



CITY COUNCIL ACTION REPORT

July 5, 2011

TO: The Honorable Mayor and City Council Members

FROM: John Szerlag, City Manager
Mark Miller, Director of Economic & Community Development
Timothy Richnak, Public Works Director
Cindy Stewart, Community Affairs Director

SUBJECT: Oakland County's Urban County Community Development Block Grant Cooperation Agreement for Program Years 2012-2014

Oakland County Community and Home Improvement Division are requesting the City of Troy's continued participation in Oakland County's Urban County Community Development Block Grant program for program years 2012-2014. The U.S. Department of Housing and Urban Development requires Oakland to renew the Cooperation Agreement every three years. The City of Troy has been participating in Oakland County's Urban County CDBG Program since 1982. Oakland County handles the majority of the federal paperwork involved in administering the CDBG program. The reduction in administrative burden helps maximize the benefit of each dollar at the local level.

The City of Troy should receive approximately \$171,966 in CDBG funds through the "Urban County" program this year. During the past three years approximately \$515,900 has funded such programs as Section 36 Drainage Improvements, Section 36 Walking Path Project, Public Services (Home Chore), Minor Home Repairs and General Program Administration.

It is recommended that Council approve the resolution for the City of Troy to continue its participation in Oakland County's Urban County Community Development Block Grant Program for program years 2012-2014, 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 City of Troy to terminate the Cooperative Agreement.

June 3, 2011

The Honorable Louise E. Schilling, Mayor
City of Troy
500 W Big Beaver Road
Troy MI 48084-5285

RE: 2012 - 2014 Cooperation Agreements

Dear Mayor Schilling:

We invite the City of Troy to continue its participation in Oakland County's Urban County Community Development Block Grant (CDBG) program for program years 2012-2014. The City has participated in the County's program during the past three years and during this period approximately \$515,900 has funded flood drain improvement and public service programs to address the needs of low income residents. The U. S. Department of Housing and Urban Development (HUD) requires Oakland County to renew Cooperation Agreements every three years. Your participation is essential to the County and the other participating cities, townships, and villages that combine their demographics to achieve the most federal funding for local projects.

Although Troy has a population of more than 50,000 and is eligible to apply directly for HUD funding, we would like to point out several reasons for the City to consider remaining in the County program. The City receives approximately \$171,966 in CDBG funds through the Urban County program each year. Besides an annual CDBG allocation, the City benefits from the County's federally funded HOME Investment Partnerships Program. Approximately \$1 million in HOME funds is combined with CDBG funds each year to improve local housing stock. As a participating community, Troy will automatically be included in the County HOME program, which provides low income residents with access to our award winning Home Improvement Program. Participating units, however, cannot apply for HUD Administered Small Cities or State CDBG programs. Another benefit is that Oakland County takes care of a majority of the federal paperwork involved in the CDBG and HOME programs. The reduction in administrative burden maximizes the benefit of each dollar at the local level.

As a current participant, there is a Cooperation Agreement between the City 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 choose **not** to participate, a letter signed by the chief executive officer is required. Due to federal requirements, you must submit this letter to the County **and** to HUD. The letter should state that the City does not intend to participate with Oakland County, and will either apply directly to HUD or not seek funding. 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: Cynthia A. Stewart, Community Affairs Director