



# CITY of NOVI CITY COUNCIL

**Agenda Item F**  
**June 20, 2011**

**SUBJECT:** Approval to Participate in Oakland County's Urban County Community Development Block Grant Program for the years 2012, 2013 and 2014.

**SUBMITTING DEPARTMENT:** Finance

**CITY MANAGER APPROVAL:** 

**BACKGROUND INFORMATION:** The U. S. Department of Housing and Urban Development (HUD) requires Oakland County to renew their Cooperation Agreements with participating communities every three years. Due to federal requirements, a resolution must be submitted to Oakland County and to HUD no later than Friday, July 1, 2011 stating our intent to continue our participation in the Oakland County Urban program.

Since 2001, the City has received over **\$1,158,580 in Community Development Block Grant (CDBG) funds** to provide needed programs such as minor home repair, youth and senior services, assistance to battered and abused spouses and other such public services to address the needs of disabled and low- to moderate-income residents. The CDBG program continues to provide needed assistance to our residents through these programs. Our partnership with the County has been very successful and we are recommending our continued participation in the Oakland County Urban County Community Development Block Grant (CDBG) program for program years 2012-2014. The only requirement to continue participating is to forward a certified resolution to both the County and HUD by July 1<sup>st</sup>. A copy of the required resolution language is attached.

**Status of PY 2011 Funding Request:** We are awaiting the impact of the FY2011 \$38 billion federal spending cut package on CDBG funding. CDBG formula funding for Urban Counties was cut by 16% over 2010 funding levels nationally. HUD will not determine exact individual grantee 2011 allocations for CDBG until mid-June (Novi's 2011 program year (PY) technically begins July 1<sup>st</sup>). Our 2011 grant application was submitted last November based on an estimated grant award of \$104,142. The County has indicated they will not release 2011 PY CDBG funds to the 51 participating communities until sometime late July.

**RECOMMENDED ACTION:** Approval to Participate in Oakland County's Urban County Community Development Block Grant Program for the years 2012, 2013 and 2014.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Gatt				
Council Member Fischer				
Council Member Margolis				

	1	2	Y	N
Council Member Mutch				
Council Member Staudt				
Council Member Wrobel				



L. BROOKS PATTERSON, OAKLAND COUNTY EXECUTIVE

COUNTY MICHIGAN  
DEPARTMENT OF ECONOMIC  
DEVELOPMENT & COMMUNITY AFFAIRS

COMMUNITY & HOME IMPROVEMENT DIVISION  
Karry L. Rieth, Manager

June 3, 2011

The Honorable David B. Landry, Mayor  
City of Novi  
45175 W 10 Mile Rd  
Novi MI 48375-3024

**RE: 2012 - 2014 Cooperation Agreements**

Dear Mayor Landry:

We invite the City of Novi to continue its participation in the Oakland County Urban County Community Development Block Grant (CDBG) program for program years 2012-2014. The City has participated in the County program during the past three years. During this period, approximately \$308,831 in entitlement funds and \$51,706.83 in program income has funded minor home repair and public service programs to address the needs of low income residents.

The U. S. Department of Housing and Urban Development (HUD) requires the County to renew Cooperation Agreements with participating communities every 3 years. Your participation is essential to the County and the other cities, townships, and villages that combine demographics each year to achieve the highest level of federal funding for local projects. Participation in the urban county requires a 3 year commitment and your community must remain in the program for the duration of the 3 years. If your community chooses to remain with the urban county, it is ineligible to apply for grants under the State CDBG program while a part of the urban county.

Besides the annual CDBG allocation, participating communities also benefit from the County's federally funded HOME Investment Partnerships and Emergency Shelter Grant (ESG) Programs. HOME funds are combined with CDBG funds each year to improve local housing stock through our award winning Home Improvement Program. ESG funds are used to meet the needs of the homeless through local emergency shelters.

As a current participant, there is a Cooperation Agreement between Novi and the County on file. The only requirement to continue participating is a resolution. **The resolution language specifically designed to meet HUD requirements is attached for your use. Please ensure that the original resolution is signed, dated and certified by the Clerk. Alternatively, the original resolution can be signed and dated by the Clerk and embossed with a seal. Please send us the original resolution and keep a copy for your records.**

If you decide to opt out of the urban county program, a letter signed by the chief executive officer is required. This letter should state that the community intends to opt out of the Oakland County urban county program. Due to federal requirements, you must submit this letter to the County and to HUD. Please mail HUD's copy of the letter to: U.S. Department of Housing and Urban Development, Keith E. Hernandez, AICP, Director, Community Planning and Development, Patrick V. McNamara Building, 477 Michigan Ave., Suite 1710, Detroit MI, 48226-2592 by **Friday, July 1, 2011**. The County's copy of the letter should be mailed to: Carla Spradlin, Grant Compliance & Program Coordinator, by **Friday, July 1, 2011**. If you have questions, please contact Carla at (248) 858-5312. We look forward to three more years of productive partnership.

Sincerely,

Karry L. Rieth, Manager

cc: Marina Neumaler, Assistant Finance Director

## RESOLUTION

### **Approving Participation in Oakland County's Urban County Community Development Block Grant (CDBG) Programs for 2012, 2013 and 2014**

WHEREAS, the City of Novi resolves to participate in Oakland County's Urban County Community Development Block Grant (CDBG) programs for the years 2012, 2013 and 2014.

FURTHERMORE, we resolve to remain in Oakland County's Urban County Community Development programs, which shall be automatically renewed in successive three-year qualification periods of time, or until such time that it is in the best interest of the local Community to terminate the Cooperative Agreement.

NOW THEREFORE BE IT RESOLVED, that the City of Novi hereby resolves to remain in Oakland County's Urban County Community Development programs for 2012, 2013 and 2014, participation shall be automatically renewed in successive three-year qualification periods of time, or until such time that it is in the best interest of the local Community to terminate the Cooperative Agreement.

## CERTIFICATION

I, Maryanne Cornelius, the duly appointed Clerk of the City of Novi, Oakland County, Michigan, hereby certify that the above is a true and complete copy of a resolution adopted by the City Council of the City of Novi at a regular meeting held on June 20, 2011 at which time a quorum was present.

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Maryanne Cornelius  
City Clerk