

#1 (Rev.1/93) SINGLE PAGE COMMUNICATION TO THE COMMON COUNCIL

TO: THE COMMON COUNCIL:    DATE:            September 12, 2003

FROM:                    DEPARTMENT:    Audit and Control

DIVISION:            Audit

SUBJECT:    [:    **Demolition Bond and Block Grant**  
                  [:    **Requirements**  
                  [:  
                  [:

PRIOR COUNCIL REFERENCE: (IF ANY)    [:  
Ex. (Item No. xxx, C.C.P. xx/xx/xx)

TEXT: (TYPE SINGLE SPACE BELOW)

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The requirements for the use of City Bond funds under the \$3.5 million Neighborhood and Redevelopment & Clearance bond #6500 establishes the requirements for any expenditures,

“... Local Finance Law, constituting Chapter 33-a of the Consolidated Laws of the State of New York (the “Law”); to finance the cost of the demolition of various City-owned buildings to provide sites for future neighborhood development...”

We have attached the copy of the Bond Resolution.

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The Community Development Block Grant (CDBG) Clearance requirements as a category of Eligible Activities is included in an attachment and explains:

Eligible activities

Compliance with National Objectives

Other considerations

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We are aware that there is a budget issue with emergency demolitions in the City. When submitting contracts under bond resolution or block grant there is an adherence to the laws that we must remind the operating departments about.

We have had a number of instances where properties were charged in error against the bond account for properties that were not city-owned. We are auditing these and will need to reverse the expenditure. The bond account can be charged for city-owned properties that qualify and this is taking place.

We are not commenting on what budgets or budget reallocations or claims are made available for emergency demolitions. That is the purview of the Administration.

TYPE DEPARTMENT HEAD NAME: Andrew SanFilippo

TYPE TITLE: Acting Comptroller

SIGNATURE OF DEPARTMENT HEAD

*Frank A. Bellotti*  
*City Auditor / Deputy Comptroller*