



CITY OF NOVI CITY COUNCIL DECEMBER 1, 2025

SUBJECT: Approve the Program Year 2026 Community Development Block Grant (CDBG) Application in the approximate amount of \$140,000

SUBMITTING DEPARTMENT: Finance

KEY HIGHLIGHTS:

- Funding requests were reviewed individually by the Beautification Commission at their meeting on September 10, 2025.
- Per Oakland County, public service requests are limited to 15% of total allocated funds or \$21,000.
- The County allocation is based on a competitive process.

BACKGROUND INFORMATION:

The City of Novi receives Community Development Block Grant ("CDBG") funds as a subrecipient of Oakland County. There are 51 other communities that participate as sub-recipients of Oakland County. During October of every year, the County holds a CDBG pre-application training. During this training the County reminds it's subrecipients how to fill out the application form and provides the local communities with an estimate of funds they can expect for the upcoming program year. On average, the City receives \$115,000 annually.

Per County restrictions, the City can allocate no more than 15% of its total allocation to public service activities. The City receives funding requests from organizations that provide public services in September/October each year. In the prior years, the County provided communities with their estimated allocated funds prior to the application process. In the current year, the County changed their allocation process to a competitive process. Communities are to ask for the funds they believe they can use and or need and the County will evaluate all funding requests. Community's accepted projects will be announced prior to the availability of the program year 2026 funding. Once final funding allocations are confirmed by HUD, necessary adjustments will be made and communicated. The committee felt it was reasonable to ask for a slightly increased spending amount than we have received in the prior year given the costs of inflation but also not to be excessively greedy and ask for funds that cannot be spent in the allotted 18-month window. Based on the

average funding provided to Novi as well as the requested funds this year, the Beautification Committee recommends the following allocation:

CDBG Program Description	Organization Requesting Funding	Description	2025 Allocation	2026 Agency Request	2026 Beautification Commission Recommendation
Public Service	HAVEN	Domestic Violence	\$4,773	\$15,000	\$6,000
Public Services	Novi Youth	Specialized counseling and camp /fieldtrip sponsorship	\$7,284	\$9,000	\$8,500
Public Services	Hospitality House	Emergency Services	\$4,773	\$9,950	\$6,500
		Subtotal	\$16,830	\$33,950*	\$21,000
Minor Home Repair	City of Novi	Residential Repair Program	\$95,375	\$106,050	\$119,000
		Total	\$112,205	\$140,000	\$140,000

** Capped at 15% of total allocation. Assume \$140,000 total allocation, public services are capped at \$21,000 total.*

Due to the public service cap, the public service requests could not be 100% funded. The Beautification Committee chose to allocate funds based on the greatest funding impact to each organization. CDBG funds make up the following gross revenue for each organization: 30-40% NYA, 0.56% of Hospitality House, and 0.003% of Haven. The Committee felt not only would NYA feel the effects more if CDBG funds were reduced for NYA, but also all funds of NYA directly impact Novi. Hospitality House and Haven both service Novi residents; however, the funds are pooled with additional funding sources.

RECOMMENDED ACTION: Approve the Program Year 2026 Community Development Block Grant (CDBG) Application in the approximate amount of \$140,000 and authorize the Mayor to sign the Application.

NOTICE OF INTENT TO APPLY

CDBG PY 2026

APPLICANT INFORMATION

A – APPLICANT CONTACT

Community: Novi Contact Person: Sabrina Lilla
Telephone: 248-735-5692 Best time to contact: 9:00-3:00

☒ Cooperation Agreement 2023-2026

Novi will request application to CDBG funds for program year (PY)

2026. B - PROPOSED ACTIVITY(S) List highest Priority and requested allocation amount.

1. Name: Minor Home Repair Allocation: \$ 119,000 Activity Type OF
2. Name: Youth Services Allocation: \$ 8500 Activity Type PS
3. Name: Domestic Violence Allocation: \$ 6000 Activity Type PS
4. Name: Emergency Services Allocation: \$ 6500 Activity Type PS

ACTIVITY TYPE

PUBLIC SERVICE (PS) Matrix Code 05_

PUBLIC FACILITY Activity (PF) Matrix Code 03_ with Davis Bacon requirements

OTHER FACILITY Activity (OF) Matrix Code 03_ Senior Center Access Fee, 14A Minor/Mobile Home Repair, 15 Code Enforcement

Signature: Sabrina Lilla Digitally signed by Sabrina Lilla
DN: cn=Sabrina Lilla, o=Novi

Date: 9/10/2025

THIS IS NOT AN APPLICATION FOR CDBG FUNDING.

FUNDING IS BASED ON AVAILABILITY AND DEMAND. IT IS NOT GUARANTEED.