



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

**1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org**

Legislative File No: 2007-0728

TO: Mayor and City Council Members
FROM: Joe Snyder, Senior Financial Analyst / (248) 841-2534
DATE: October 4, 2007
SUBJECT: Community Development Block Grant (CDBG) Program Year 2008-09 Application

REQUEST:

I recommend City Council adopt the proposed Community Development Block Grant (CDBG) program allocation amounts for the 2008-2009 Program Year.

REASON FOR PURCHASE:

The Oakland County Community & Home Improvement Division annually informs City representatives regarding the amount of funding that the City may receive for the upcoming Program 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. CDBG 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 CDBG funding.

In keeping with Congressional and HUD guidelines, the City of Rochester Hills held a public hearing regarding the Program Year 2008-09 CDBG funding allocation on November 7, 2007. A resolution from the Rochester Hills City Council is required to adopt the following CDBG programs and funding amounts:

- \$81,870 **Minor Home Repair (731227)** – To assist approximately thirty (30) low-moderate income households with a variety of necessary home repairs including, but not limited to, furnace or water heater replacements, roof repairs, hazardous tree removal, connections to the city sewer and/or water system (*does not include capital or lateral fees*), corrections of ordinance violations, and/or other health/safety issues that need to be addressed. Repairs and/or improvements will conform to City of Rochester Hills and Oakland County guidelines and State of MI Lead Based Paint requirements.
- \$35,485 **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>\$148,855</u>	Grand Total 2008-2009 Estimated CDBG Allocation

The Oakland County Community & Home Improvement Division has informed the City of Rochester Hills that the City may receive the same total funding for Program Year 2008-09 as it received in Planning Year 2007-08.

These proposed allocations are identical to how the current Program Year 2007-08 allocations are spread between programs.

In developing the 2008-09 program it is proposed to allocate the full 45% maximum allowable of \$66,985 (= \$148,855 * 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 \$81,870 (= \$148,855 * 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.

Also included in this City Council agenda packet is the City of Rochester Hills - Minor Home Repair Program Guidelines that describe the standards and processes by which City staff administer the program. These guidelines have been utilized for several years to provide service to low-income qualifying residents with much success. These guidelines have been reviewed and approved by the Oakland County Community & Home Improvement Division, as they are fully compliant with Federal and County standards.

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 CDBG 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	666 - CDBG	801000 - Professional Services	\$31,500	\$31,500	\$0
General Fund	666 - CDBG	801592 - Prof. Services – MHR	\$81,870	\$81,870	\$0
General Fund	666 - CDBG	807000 - Contractual Services	\$35,490	\$35,485	\$5
		TOTAL	\$148,860	\$148,855	\$5

RECOMMENDATION:

I recommend City Council adopt the proposed Community Development Block Grant (CDBG) program allocation amounts for the 2008-2009 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		