



**City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
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Legislative File No: 2005-0232

TO: Mayor and City Council Members
FROM: Julie Jenuwine; Fiscal; (248) 841-2534
DATE: March 23, 2005
SUBJECT: Resolution Opposing the Elimination of the CDBG Program

REQUEST:

I request that the Rochester Hills City Council adopt the Resolution opposing the elimination of the Community Development Block Grant (CDBG) Program.

BACKGROUND:

The City of Rochester Hills has been involved in the CDBG program through Oakland County since the programs inception in 1975. Over that time the City has allocated over \$3.8 million to provide needed services for our residents.

Oakland County officials are extremely concerned about President Bush's 2006 budget proposal to **eliminate** the CDGB program. This initiative consolidates the CDBG and 17 other economic development programs from five federal departments and **replaces** them with one new program, *Strengthening America's Communities Initiative*, under the Commerce Department.

The 18 programs, at FY 2005 funding levels of \$5.5 billion would reemerge as one new program whose funding level is proposed at \$3.7 billion, nearly \$1 billion less than the \$4.7 billion in total 2005 CDBG funding alone. If approved by Congress, the *Strengthening America's Communities Initiative* would focus primarily on economic development activities for distressed urban communities below the national poverty level. **This results in a complete loss of CDBG funds to Oakland County and in turn to the City of Rochester Hills.**

The Oakland County CDBG program of 50 communities will lose over \$4.36 million in formula grants to participating communities, of which the City of Rochester Hills is scheduled to receive \$176,567 for planning year 2005-2006.

The City of Rochester Hills historically has used its funding formula allocation to provide:

- Home Chore Program Services to approx. 100 low-income seniors including
 - Bi-weekly Lawn Mowing Service
 - Spring & Fall Yard Cleanup
 - Snow Plowing Services
- Support to a variety of Service Agencies that provide services to low-income residents including:
 - Rochester Area Youth Assistance (RAYA)
 - Avondale Youth Assistance (AYA)
 - HAVEN

- Women’s Survival Center
- Rochester Area Neighborhood House
- Minor Home Repair services to assist low-income homeowners with necessary home repairs including:
 - Furnace Replacement
 - Roof Repairs
 - Water / Sewer Installation
 - Ordinance Violation Yard Cleanup Services
- ADA Improvements

RECOMMENDATION:

I recommend that the Rochester Hills City Council adopt the Resolution opposing the elimination of the Community Development Block Grant (CDBG) Program.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
City Council Liaison		