



Legislation Text

File #: 13-0130, Version: 1

Resolution to Accept and Appropriate an Increase in Grant Funds from the Michigan State Housing Development Authority for Neighborhood Stabilization Program for Demolition of Blighted Properties (\$96,000) **(8 Votes Required)**

Attached for your review and approval is a resolution to accept a grant for \$96,000 from the Michigan State Housing Development Authority (MSHDA) for Neighborhood Stabilization Program (NSP) funds, and allocate funds to support demolition of blighted properties in the City of Ann Arbor.

The City of Ann Arbor was previously allocated \$850,000 from NSP. These funds are a special Community Development Block Grant (CDBG) allocation. In late 2012, MSHDA announced the opportunity for existing grantees to apply for unallocated NSP funds. The Washtenaw County Office of Community and Economic Development and the City’s Community Services Area submitted a request that resulted in an additional \$96,000 in funds to support demolition of blighted properties in the City of Ann Arbor, targeted to support the removal of 700-724 N. Main. This increase in grant funds brings the total NSP award to \$946,000, the majority of which has already been expended.

This increase in funding requires update to the proposed budget for the grant which is proposed as follows:

Redevelop Abandoned/Foreclosed Residential Properties	\$738,142
Demolition of Blighted Structures	\$122,858
Administration	<u>\$85,000</u>
<b>TOTAL</b>	<b>\$946,000</b>

The City of Ann Arbor must complete NSP activities by March 15, 2013. This additional funding of \$96,000 can only be used for the demolition of structures at 700-724 North Main. Furthermore, MSHDA may make additional money available to fund this demolition project, if necessary. Given the timing of any additional funding, the resolution includes authorization for the City Administrator to accept and appropriate any additional grant funds.

- Attachment: City of Ann Arbor NSP Target Block Groups Map
- Prepared by: Brett Lenart, Housing & Community Infrastructure Manager
- Reviewed By: Mary Jo Callan, Community & Economic Development Director  
Sumedh Bahl, Community Services Administrator
- Approved By: Steve Powers, City Administrator

Whereas, The City of Ann Arbor had previously accepted \$850,000 out of a total national allocation of \$3,920,000,000 under Title III of Division B of the Housing and Economic Recovery Act (HERA) by Congress for the Neighborhood Stabilization Program (NSP);

Whereas, The State of Michigan has awarded the City an increase in this grant award by \$96,000, to a new grant total of \$946,000; and

Whereas, The increase in the grant award can only be used to demolish the structures located at 700 -724 North Main;

RESOLVED, That City Council accepts the increased grant funds to a total of \$946,000 from Michigan State Housing Development Authority (MSHDA) for Neighborhood Stabilization Program funds;

RESOLVED, That City Council appropriate, when received, grant funds in the amount of \$96,000, amend the expenditure budget in Fund 0078 as follows by the same amount during the life of the grant and authorize expenditure of the grant funds, regardless of fiscal year, for the purposes stated in the grant:

Redevelop Abandoned/Foreclosed Residential Properties	\$738,142
Demolition of Blighted Structures	\$122,858
Administration	<u>\$85,000</u>
<b>TOTAL</b>	<b>\$946,000</b>

RESOLVED, That City Council authorize the City Administrator to accept and appropriate on receipt any additional NSP grant funds made available by MSHDA for demolition of the houses located at 700-724 North Main;

RESOLVED, That the City Administrator or his designee, is authorized to take necessary administrative actions and to execute any documents necessary to accept the increased funds and that the budget be amended accordingly; and

RESOLVED, That the City Administrator or his designee is authorized to take the necessary actions and to execute any documents necessary to complete the grant activities subject to approval as to substance by the City Administrator and approved as to form by the City Attorney.