



COUNTY ADMINISTRATOR
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TO: Al Robinson, Chair
Ways & Means Committee

THROUGH: Robert E. Guenzel
County Administrator

FROM: Mark J. McFadden
Planning Director

DATE: March 10, 1999

SUBJECT: Michigan Jobs Commission CDBG, Willow Run Airport-Hanger 1

BOARD ACTION REQUESTED:

It is requested that the Board of Commissioners accept the additional funds from the Michigan Jobs Commission, Community Development Block Grant for the Willow Run Airport Hanger I project and amend the budget for an additional \$300,000 in federal funds with an additional \$200,000 match from Wayne County for a total project of \$1,600,000.

BACKGROUND:

Since 1992 Washtenaw County and Wayne County have cooperatively worked toward the goal of ensuring that the Willow Run Airport and surrounding area would again become a major center for economic development through job creation. This collaboration has lead to the possibility of either county being able to receive grant funds for major activities in the Willow Run area. Examples of such activities include road improvements, expansion of marketing efforts, reuse of the General Motors Plant, an environmental audit and airport improvement.

On December 10, 1997, the Washtenaw County Board of Commissioners passed resolution 97-0273, ratifying the Administrator's signature on the Willow Run Airport-Hanger 1 project, as written by Washtenaw County in cooperation with the Washtenaw County Workforce Development Board and Wayne County. This grant was awarded by the State of Michigan on January 1, 1998 in the amount of \$1,000,000. In addition, Wayne County provided \$100,000 of in-kind contributions.

DISCUSSION:

On January 28, 1999 the Michigan Jobs Commission Community Development Block Grant Department approved a \$300,000 grant increase to the Willow Run Airport-Hanger 1 project to cover additional expenses for major window replacement, caulking and sealing of brick facing, and general construction along the west façade of Hanger 1 that were deemed necessary by the State Historical Preservation Department. In addition, Wayne County, in cooperation with Willow Run Airport tenants, have contributed an additional \$200,000 towards the project. These increases bring the project total to \$1,600,000. Washtenaw County will not be providing funds for this project. Washtenaw County will receive a total of \$ 48,000 for administration of the grant over two years.

A minimum of one hundred-fifty new employees will be hired by the Airport tenants over two years as a result of this grant. A minimum of 51% of the funds will relate to low and moderate income personnel, as defined by the HUD income limits.

IMPACT ON HUMAN RESOURCES:

The amendment of this budget would not impact Human Resources, as the current Planning staff would continue to administer the grant, in collaboration with Wayne County.

IMPACT ON THE BUDGET:

The Community Development Block Grant funds approximately 80 percent (\$1,300,000) of the project. The balance of funds needed to complete the necessary work come from Wayne County (\$300,000). No Washtenaw County funding is requested, however, the Planning Commission will receive \$48,000 over two years for their role in administration of this grant.

IMPACT ON INDIRECT COSTS:

Indirect costs allowable through this grant total \$6,500 and are in relation to grant administration. There are no additional indirect costs associated with the grant increase.

IMPACT ON OTHER COUNTY DEPARTMENTS OR OUTSIDE AGENCIES:

Through this collaboration, Wayne County, Washtenaw County, the Washtenaw County Metropolitan Planning Commission, as well as the Washtenaw County Workforce Development Board, benefit from the receipt of this grant. In addition, there will be 150 individuals obtaining new permanent jobs.

CONFORMITY TO COUNTY POLICIES:

This request conforms with County policy.

ATTACHMENTS:

MJC Grant Amendment #1

A RESOLUTION ACCEPTING THE ADDITIONAL FUNDING IN THE AMOUNT OF \$300,000 FROM THE MICHIGAN JOBS COMMISSION, COMMUNITY DEVELOPMENT BLOCK GRANT FOR THE WILLOW RUN AIRPORT HANGER 1 PROJECT WITH AN ADDITIONAL \$200,000 MATCH FROM WAYNE COUNTY FOR AND AMENDING THE BUDGET FOR A TOTAL PROJECT OF \$1,600,000 FOR A TWO YEAR PERIOD.

WASHTENAW COUNTY BOARD OF COMMISSIONERS

MARCH 24, 1999

WHEREAS, Washtenaw County Metropolitan Planning Commission, in cooperation with the Washtenaw County Workforce Development Board and Wayne County, submitted a grant proposal to the Michigan Jobs Commission, Community Development Block Grant Program in November, 1997, to fund a project totaling \$1,100,000 to upgrade Hanger 1 over two years, subsequently approved by the State in January, 1998, and

WHEREAS, the Washtenaw County Board of Commissioners ratified the signature of the County Administrator on the Grant Application by passing resolution 97-0273 on December 10, 1997; and

WHEREAS, the project brings together various County departments and Wayne County, as well as six local airport tenants who have agreed to hire a minimum of 150 new employees over the life of the grant to be employed at Willow Run Airport; and

WHEREAS, at a minimum 51% of the funds expended through this grant benefit those individuals within the low and moderate income levels, as defined by the HUD income limits; and

WHEREAS, the repairs to the Hanger deemed necessary by State Historical Preservation requirements exceeded the previous grant amount; and

WHEREAS, an amendment to increase the grant amount has been approved by the Michigan CDBG program and Wayne County; and

WHEREAS, the funds to support this project are provided by the Michigan CDBG program (\$1,300,000) and Wayne County (\$300,000); and

WHEREAS, the Washtenaw County Planning Department will receive \$48,000 from these funds for administrative oversight of the grant to be received into the Planning Department's 1998 and 1999 general fund budgets as revenue; and

WHEREAS, this matter has been reviewed by the Finance Office, Corporation Counsel, the County Administrator, Human Resources and the Ways and Means Committee;

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby accepts the additional funding from Michigan Jobs Commission Community Development Block Grant, for the Willow Run Airport-Hanger 1 in the amount of \$300,000 with an additional match from Wayne County in the amount of \$200,000 for a total project of \$1,600,000 for a two-year period, as on file with the County Clerk.

BE IT FURTHER RESOLVED that the Board of Commissioners take the following actions in conformity with the award:

1. Amending the budget as attached hereto and made a part hereof
2. Authorizing the Administrator to sign delegate contracts, upon review of Corporation Counsel to be filed with the County Clerk

PLANNING
 WILLOW RUN HANGAR 1 IMPROVEMENT
Business Unit - 1250984600
 MY - (1998-1999)

REVENUE		ORIGINAL BUDGET	REVISED BUDGET	VARIANCE
5400	State	\$1,000,000	\$1,300,000	\$300,000
6680	Wayne County	\$100,000	\$300,000	\$200,000
	TOTAL	\$1,100,000	\$1,600,000	\$500,000

EXPENDITURES		ORIGINAL BUDGET	REVISED BUDGET					VARIANCE
70050	Personal Services	\$ 3,620	\$ 18,000					\$14,380
72600	Supplies/Other Service Charges	\$ 996,380	\$ 1,282,000	\$ 285,620	State	\$1,000,000	\$1,300,000	\$300,000
93500	In-Kind	\$ 100,000	\$300,000	\$200,000	Wayne County	\$100,000	\$300,000	\$200,000
	TOTAL	\$1,100,000	\$1,600,000	\$500,000	TOTAL	\$1,100,000	\$1,600,000	\$500,000

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