenix received a \$25 million American Recovery and Reinvestment Act of 2009 (ARRA) Better Buildings Competitive Grant for Energize Phoenix, a public/private collaborative with Arizona State University and Arizona Public Service to provide

energy-efficient improvements to residences and commercial buildings along a 10-mile stretch of the light rail corridor. Specific goals of the project include:

- Reduce energy consumption through retrofits and education.
- Upgrade up to 2,000 residential and 30 million square feet of commercial/ industrial space.
- Reduce greenhouse gas/carbon emissions by 50,000 metric tons.
- Generate up to 1,000 sustainable jobs.

As the program is successfully closing out its activities, by year end 2013, the City will have completed over 800 commercial projects, accounting for over 33 million square feet of space and over 2,000 residential units citywide. Finally, six commercial projects have been completed using the financing component, in partnership with the program's financial partner.

Staff recommends continued funding of the Better Buildings Competitive Grant program that was used for the Energize Phoenix Program to enable the replication of this program in other parts of the City.

### 3. Solar and Sustainable Communities:

The City has initiated solar energy projects and, with ARRA funding and Solar Service Agreements (SSAs), plans to have over 15 megawatts (MW) of solar capacity installed on City facilities by Spring 2014. Renewable energy is a focus of sustainability efforts in Phoenix. Significant capacity can be added to City buildings to offset utility purchases from fossil-fueled generating plants and reduce the City's carbon footprint. In addition to roof-top solar projects, staff recommends that utility-scale solar projects be funded, as Arizona is uniquely positioned to develop these solar generating plants for local consumption and export to neighboring states. Realizing that transmission capacity and system constraints have made these projects extremely difficult, staff recommends seeking financial assistance (federal grants, continuation of federal loan guarantees) to effect interconnect studies and transmission line construction so that substantial solar capacity (500 MW-2 GW) can be developed in the Arizona desert and in close proximity to the Palo Verde power trading hub. These large projects can help with moving solar manufacturing to the Arizona region and spur job growth in "green" industries.

The City has considerable solid waste resources that end up in landfills, which in turn generate landfill gas through decomposition. Both resources, solid waste material and landfill gas, can be used to generate electricity for use by the local grid or fuel by-products that can fuel the City and other local government fleets. Staff requests that Congress support funding for power or fuel production projects using solid waste resources that are currently placed in landfills. These projects will eliminate flaring of digester gas, a valuable commodity, and/or extend the life of landfills by putting less solid waste in the ground.

### D. Parks & Recreation

Parks & Recreation staff identified the following two priorities:

#### 1. America's Great Outdoors:

On April 16, 2011, President Obama signed a Presidential Memorandum establishing the America's Great Outdoors Initiative to promote and support innovative community-

level efforts to conserve outdoor spaces and to reconnect Americans to the outdoors. The initiative builds on successes in communities across the country and will facilitate a national dialogue about conservation that supports the efforts of private citizens and local communities.

The America's Great Outdoors report recommends funding for a new competitive grant program targeted at public parks and green spaces, landscape conservation and recreational waterways. These grant funds will help states promote outdoor recreation and conservation in large urban centers where access to natural areas is limited or unavailable.

Staff recommends support for this initiative and any other funding opportunities for urban parks and outdoor recreation. Staff also recommends seeking competitive and discretionary grants to assist with purchase of property in the City's Sonoran Preserve.

## 2. Coordination and Interaction with the U.S. Department of Interior on Indian School Property:

Staff seeks support to coordinate and interact with the U.S. Department of Interior and tribal communities to transition the property at the northeast corner of Indian School Road and Central Avenue to community use. The federal lobbying team will use local relationships to work with federal agencies to find a successful resolution to this matter. Because of the complex trustee obligations, developing a meaningful dialogue with the local Indian Community is likely to be a key factor in this issue's success.

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### Community Development Milestones for FFY 2014/2015:

- Secure increase in 902 funding limit for Tres Rios construction as well as funding to complete work.
  - Monitor proposed federal legislation and the Federal Register for notices, proposed and final rules for regional air quality issues, stormwater, endangered species and brownfields that could impact City operations and provide updates on any meeting with pertinent federal agencies and the Arizona Congressional delegation and staff.
  - Brief Congressional and agency staff regarding City's sustainability program and objectives.
  - Look for opportunities to support growing the city's vacant lot initiative throughout the City to foster ongoing sustainability efforts to develop and overcome obstacles for blight elimination and urban decay.
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