



**CITY OF NOVI CITY COUNCIL**  
**MARCH 20, 2023**

**SUBJECT:** Approval for the dissolution of the Housing and Community Development Advisory Committee and for its responsibilities to be reassigned to the City of Novi Beautification Advisory Committee.

**SUBMITTING DEPARTMENT:** Finance

**BACKGROUND INFORMATION:**

The Housing and Community Development Advisory Committee ("HCD") was created at a regular city council meeting on February 25, 2002. The mission of the HCD committee is to maximize the impact of the Community Development Block Grant ("CDBG") funds in an efficient economic fashion that represents the best interest for the public. The committee's purpose and responsibility is to make recommendations to Novi City Council in this regard. Additionally, the committee serves in an advisory role reviewing the administration of the approved spending program.

Novi receives CDBG funding as a subrecipient of Oakland County which means the City must comply with national U.S. Department of Housing and Urban Development (HUD) requirements as well as guidelines established by Oakland County.

CDBG funds can be used for the acquisition and disposition of real property, public facilities and improvements, public services, and housing services. The County also restricts that a community is only allowed to allocate funds to four programs, each program must have a minimum of \$3,500 allocated to it, and public services type projects can be allocated no more than 30% of the City's total annual funds received. In addition, for funds to be utilized, they must benefit low to moderate income clientele or a low to moderate service area.

Over the last 10 years, the City has received, on average, approximately \$116,000 annually. In general, the funds the City receives are not large enough to acquire or dispose of real property or improve a public facility. In an effort to maximize the impact of the CDBG funds, the money has been allocated to Novi Youth Assistance (summer program grants), Haven, and Minor Home Repair. In addition, since 2018, funds have been allocated to Hospitality House for emergency services (food bank).

The City of Novi is very fortunate to provide its residents with many services using other City and County resources (i.e., senior services, transportation services, crime awareness/prevention, housing counseling, fair housing activities, etc.). The organizations requesting funds are those which provide services outside the normal course of business from the City and or Oakland County. Each year, the funds are typically allocated to the same organizations as they provide so many wonderful benefits to the residents of Novi. In addition, past committees have looked at possible other organizations; however, were unsuccessful finding any that met both the HUD and County federal requirements as an organization nor were any better for the residents than the current programs.

Given the restrictions of the County on the number and types of programs allowed, the City of Novi Finance Department feel the HCD committee is not utilized as the Council originally had intended. The committee meets once a year to discuss the annual CDBG funds (the programs do not change as they are limited to four) and how the funds should be allocated (the amount awarded annually changes slightly so minor adjustments are made to the four programs). Given the limitations of the committee, it is rare to have new items to discuss. In past years, the meetings have needed to be rescheduled multiple times in order to ensure we have a quorum to make a recommendation to council. Rescheduling the meeting is an issue each year due to the tight time frame the County provides to return the funding application. We typically have anywhere from 4-6 weeks to convene the committee, have a public hearing and get the application approved by council. In addition, each year it is a struggle to fill the positions on the committee.

Given the above factors, the City of Novi Finance Department propose that the committee be dissolved and the responsibilities be given to the Beautification Commission.

**RECOMMENDED ACTION:** Approval for the dissolution of the Housing and Community Development Advisory Committee and for it's responsibilities to be reassigned to the City of Novi Beautification Advisory Committee.

CITY OF NOVI

COUNTY OF OAKLAND, MICHIGAN

**RESOLUTION APPROVING THE HOUSING AND COMMUNITY DEVELOPMENT ADVISORY COMMITTEE DISSOLUTION**

Minutes of a Meeting of the City Council of the City of Novi, County of Oakland, Michigan, held in the City Hall of said City on \_\_\_\_\_, 2023, at \_\_\_ o'clock P.M. Prevailing Eastern Time.

PRESENT: Councilmembers \_\_\_\_\_

ABSENT: Councilmembers \_\_\_\_\_

The following preamble and Resolution were offered by Councilmember \_\_\_\_\_ and supported by Councilmember \_\_\_\_\_.

**RECITALS**

**WHEREAS**, the City of Novi annually receives Community Development Block Grant funds, which are federal funds administered through Oakland County; and

**WHEREAS**, these funds are designed to address a number of public purposes, including residential rehabilitation for low and moderate income individuals; and

**WHEREAS**, the Novi City Council wishes to maximize public input into the development of a targeted spending program.

**WHEREAS**, the Novi City Council created the Housing and Community Development Advisory Committee at a Regular Meeting held on February 25, 2002.

**NOW, THEREFORE, BE IT RESOLVED** that the Mayor and council hereby conclude to dissolve the Housing and Community Development Committee and that the members of the committee terms will also be terminated.

**BE IT FURTHER RESOLVED** that the recommendations for the expenditure of the Community Development Block Grant funds will be charged to the existing Beautification Committee.

**AYES:**

**NAYS:**

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
Cortney Hanson, City Clerk

**CERTIFICATION**

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi, County of Oakland, and State of Michigan, at a regular meeting held this \_\_\_\_ day of \_\_\_\_\_, 2023, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made available to the public as required by said Act.

\_\_\_\_\_  
Cortney Hanson, City Clerk  
City of Novi