



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

**1000 Rochester Hills Dr.
Rochester Hills, MI 48309
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www.rochesterhills.org**

Legislative File No: 2006-0759

TO: Mayor and City Council Members
FROM: Joe Snyder, Senior Financial Analyst / (248) 841-2534
DATE: October 12, 2006
SUBJECT: Community Development Block Grant (C.D.B.G.) Planning Year 2007 Application

REQUEST:

I recommend City Council adopt the proposed Community Development Block Grant (C.D.B.G.) program allocation amounts for the 2007–08 Program Year.

REASON FOR PURCHASE:

The City of Rochester Hills has been involved in the C.D.B.G. program since it's inception in 1975. Over that time the City has allocated over \$4.0 million to provide services to the City of Rochester Hills and our residents.

The Oakland County Community & Home Improvement Division annually informs City representatives regarding the amount of funding that the City can receive for the upcoming Planning Year. Once the amount of funding is established, the City allocates the upcoming funds between various eligible programs keeping in accordance with Federal and County regulations. C.D.B.G. National objectives are to assist low and moderate-income persons, to prevent or eliminate slums and blight or to meet an urgent community need where no other funding is available.

In keeping with Congressional and the Department of Housing and Urban Development (HUD) guidelines there must be a Public Hearing for the elected officials of each community to hear public comments regarding the proposed uses of Community Development Block Grant (C.D.B.G.) funding.

In keeping with Congressional and the Department of Housing and Urban Development (HUD) guidelines, the City of Rochester Hills held a public hearing regarding the Program Year 2007 CDBG funding allocation on November 1, 2006. A resolution from the Rochester Hills City Council is required to adopt the following CDBG programs and funding amounts:

\$82,678 **Minor Home Repair (731227)** – To assist approximately thirty (30) low-moderate income households with a variety of necessary home repairs, connections to the city water and sewer system (*does not include capital or lateral fees*) and/or corrections of city ordinance violations. Repairs and/or improvements will conform to City of Rochester Hills and Oakland County guidelines and State of MI Lead Based Paint requirements.

\$36,144 **Public Services / Yard Services (732170)** – Home Chore Program to service approximately ninety (90) very-low income senior citizens and disabled adult households by providing for spring and fall yard clean-up services, bi-weekly lawn mowing services (May- mid Oct.), and snow plowing services during the winter months.

\$14,000	Public Services / Youth Services (732185) – Rochester Area Youth Assistance - Provide youth enrichment programs including summer camp and tutoring for approximately 100 youths from low-moderate income families.
\$10,500	Public Services / Battered & Abused Spouses (730137) – HAVEN - Provide shelter, legal and counseling services for approximately 150 abused spouses and their children who are residents of the City of Rochester Hills.
\$3,500	Public Services / Emergency Clothing (730571) – Reimburse the administrative costs of one or more non-profit agencies that provide emergency clothing services to approximately 200 low-moderate income residents of the City of Rochester Hills.
\$3,500	Public Services / Youth Services (732185) – Avondale Youth Assistance - Provide youth enrichment programs including summer camps and tutoring for approximately 50 youths from low-moderate income families.
<u>\$150,322</u>	Grand Total 2007–2008 C.D.B.G. Allocation

The Oakland County Community & Home Improvement Division has informed the City of Rochester Hills that the City can plan on receiving the same total funding for Planning Year 2007 as it received in Planning Year 2006.

These proposed allocations are nearly identical to how the current Planning Year 2006 allocations are spread between programs. The only difference from last year's allocation is one of the organizations that the City used to support, which provided legal counseling services to low-income spouses in crisis (Women's Survival Center), is no longer in operation. These services are now provided by HAVEN, so it is proposed to allocate the \$5,250 that previously supported the Women's Survival Center to HAVEN instead.

In developing the 2007 Program it is proposed to allocate the full 45% maximum allowable of \$67,644 (= \$150,322*45%) towards Public Service type activities (Home Chore, Rochester Area Youth Assistance, HAVEN, Emergency Clothing and Avondale Youth). An increase in the level of funding to any of these activities could only be made with a corresponding decrease to another activity.

The remaining 55% or \$82,678 (= \$150,322*55%) is proposed to fund the City's Minor Home Repair program. The Minor Home Repair program provides a variety of health and safety related repairs/improvements for low income families including, but not limited to, furnace or water heater replacements, connections to the city water and/or sewer system (*does not include capital or lateral fees*), corrections of ordinance violations, or other health/safety issues that need to be addressed.

PROCESS:

Vendor Name and Address:

Each vendor will be procured according to City of Rochester Hills and Oakland County Community and Home Improvement Division procedures.

Reason for Selection:

Best value to the benefiting clients

Method of Purchase:

Request for Proposal (RFP)

BUDGET:

As long as all expenditures qualify and all C.D.B.G. guidelines are followed, all expenditures are completely reimbursed through the program.

Fund Name	Department Account No	Account No. Description	Budget Amount	Cost	Remaining Budget
General Fund	C.D.B.G.	Professional Services	\$31,500	\$31,500	\$0
General Fund	C.D.B.G.	Prof. Services – MHR	\$82,670	\$82,678	(\$8)
General Fund	C.D.B.G.	Contractual Services	\$36,150	\$36,144	\$6
		TOTAL	\$150,320	\$150,322	(\$2)

RECOMMENDATION:

I recommend City Council adopt the proposed Community Development Block Grant (C.D.B.G.) program allocation amounts for the 2007–08 Program Year.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		