



CITY COUNCIL ACTION REPORT

May 7, 2008

TO: Phillip L. Nelson, City Manager

FROM: Brian P. Murphy, Assistant City Manager/Economic Development Services
Timothy L. Richnak, Public Works Director

SUBJECT: Oakland County's Urban County Community Development Block Grant Cooperation Agreement for Program Years 2009-2011

Background:

- 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 2009-2011. The U.S. Department of Housing and Urban Development requires Oakland County 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.

Financial Considerations:

- The City of Troy should receive approximately \$158,321 in CDBG funds through the "Urban County" program this year. During the past three years approximately \$489,778 has funded such programs as, Section 36 Drainage Improvements, Section 36 Walking Path Project, Special Assessments for Street Paving, Public Services (Home Chore), Minor Home Repairs and General Program Administration.

Legal Considerations:

- There are no legal considerations associated with this item.

Policy Considerations:

- The proposed Proclamation is consistent with City Council Goal 1 (Enhance the livability and safety of the community), Goal 2 (Minimize the cost and increase the efficiency and effectiveness of City government) and Goal 4 (Effectively and professionally communicate internally and externally).

Options:

- 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 2009-2011, 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.

May 7, 2008

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

RE: 2009 - 2011 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 2009-2011. The City has participated in the County's program during the past three years. During this period, approximately \$489,778 has funded such programs as minor home repairs, senior centers, and public services to address the needs of low- and moderate-income residents. The U. S. Department of Housing and Urban Development (HUD) requires Oakland County to renew Cooperation Agreements every three years. Your participation in the program is essential to the County and the forty-nine other participating cities, townships, and villages that combine their demographics together to achieve the highest level of 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's program. The City receives approximately \$158,321 in CDBG funds through the Urban County program each year. Besides the annual CDBG allocation, the City also 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 lower 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 of participation is that Oakland County takes care of a majority of the federal paperwork involved in the CDBG and HOME programs. This reduction in administrative burden helps maximize 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: Ms. Shannon Hefter, CPD, HUD MI State Office, 477 Michigan Ave, Detroit MI 48226 by **Friday, May 30, 2008**. The County's copy of the letter should be mailed to: Carla Spradlin, Planner, by **Friday, May 30, 2008**. If you have questions, please contact Carla at (248) 858-5312. Thank you for your assistance, we look forward to three more years of productive partnership.

Sincerely,

Karry L. Rieth Manager

cc: Vicki Richardson, Solid Waste Coordinator