

TOWNSHIP OF LOWER MERION

Grants and Community Development Committee

Issue Briefing

Topic: CDBG's Residential Rehabilitation Program

Prepared By: Emily Crane, Community Development Technician

Date: January 4, 2019

I. Action to Be Considered by The Board:

Approve adding \$20,443 to the previously approved expense of \$108,500 for a total of \$128,943 including a contingency cost of \$5,000 to bring this home in Ardmore to minimum standards pursuant to CDBG regulations.

II. Why This Issue Requires Board Consideration:

The Lower Merion Township CDBG Residential Rehabilitation program requires staff to obtain approval from the Board of Commissioners when a Residential Rehabilitation project funded with CDBG funds exceeds \$50,000.

III. Current Policy or Practice (If Applicable):

Approval from the Board of Commissioners is required for Residential Rehabilitation projects exceeding the \$50,000 base threshold for expenditures.

IV. Other Relevant Background Information:

This project was approved by the Board to fund the original scope of work at their July 18th meeting, with \$58,500 in additional funds over the pre-approved \$50,000. The initial funding approval was sought prior to the bidding process began in attempt to avoid a delay in the absence of an August Grants and Community Development meeting. During the bidding process and after further inspection and interior demolition work, some issues have been uncovered that must be addressed, including asbestos flooring, previously hidden sump pump draining into the public sewer, inadequate framing of the second floor ceiling, the absence of fire separation from the adjoining house in the Kitchen and Bathroom, lack of insulation for both the outside frame walls and the second floor ceiling and the need for a new electrical service. The cost of relocating the family has remained within the initial budget. All rehabilitation costs in excess of \$25,000 will be recorded as a permanent lien.

V. Impact on Township Finances:

There is no impact to the Township's finances. All funds are federal CDBG funds.

VI. Staff Recommendation:

Staff recommends that the Board of Commissioners approve the additional funding request.