



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

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TRANSMITTAL LETTER FOR BOARD MEETING OF OCTOBER 15, 2015

COMMITTEE ON STORMWATER MANAGEMENT

Mr. David St. Pierre, Executive Director

Authorization to execute a partnership agreement with the City of Chicago and provide a letter of financial commitment for implementation of stormwater management projects in connection with the Community Development Block Grant National Disaster Resilience Competition

Dear Sir:

Authority is requested to execute a partnership agreement with the City of Chicago (City) and provide a letter of financial commitment in connection with the Community Development Block Grant National Disaster Resilience Competition (CDBG-NDRC). Contingent upon the award of funds from the United States Department of Housing and Urban Development (HUD) for the CDBG-NDRC, the District will provide funding support to the City to carry out eligible activities as provided in its CDBG-NDRC application, which is currently being finalized for submission later this month.

The activities to be performed by the City as referenced in the partnership agreement include highly concentrated green infrastructure improvements to capture stormwater and reduce the incidents of flooding in a demonstration area comprised of the six West Side communities of Austin, Humboldt Park, East Garfield, West Garfield, North Lawndale and South Lawndale; referred to as the West Side Demonstration Area (WSDA).

The City has identified numerous opportunities to implement green infrastructure projects in the WSDA that are intended to address known flooding problems and also will help to create new gathering places, reduce urban heat island effects, and create economic opportunity in their construction and maintenance.

Based on the NDRC applicant requirements, the City of Chicago and its partners must provide firm financial commitments to leverage any grant funds received from HUD. NDRC funds, if awarded to the City of Chicago, must be obligated no later than September 30, 2017, and all funds must be spent by September 30, 2019, unless a waiver extension request from the City is approved by HUD. Accordingly, the District will provide a letter indicating its commitment to support the City's overall activities proposed in the application, and a direct financial contribution towards the cost of implementing the stormwater management improvements within the WSDA area. Subject to approval by the Board of Commissioners, by leveraging District funds in the amount \$35 million over the next 4 years towards the green infrastructure projects estimated at \$347 million, along with funding from the City of Chicago, its other partners, and the NDRC grant, the WSDA communities may be able to realize solutions that not only address existing flooding problems but also help to prepare them to be more resilient. District funding would be limited to construction related costs associated with stormwater management projects to address regional and local flooding problem areas.

Funds for construction related expenditures for 2016 through 2019 are contingent on the Board of Commissioners' approval of the District's budget for those years.

If awarded funds by HUD, the City of Chicago and the District will negotiate and enter into an intergovernmental agreement (IGA) detailing the terms and conditions of the proposed partnership before the implementation of specific green infrastructure projects where District funds would be requested by the City. Additional requests to the Board of Commissioners for authority to negotiate and enter into the aforementioned IGA with the City of Chicago will be submitted for approval in the future.

Based on the foregoing, the Engineering Department recommends that the District be authorized to execute a partnership agreement with the City of Chicago and provide a letter of financial support committing \$35 million for the implementation of green infrastructure stormwater management projects subject to the award of NDRC funding, and that the Chairman of the Committee on Finance, the Clerk, and the Executive Director be authorized to execute said partnership agreement, and letter of financial commitment on behalf of the District, upon approval by the Director of the Engineering as to technical matters and by the General Counsel as to form and legality.

Requested, Catherine A. O'Connor, Director of Engineering, WSS:JPM

Recommended, David St. Pierre, Executive Director

Respectfully Submitted, Michael A. Alvarez, Chairman Committee on Stormwater Management

Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for October 15, 2015