



## CITY COUNCIL AGENDA ITEM

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Date: October 17, 2012

To: Mike Culpepper, City Manager

From: Mark F. Miller, Director of Economic & Community Development Services  
Cindy Stewart, Community Affairs Director

Subject: Community Development Block Grant (CDBG) 2013 Application and Public Hearing

### Background

Oakland County has advised the City of Troy to use \$145,204.00 as our planning estimate for the program year 2013.

The following projects are being recommended for the 2013 CDBG program:

Home Chore Program:	43,561.00
Street Improvements	<u>101,643.00</u>
Total:	\$145,204.00

Federal regulations require Oakland County as an “urban county” grantee to execute an annual Subrecipient Agreement with each participating community. We submit the signed Agreement with our application.

### Recommendation

It is recommended that Council approve the Community Development Block Grant (CDBG) 2013 application.

### Fund Availability

Oakland County will allow participating communities to spend a maximum of 30% of their annual allocation on public services. We are currently at 30%.



## CITY COUNCIL MEMO

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October 9, 2012

To: Mike Culpepper, City Manager

From: Mark F. Miller, Director of Economic & Community Development  
Cindy Stewart, Community Affairs Director

Subject: Community Development Block Grant (CDBG) Information

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The City of Troy receives Community Development Block Grant (CDBG) funding each year. CDBG is a U.S. Department of Housing and Urban Development (HUD) Program that provides funds annually to entitlement jurisdictions. CDBG funds housing, public facility and public service activities that benefit low-income households and persons with special needs. Oakland County received CDBG funds as an “urban county.” Participating communities have a population below the threshold for entitlement status and must join with the County to receive CDBG.

Projects must be eligible, in conformance with activities to be funded and meet at least one of the following CDBG national objectives:

- Limited clientele activities, i.e., those which benefit a specific sector of the community must benefit a minimum of 51% low/moderate income persons.
- Activities, that benefit all residents within a defined geographic area, can meet the low/moderate income benefit requirement if the area meets the urban county exception criteria of a minimum of 43.59% low/moderate income residents, as calculated from census data provided by HUD.
- Direct benefit activities are those such as Minor Home Repair and Public Services that directly benefit income qualified low/moderate income households.

Based on our population, there has only been one section of the City in which we have been allowed to use part of the CDBG funds for Street Improvements and Flood Drain Improvements. This is Section 36 in the southeast portion of the City.

There is a cap at 30% of the total CDBG funds we receive that can be used for Public Services/Yard Services for low income senior citizens and persons with disabilities. Currently we service 82 extremely low to very low income seniors and seven persons with disabilities. The criteria for a person to be considered in the extremely low category is a one person household with income of \$13,750, and very low income category is a one person household with an income of \$22,900.



## CITY COUNCIL MEMO

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The average age of the senior citizens we serve through the Home Chore Program is 80, yet we serve 35 people over the age of 81 and 8 are over the age of 90.

The program enables us to hire contractors for lawn services in the Spring-Summer-Fall and snow removal services in the winter. The people serviced with the CDBG funds would have a very difficult time remaining in their homes without these services.

The improvement projects we have completed with CDBG funds have all been concentrated within Section 36. To date, we have completed construction of a walking path, restroom shelter and placed various exercise equipment in Milverton Park.

Currently we are working on flood drain improvements in the area. The flood drain project is a continuation of an overall project to construct large 48" diameter concrete storm sewers in this area of Section 36 which has been prone to flooding prior to construction of these enclosed drainage systems. The project on Lovington will complete the overall storm sewer in this area as past projects have been completed on Iowa, Wisconsin, Minnesota and Dashwood using CDBG funding.