



## CITY COUNCIL ACTION REPORT

March 5, 2009

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 2006 funds

### Background:

- The special assessment account for Charnwood Sanitary Sewers, CDBG program year 2006 has a balance of \$93,816.00.
- In December of 2004 the Engineering Department conducted a poll of the residents affected by the Charnwood project. Twenty (20) responses were received from residents that felt they qualified for CDBG funding based upon the income information provided them. Funding was allocated based on this survey. We received six (6) applications. Four (4) property owners qualified for Phase #1.
- Three (3) Florence Street residents have provided the necessary documentation and qualify to have their Special Assessment costs paid from our CDBG allocation.
- The balance of funds from Program Year 2006 must be expended or relinquished.
- Oakland County has recommended continuing the 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.
- Asphalt paving of Florence Street and Section 36 Park Walking Path projects were initiated after the 2006 CDBG application was submitted, so they were not included on our initial list of projects.

### Financial Considerations:

- Unexpended funds for CDBG Program Year 2006 must be exhausted by December 31, 2009 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 Outcome Statement I (Troy has enhanced the health and safety of the community and Outcome Statement II (Troy adds value to properties through maintenance or upgrades of infrastructure and quality of life venues.)

Options:

- City Management recommends:
- A. Re-programming unexpended CDBG Program Year 2006 funds in the amount of \$93,816.00 as follows:
  1. \$11,275.96 re-programmed from Sewer Benefit Fee (Special Assessment) for Charnwood Subdivision Area, Phase #1, Section 6, to Special Assessment for Asphalt Paving of Florence Street in Section 9, Project No. 08.108.1
  2. \$82,540.04 re-programmed from Sewer Benefit Fee (Special Assessment) for Charnwood Subdivision Area, Phase #1, Section 6, to Section 36 Park Improvement Project.
- B. The addition of Special Assessment for Asphalt Paving of Florence Street in Section 9, Project No. 08.108.1 and the Section 36 Park Improvement Project to the list of CDBG projects for 2006.