




# CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

**DATE:** February 25, 2025

**TO:** Mark Washington, City Manager

**COMMITTEE:** Fiscal Committee

**LIAISON:** Molly Clarin, Chief Financial Officer

**FROM:** Tim Burkman, P.E., City Engineer 

**SUBJECT:** **Request for Streets Capital and Major Streets Funds Budget Amendment**

On May 6, 2014, Grand Rapids voters overwhelmingly approved investing in Vital Streets. This decision provided investment resources that, when coupled with existing investment sources, grants, and anticipated new State resources, will enable the City to achieve a rating of Good and Fair for 70% of the streets over the 15-year period of time.

The Sustainable Streets Task Force created the Vital Streets framework for this investment that was approved by the City Commission and endorsed by the voters. This framework included committed "maintenance of effort" (MOE) Gas & Weight Tax revenue in the amount of \$3,483,608. In addition to the MOE, the framework also included an amount of \$6,000,000 for full state participation. Any amounts received above the committed MOE and full state participation is to be split per the Vital Streets guidelines which states "any increase in State payments for street repair and maintenance will be allocated between capital investment and operations".

Based on the final computations between Vital Streets, Streets Capital, and Streets Operating Funds, it is now necessary to appropriate the funding for the additional State funding in the Streets Capital fund and Major Streets Fund (Vital Streets). In FY25, additional Rotomill/Resurfacing projects will utilize the increase in Major Streets (Vital Streets) funds. Additional projects in the Streets Capital fund will be determined as part of future capital budgeting processes.

Please include this request on your next budget amendment which will appropriate the funding in the Streets Capital Fund and Major Streets Fund (Vital Streets).

<u>Sources/Appropriations</u>	<u>Project Description</u>	<u>Amount (From)/To</u>
2020-449-1000-3390	Major Streets Fund Balance	(\$285,743.55)
2020-447-6010-9895	Vital Streets Major	\$285,743.55
<b>Transfer Out</b>		
2020-449-1000-3390	Major Streets Fund Balance	(\$225,050.00)
2020-449-1000-9953	Operating Transfer Out- Capital	(\$225,050.00)
<b>Transfer In</b>		
4050-447-9000-6993-19076- 405019076	Add'l State Investment per Formula	(\$225,050.00)
4050-447-9000-9880-19076- 405019076	Add'l State Investment per Formula	\$225,050.00

If you have any questions, please advise. Thank you for your assistance in this matter.

cc:	Mary Kate Berens	James Hurt	Scott Saindon
	Tricia Chapman	Nicolas Salazar	John Gorney
	Lorrie Freeman	Otniel Kish	

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