



CITY of NOVI CITY COUNCIL

**Agenda Item F
April 10, 2017**

SUBJECT: Approve the Amended Program Year 2017 Community Development Block Grant (CDBG) application in the amount of \$100,626.

SUBMITTING DEPARTMENT: Finance

CITY MANAGER APPROVAL: *RA*

BACKGROUND INFORMATION: Subsequent to the original public hearing and grant application approved by city council on December 5, 2016 Oakland County notified the City that our award for the 2017 CDBG program year had been increased from \$98,481 to \$100,626. The additional award requires an additional public hearing and authorizing resolution. The additional funds totaling \$2,145 are proposed to be added to the Minor Home Repair program. The following is a summary of the original award and allocation approved on December 5, 2016 and the recommended revised award and allocation:

Recommended Projects					
CDBG Program Descriptions	Organization Requesting Funding	Description	2017 Allocation Award	2017 Revised Requests	2017 Revised Recommendation
Public Services	HAVEN	Battered and abused spouses	\$6,500	\$6,000	\$6,000
Public Services	Novi Youth Assistance	Specialized counseling and camp scholarships	\$10,000	\$10,000	\$10,000
Public Services	City of Novi	Older Adult Transportation	\$10,000	\$0	\$0
		Sub-Total*	\$26,500	\$16,000	\$16,000
Minor Home Repair	City of Novi	Residential Repair program for Novi Residents	\$71,981	\$84,626	\$84,626
		Total	\$98,481	\$100,626	\$100,626

***The maximum 30% allocation allowed within the Public Service category for 2017 is \$30,188**

RECOMMENDED ACTION: Approve the Amended Program Year 2017 Community Development Block Grant Application in the amount of \$100,626.

CITY OF NOVI
COUNTY OF OAKLAND, MICHIGAN

Approving the 2017 Community Development Block Grant Application

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 April 10, 2017 at 7 o'clock P.M. Prevailing Eastern Time.

PRESENT: Councilmembers _____

ABSENT: Councilmembers _____

The following preamble and Resolution were offered by Councilmember _____ and supported by Councilmember _____.

WHEREAS, the Housing and Community Development Committee has recommended a program for the use of 2017 Community Development Block Grant funds, and

WHEREAS, the City of Novi has duly advertised and conducted a public hearing on April 10, 2017, for the purpose of receiving public comments regarding the proposed use of 2017 Community Development Block Grant funds in the amount of \$100,626 , and

WHEREAS, the City of Novi found that the following projects meet the federal objectives of the Community Development Block Grant program and are prioritized by the community as high priority need.

Account #:	Project Name:	Amount:
172160-730137-40620	Public Services – Battered and Abused Spouses	\$ 6,000
172160-732185	Public Services – Youth Services	\$ 10,000
172170-731227	Minor Home Repair	\$ 84,626
	Total	\$100,626

NOW THEREFORE BE IT RESOLVED, that the City of Novi hereby authorizes that the 2017 Community Development Block Grant Application in the amount of \$100,626 be approved and submitted for inclusion in Oakland County's Annual Action Plan to the U.S. Department of Housing and Urban Development, and that the Mayor is hereby authorized to execute all documents, agreements, or contracts which result from this application to Oakland County.

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 10th day of April, 2017, 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



MEMORANDUM

TO: PETER AUGER, CITY MANAGER

FROM: CARL JOHNSON, CFO

SUBJECT: 2017 COMMUNITY DEVELOPMENT BLOCK GRANT PUBLIC HEARING INFORMATION

DATE: APRIL 10, 2017

The proposed Program Year (PY) 2017 Community Development Block Grant (CDBG) allocation for the City of Novi has been revised from \$98,481 and now totals \$100,626. **Funding requests from outside agencies for public service activities were received totaling \$19,500.** The maximum amount the City of Novi is allowed to allocate directly to the public service program category for 2017 is \$30,188. Below is the history of Oakland County's public service cap policy:

Oakland County is required by the U.S. Department of Housing and Urban Development (HUD) to maintain an overall public service cap of 15%. Dating back to November 1, 1996, Oakland County was allowing participating communities to spend a maximum of 50% of its annual allocation for public service activities and still maintain the overall 15% requirement. This was possible because of the large offsetting Oakland County Home Improvement Program. The impact of the 2000 census was to eliminate the area wide benefit activities for many communities forcing more communities to now allocate funds directly to public service activities. As a result, Oakland County in 2006 changed their policy to only allow participating communities to spend a maximum of 45% of their annual allocation on public services. Because of a sever decrease in the amount of revolving loan fund (RLF) paybacks to the Home Improvement Program, the public service cap was reduced even further by Oakland County to a maximum of 30% of community allocations. Decreases in the amount of revolving loan fund (RLF) paybacks to the Home Improvement Program as well as a 17% reduction in federal funding in PY 2011, caused the public service cap to be reduced even further by Oakland County to a maximum of 15% of community allocations.

With the addition, in recent years, of the City of Pontiac to Oakland County's list of participating communities, the public service cap was increased to a maximum of 30% of community allocations. This continues to be the allowed allocation limit. The public service category allows the City of Novi to fund programs and services such as Youth Assistance and HAVEN.

Housing and Community Development Committee (HCD) Recommendation: The HDC Committee is represented by six members, five residents and one administrative staff member (Carl Johnson) in addition to two non-voting student representatives. The committee could not obtain a quorum after numerous attempts over several months so the recommendation from the prior year committee will be used for the current year allocation.

Funding requests were reviewed by the Housing and Community Development Advisory Committee at their meeting on November 16, 2015 and they recommended the following program allocations for 2016 PY and based on those recommendations

the 2017 PY were presented and approved by the City council on December 5, 2016. Subsequent to the December meeting, Oakland County notified the city that an additional \$2,145 was available but would require additional approval. The following is what was approved and the revised recommendation:

Recommended Projects					
CDBG Program Descriptions	Organization Requesting Funding	Description	2017 Allocation Award	2017 Requests	2017 Revised Recommendation
Public Services	HAVEN	Battered and abused spouses	\$6,500	\$6,000	\$6,000
Public Services	Novi Youth Assistance	Specialized counseling and camp scholarships	\$10,000	\$10,000	\$10,000
Public Services	City of Novi	Older Adult Transportation	\$10,000	\$ -	\$ -
Public Services	Hospitality House	Food Pantry	\$ -	\$3,500	\$ -
		Sub-Total*	\$26,500	\$19,500	\$16,000
Minor Home Repair	City of Novi	Residential Repair program for Novi Residents	\$71,981	\$82,481	\$84,626
		Total	\$98,481	\$101,981	\$100,626

***The maximum 30% allocation allowed within the Public Service category for 2015 is \$30,188.**

Letters requesting grant funding from HAVEN, Novi Youth Assistance, Older Adult Services have been included within this packet as additional information.

The 2016 Committee sought to provide the greatest good for the greatest amount of people. The Committee agreed to recommend continued funding for both Novi Youth Assistance (NYA) and HAVEN at their requested funding levels. Funding dollars allocated to NYA are used to provide direct intervention services for Novi youth and include counseling, enrichment, skill building and academic support to children who are for various reasons deemed to be at "at risk" or whose families have insufficient financial resources to meet their needs for these activities. The broad goals are: 1) to provide scholarships to allow children (who qualify by income) to attend various summer camps according to their individual interest and needs, 2) to enroll qualifying children in programs that increase skills in various areas and 3) to provide tutoring to qualifying children who can benefit from additional academic support. NYA has assisted 51 students thus far this calendar year.

HAVEN Guidelines for CDBG Communities: Beginning with the 2007 Program Year, Oakland County now contracts directly with HAVEN as a sole source provider on behalf of participating communities. In the past, each community would contract individually with HAVEN. The contract duration period will be one year and at the end of the contract period, any community balance will be expended for the 24-hour crisis hotline. HAVEN has reported last fiscal year a total of 120 Novi residents received direct assistance from HAVEN by way of shelter assistance, crisis intervention as well as services from HAVEN's Personal Protection Order Office.

Minor Home Repair Program: In addition to our allocation of CDBG funds, Novi offers its residents the ability to participate in the Weatherization Assistance Program (WAP) administered through OLHSA. The WAP provides free, grant-funded, energy-related home repairs to all eligible low income households to help lower their utility bills and to improve living conditions. Additional information regarding this program has been included within this packet as additional information.

There is currently no waiting list for the City of Novi Minor Home Repair program. The table below reflects funding levels for the Minor Home Repair program since 2011. On average, a minor home repair runs approximately \$1,000 to \$5,000 per unit. We anticipate the need for the Minor Home Repair program to sustain throughout the 2017 grant year.

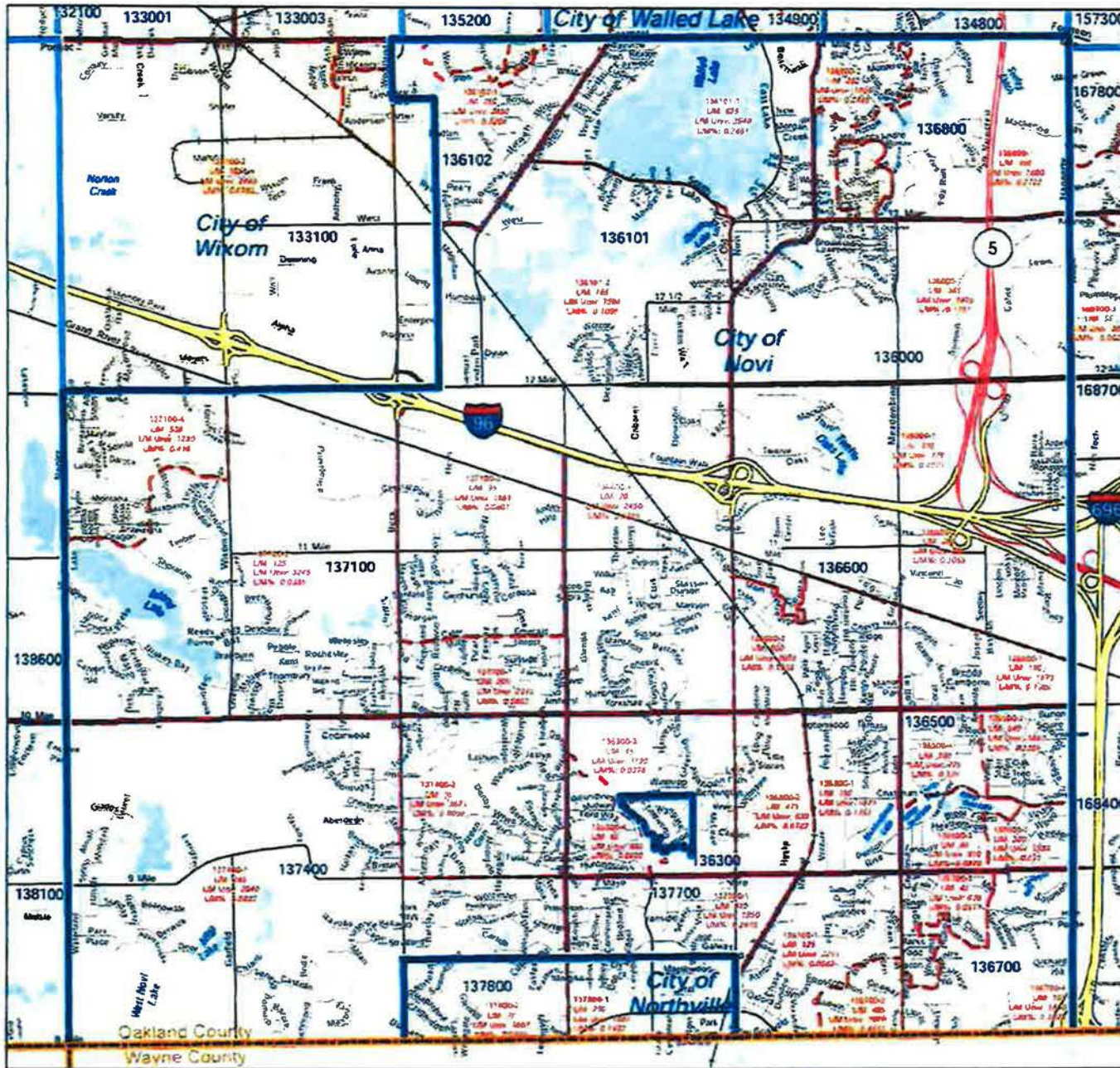
CDBG Program	Description	2013 CDBG Funding Allocation	2014 CDBG Funding Allocation	2015 CDBG Funding Allocation	2016 CDBG Funding Allocation	2017 Recommendation
Minor Home Repair	Residential repair program	\$77,654	\$77,505	\$84,481	\$74,126	\$84,626

Area-wide Benefit Map: Enclosed with this packet is the current area-wide benefit map as provided by Oakland County which reflects the Program Year 2017 low/moderate income block groups from the U.S. Department of Housing and Urban Development. The **Recommended Projects** for 2017 do not include any area benefit type projects such as parks, streets or sidewalk improvements. The projects are strictly city-wide individual income-qualified type projects such as minor home repair or direct benefit projects such as public services which are not dependent on location.

Novi Community Development Block Grant History: Since 2002, the City of Novi has received and *successfully managed over \$1,637,802* in CDBG grant funds.

City of Novi																
Community Development Block Grant																
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
	Program	Program	Program	Program	Program	Program	Program	Program	Program	Program	Program	Program	Program	Program	Program	
Project Descriptions:	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	Year	
Public Service:																
Senior Citizen Center Manager	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 7,000	\$ 7,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Senior Van Program	29,874	20,000	25,000	25,000	25,000	25,000	25,000	25,000	15,000	-	-	-	-	-	10,000	224,874
Youth Assistance	5,000	6,000	9,000	11,000	11,000	11,000	11,000	11,000	9,164	7,560	7,000	8,000	8,000	8,000	10,000	132,724
Haven	11,000	12,000	15,000	16,000	9,546	9,232	9,232	9,500	6,000	4,950	5,000	6,000	6,000	6,000	6,500	131,960
Novi Lions Club eBlind	-	-	-	2,900	-	-	-	-	-	-	-	-	-	-	-	2,900
Subtotal	54,874	47,000	58,000	63,900	52,546	52,232	45,232	45,500	30,164	12,510	12,000	14,000	14,000	14,000	26,500	542,458
Minor Home Repair	54,875	62,749	76,143	63,928	64,223	63,839	66,758	106,754	73,978	73,408	74,923	77,654	77,505	84,481	74,126	1,095,344
Grant-total	\$ 109,749	\$ 109,749	\$ 134,143	\$ 127,828	\$ 116,769	\$ 116,071	\$ 111,990	\$ 152,254	\$ 104,142	\$ 85,918	\$ 86,923	\$ 91,654	\$ 91,505	\$ 98,481	\$ 100,626	\$ 1,637,802

Area-wide
Benefit Map



OAKLAND COUNTY MICHIGAN
 Economic Development & Community Affairs
 L. Brooks Patterson, County Executive

OAKLAND COUNTY COMMUNITY & HOME IMPROVEMENT

Oakland County
 250 Elizabeth Lake Road, Ste. 1900
 Farmington Hills, MI 48331-0414
 248.858.0493
www.oakgov.com/ch

Area-Wide Benefit Map
City of Novi

- County Border
- Community Boundary (Highlighted)
- Community Boundary (Adjacent)
- Census Tract 2010
- Eligible Area-Wide Benefit Block Groups
- Non-Eligible Block Groups
- Interstate
- US
- State
- Major
- Minor
- Railroad
- Waterbodies

1 in = 0.82 miles

This Census Block Group map reflects 2014 LMISD data from the U.S. Department of Housing and Urban Development.
 Map Created On: 9/5/2014