

## NEIGHBORHOOD STABILIZATION PROGRAM (NSP) PLAN AMENDMENT NO. 4

Amendment No. 4 includes the allocation of NSP funds for the acquisition and demolition of North Bay Machinery, at 8129 Nine Mile, adjacent to the west of the existing City of Warren Owen Jax Recreation Center; closure of Automobile Avenue that separates the two properties; combination of the two properties to create a single recreation site; and construction of a new park on the site.

The North Bay Machinery is a 24,960 square foot free standing industrial building that is currently vacant. The building sits on a half acre on the southern part of the site. The northern part of the site is a 9280 square foot area (80'x116') that is used for parking and outdoor storage. The building was constructed in 1950 with an addition added in 1955. The acquisition and demolition of North Bay Machinery will eliminate a major source of neighborhood blight.

Currently, all the outdoor space at the recreation center is used for parking. The existing parking lot is severely deteriorated. Resurfacing of this parking lot was considered as a CDBG-R activity. It was rejected because a more comprehensive approach was needed for the renovation of the recreation center.

To the east of the recreation center is the City of Warren Fire Station No. 1. Amendment No. 4 provides funding for the construction of a new community park in place of this parking lot, construction of a new parking lot on the North Bay Machinery site and reconstruction of any remaining parking areas.

The new park will be approximately 39,900 sq. ft. (190'x210'). It will be enclosed with 4' high decorative iron fence on the north, west and south. Per the request of the fire commissioner, a 6' fence will be constructed to reduce the threat of children unfavorably interacting with fire apparatus, provide for the privacy of the firefighters at the station, and improve the appearance and security of the station.

The park will have the following features. (Site plan attached as Exhibit A). The park site plan will continue to evolve as the Director of Parks and Recreation and the City Engineer finalize plans. This may include changes required to receive site plan approval from the Planning Commission.

- A toddler playground approximately 12,000 sq. ft. with a play structure, climbing rock(s), swing set, and mini slide(s) set on a protective rubber mat.
- A picnic pavilion that will accommodate 50 people.
- A landscaped picnic area.
- Energy-efficient lighting.
- Irrigation.
- The fence will be set back from the property lines and a green buffer will be installed between the property lines and the fence consistent with what is already in place.
- Security Cameras.

The estimated cost for this activity is \$1,489,500 (an estimated budget is attached as Exhibit B). It is proposed that the installation of energy efficient lighting be paid with funds from the Energy Efficiency and Conservation Block Grant (EECBG) or the LED Demonstration Project Grant and that funds from the Tax Increment Finance Authority (TIFA) be used to pay for the closure of Automobile Avenue and the installation of a new LED entrance sign. Neighborhood Stabilization Program (NSP) funds in the amount of \$1,354,500 would be allocated for the balance of the activity.

A simultaneous investment of City of Warren Downtown Development Authority (DDA), Tax Increment Finance Authority (TIFA) and Energy Efficiency and Conservation Block Grant (EECBG) funds in the recreation center and adjacent fire station is recommended.

- EECBG funds are currently being used to conduct energy audits of these two buildings.
- A survey of building conditions will be conducted and an estimate of immediate repairs needed to keep the buildings functional will be prepared.
- If it makes sense to proceed, energy enhancements will be constructed with EECBG funding and other repairs will be completed as needed potentially with DDA funding.

The final component of Amendment No. 4 is the allocation of additional NSP funds for Macomb County Habitat for Humanity (Habitat) to construct **three (3) new homes** in the neighborhood around the Owen Jax Recreation Center for sale to Habitat client families with income less than 50 percent of area median income. One of the homes may be built by Habitat in partnership with the Van Dyke Schools Building Trades Program.

Diagonally across Nine Mile Road to the south of the recreation center is the Van Dyke School District's main campus which includes Lincoln High, Lincoln Middle, and Lincoln Elementary schools. In 2008 voters in the Van Dyke district approved a \$62.6 million bond issue to provide improvements to district facilities. A significant portion of the bond proceeds are being used to improve these schools. Demolition of North Bay Machinery and construction of the park and new housing will compliment the Van Dyke Schools significant investment in the neighborhood.

Amendment No. 4 to the NSP Plan will provide funding for the activities described above is as follows:

Amendment 4A:

Decrease funding allocated for Activity NSP-01-03A Rehab Resale from \$2,272,000 to \$1,381,500. Transfer \$820,500 from this activity to Activity NSP-03-03 Construction of Park at Owen Jax and transfer \$70,000 from this activity to Activity NSP-01-02 New Construction Habitat for Humanity.

Amendment 4B:

Decrease funding allocated for Activity NSP-01-03B Rehab Resale LH25 Set Aside (reserved for buyers at or below 50% of median area income) from \$550,000 to \$365,000. Transfer \$185,000 from this activity to Activity NSP-01-02 New Construction Habitat for Humanity.

Amendment 4C:

Decrease funding allocated for Activity NSP-02-01 Demolition of Blighted Single Family Residential Structures from \$982,750 to \$298,750. Transfer \$534,000 to NSP-02-02 Acquisition and Demolition of North Bay Machinery and transfer \$150,000 from this activity to Activity NSP-01-02 New Construction Habitat for Humanity.

Amendment 4D:

Increase funding allocated for Activity NSP-01-02 New Construction Habitat for Humanity from \$690,000 to \$1,095,000 to provide for the construction of 3 new homes for sale to Habitat client families with income less than 50 percent of area median income. Funding in the amount of \$70,000 will come from NSP-01-03A Rehab Resale; funding in the amount of \$185,000 will come from NSP-01-03B Rehab Resale LH25 Set Aside; and funding in the amount of \$150,000 will come from NSP-02-01 Demolition of Blighted Single Family Residential Structures.

Amendment 4E:

Create a new activity NSP-02-02 Acquisition and Demolition of North Bay Machinery and allocate funding in the amount of \$534,000 for this activity. Funding in the amount of \$534,000 will come from NSP-02-01 Demolition of Blighted Single Family Residential Structures.

Amendment 4F:

Create a new activity NSP-03-03 Construction of a Park at the Owen Jax Recreation Center and allocated funding in the amount of \$820,500 for this activity. Funding for this activity in the amount of \$820,500 will come from NSP-01-03A Rehab Resale.

EXHIBIT A  
PARK SITE PLAN

**EXHIBIT B**  
**PROJECT BUDGET FOR PARK AT OWEN JAX RECREATION CENTER**