



**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: 2008-0576

TO: Mayor and City Council Members
FROM: David Levett, Financial Analyst / (248) 841-2532
DATE: November 5, 2008
SUBJECT: Community Development Block Grant (CDBG) Program Year 2009 Application

REQUEST:

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

REASON FOR PURCHASE:

The Oakland County Community & Home Improvement Division does not yet have information on the exact CDBG funding for PY 2009. The County provides a proposed planning allocation figure based on the PY 2008 allocation in order for the City to compile its application. The City allocates the planning allocation between various eligible programs in accordance with Federal and County regulations. The CDBG national objectives are to assist low and moderate-income persons, to prevent or eliminate slums and blight, and 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 will hold a public hearing regarding the PY 2009 CDBG funding allocation on November 17, 2008. It is proposed to allocate the full 45% maximum allowable of \$64,218 ($=\$142,709 * 45\%$) towards Public Service type activities (Home Chore, Battered and Abused Spouses, Emergency Clothing, and Youth Services). An increase in the level of funding to any of these public service activities could only be made with a corresponding decrease to another public service activity. The remaining 55% or \$78,491 ($=\$142,709 * 55\%$) is proposed to fund the City's Minor Home Repair program. A resolution from the Rochester Hills City Council is required to adopt the following CDBG programs and estimated funding amounts:

\$78,491 **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 other health or safety issues that need to be addressed. Projects will conform to City of Rochester Hills and Oakland County guidelines and lead based paint requirements.

- \$34,020 **Public Services / Yard Services (732170)** – Provide yard services to approximately ninety (90) 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.
- \$16,777 **Public Services / Youth Services (732185)** – Youth Services will be provided by the Rochester Area Youth Assistance (RAYA), which will receive \$13,422 and Avondale Youth Assistance (AYA), which will receive \$3,355. RAYA provides youth enrichment programs including a summer camp and tutoring for approximately 100 youths from low-moderate income families. AYA provides youth enrichment programs including summer camps and tutoring for approximately 50 youths from low-moderate income families.
- \$10,066 **Public Services / Battered & Abused Spouses (730137)** – HAVEN will provide shelter, legal and counseling services for approximately 150 abused spouses and their children who are residents of the City of Rochester Hills.
- \$3,355 **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.
- \$142,709** **Grand Total 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 PY 2009 as it received in PY 2008. The proposed allocation does not include any changes from the current year's funding distribution.

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)

Federal Small Purchase Procedures

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	\$30,210	\$30,198	\$12
General Fund	666 - CDBG	801592 - Prof. Services – MHR	\$78,490	\$78,491	-\$1
General Fund	666 - CDBG	807000 - Contractual Services	\$34,030	\$34,020	\$10
		TOTAL	\$142,730	\$142,709	\$21

RECOMMENDATION:

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

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