



CITY COUNCIL ACTION REPORT

March 4, 2008

TO: Phillip L. Nelson, City Manager

FROM: Brian P. Murphy, Assistant City Manager/Economic Development Services
Timothy Richnak, Public Works Director

SUBJECT: Public Hearing – Re-programming Community Development Block Grant (CDBG) Program Year 2005 unexpended funds

Background:

- The Special Assessment Project Account for CDBG program year 2005 has a balance of \$4,703.43.
- Special Assessment costs were less than allocated based upon estimating number of residents able to qualify.
- The Flood Drain Improvements Project Account for CDBG program year 2005 has a balance of \$82,795.00.
- The balance of funds from Program Year 2005 must be expended or relinquished.
- Oakland County has recommended a walking path project in Section 36 Park, located south of Maple just west of Milverton as an eligible project under the CDBG program. This project would not be subject to Davis-Bacon if completed internally.
- Public Facilities and Improvements, Section 36 Park Walking Path Project was initiated after the 2005 CDBG application was submitted, so it was not included on our initial list of projects.

Financial Considerations:

- Unexpended funds for CDBG Program Year 2005 must be exhausted by December 31, 2008 so the City may be reimbursed by Oakland County through the CDBG Program.

Legal Considerations:

- There are no legal considerations associated with this item.

Policy Considerations:

- The proposed re-programming is consistent with City Council Goal 1 (Enhance the livability and safety of the residents) and Goal V (Maintain relevance of public infrastructure to meet changing public needs.)

Options:

- City Management recommends:
 - A. Re-programming unexpended CDBG Program Year 2005 funds in the amount of \$87,498.43 to Section 36 Park Improvement Project as follows:
 1. \$82,795.00 re-programmed from Flood Drain Improvements Project.
 2. \$4,703.43 re-programmed from Special Assessment Project Olympia and Tacoma Streets.
 - B. The addition of Public Facilities and Improvements, Section 36 Park Improvement Project to the list of CDBG projects for 2005.