

AGENDA REPORT

TO: Mayor & City Commissioners
FROM: Ken Hibl, City Manager
DATE: March 17, 2016
RE: Approval to Submit MDNR Trust Fund Grant Application – Recreation Complex

For the Agenda of March 21, 2016

Background. The Michigan Department of Natural Resources (MDNR) Trust Fund Grant Program has a submission deadline of April 1st. The City Staff strongly recommends that the City apply for this grant opportunity to augment currently available fund sources (bond, millage, already-received grant funds, and in-kind support from the Operator's Union) to construct and develop the City's new recreation complex; the City's Parks & Recreation Advisory Board similarly recommends approval of the grant submission.

The maximum amount of funds obtainable for a successful/approved Trust Fund grant application is \$300K. However, Joy has learned through attendance at the recent state-wide recreation conference and dialogue on the MDNR's website that the probability of approval of a Trust Fund grant application is increased with an application amount of approximately \$200K. Consequently, the Commission is asked to support our grant submission in that amount.

Issues & Questions Specified. Should the City Commission approve the submittal of a MDNR Trust Fund Grant in the amount of \$200K to assist in the development of a new recreation complex?

Alternatives.

1. Approve the submittal of a \$200K grant submission.
2. Approve the submittal of a grant application lesser than or greater than \$200K.
3. Do not approve the submittal of a grant application to the MDNR Trust Fund.
4. Set aside decision regarding this matter to a subsequently scheduled public meeting.

Financial Impact. Joy has also learned that the in-kind donation (\$400K) of the Operator's Union will qualify for local match requirements of the grant application – as do the three grants (Strosacker, Gerstacker, and Chemical Bank Foundations – cumulative total of \$50K) recently received for the Rec Complex. Our total project costs are estimated to be approx. \$860K for the complex, thus more than half of those costs will be covered by these two categories of our local match. The remainder will be funded by bond proceeds, which will be repaid using the already-approved recreation millage. Consequently, we believe we will have a very highly competitive grant application

without the need to augment the application or the project with any additional tax (General Fund) dollars.

Recommendation. I recommend that the City Commission approve the Michigan Department of Natural Resources Trust Fund grant application by adoption of Resolution 2016-032 (*copy att'd*).

Attachment. Resolution 2016-032.

RESOLUTION 2016-032

A RESOLUTION OF THE CLARE CITY COMMISSION APPROVING THE SUBMITTAL OF A MICHIGAN DEPARTMENT OF NATURAL RESOURCES (MDNR) TRUST FUND GRANT APPLICATION.

WHEREAS, the City of Clare recently completed a revision of its Recreation Master Plan; and

WHEREAS, a top priority recreation project identified in said Master Plan is the development and construction of a new multi-purpose recreation complex; and

WHEREAS, the electorate of the City of Clare overwhelmingly supported the approval of a ten-year special recreation millage to provide partial funding for the development and construction of said recreation complex; and

WHEREAS, the City has applied for and received \$50,000 in grant funds from local foundations to assist in the development and construction of said recreation complex; and

WHEREAS, the City has received an offer from the Operator's Union of Howell, Michigan to provide in-kind construction services valued at \$400K to assist in the construction of the new recreation complex; and

WHEREAS, the Clare City Commission previously approved the sale of municipal bonds for the specific purpose of developing and constructing said new recreation complex; and

WHEREAS, the estimated cost of the development of the recreation complex is approximately \$860K; and

WHEREAS, the submittal and approval of a MDNR Trust Fund grant is considered essential to facilitate construction of said recreation complex.

NOW THEREFORE BE IT RESOLVED THAT the City Commission of the City of Clare, Michigan hereby approves the submittal of a Michigan Department of Natural Resources Trust Fund Grant in the amount of \$200K and offers its support and assurance that any Trust Fund dollars approved and allocated for said purpose will be applied to the development of said recreation complex and to further advance recreation activities and programs for all who use said multi-purpose recreation complex.

BE IF FURTHER RESOLVED THAT the Clare City Commission hereby authorizes Ken Hibl, its City Manager, or in his absence, Steven Kingsbury, its Treasurer & Finance Director, to execute any and all documents related to the submittal of said grant application.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INsofar AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT: Jean McConnell.

Resolution approved for adoption on this 21st day of March 2016.

Diane Lyon, City Clerk