



CITY of NOVI CITY COUNCIL

**Agenda Item 2
November 8, 2010**

SUBJECT: Approve the Program Year 2011 Community Development Block Grant Application in the approximate amount of \$104,142 and authorize the Mayor to sign the Application and Sub-recipient Agreement.

SUBMITTING DEPARTMENT: Finance *me*

CITY MANAGER APPROVAL: *[Signature]*

BACKGROUND INFORMATION: The proposed program year (PY) 2011 planning allocation for the City of Novi is estimated to total \$104,142. **Housing and Community Development Committee Recommendation:** Funding requests were reviewed individually by the HCD Committee at their meeting of September 14th. After very thoughtful deliberation, the Committee is recommending the following program allocations for 2011:

CDBG Program Description	Organization Requesting Funding	Description	2009 Allocation Award	2010 Allocation Award	2011 Agency Requests for Funding	2011 HCD Committee Recommendation
Public Services	HAVEN	Battered and abused spouses	\$ 9,500	\$ 6,000	\$ 6,000	\$ 6,000
Public Services	Novi Youth Assistance	Specialized counseling and camp scholarships	\$ 11,000	\$ 9,164	\$ 15,000	\$ 9,164
Public Services	City of Novi	Senior van transportation services	\$ 25,000	\$ 15,000	\$ 15,000	\$ 12,000 #
Public Services	OLHSA	Safety and Repair Services	-	-	\$ 2,500	-
Public Services	St. Vincent DePaul	Emergency Services	-	-	\$ 3,000	-
Public Services		Sub-total	\$45,500	\$30,164	\$41,500	\$27,164
Minor Home Repair	City of Novi	Residential repair program for Novi residents	\$106,754	\$73,978	\$73,978	\$ 76,978
		Total	\$152,254	\$104,142	\$115,478	\$104,142

See page -3- of attached memorandum for additional information regarding the financial impact of this recommendation.

RECOMMENDED ACTION: Approve the Program Year 2011 Community Development Block Grant Application in the approximate amount of \$104,142 and authorize the Mayor to sign the Application and Sub-recipient Agreement.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Gatt				
Council Member Crawford				
Council Member Fischer				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Staudt				

RESOLUTION

Approving the 2011 Community Development Block Grant Application

WHEREAS, the Housing and Community Development Committee has recommended a program for the use of 2011 Community Development Block Grant funds, and

WHEREAS, the City of Novi has duly advertised and conducted a public hearing on October 25, 2010, for the purpose of receiving public comments regarding the proposed use of 2011 Community Development Block Grant funds in the approximate amount of \$104,142 , 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	Public Services – Battered and Abused Spouses	\$ 6,000.00
172160-732185	Public Services – Youth Services	\$ 9,164.00
172160-732011	Public Services – Transportation Services	\$ 12,000.00
172170-731227	Minor Home Repair	\$ 76,978.00
	Total	\$104,142.00

NOW THEREFORE BE IT RESOLVED, that the City of Novi hereby authorizes that the 2011 Community Development Block Grant Application in the approximate amount of \$104,142 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.

CERTIFICATION

I, Maryanne Cornelius, the duly appointed Clerk of the City of Novi, Oakland County, Michigan, hereby certify that the above is a true and complete copy of a resolution adopted by the City Council of the City of Novi at a regular meeting held on November 8, 2010 at which time a quorum was present.

Maryanne Cornelius
City Clerk



MEMORANDUM

TO: KATHY SMITH-ROY, FINANCE DIRECTOR
FROM: MARINA NEUMAIER, ASSISTANT FINANCE DIRECTOR
SUBJECT: 2011 COMMUNITY DEVELOPMENT BLOCK GRANT
DATE: NOVEMBER 3, 2010

The proposed Program Year (PY) 2011 Community Development Block Grant (CDBG) planning allocation for the City of Novi is **estimated** to total \$104,142. **Funding requests from outside agencies for public service activities were received totaling \$41,500.** The maximum amount the City of Novi is allowed to allocate directly to the public service program category for 2011 is \$31,243 (\$104,142 * 30%).

HCD Committee Recommendation: Funding requests were reviewed by the Housing and Community Development Advisory Committee at their meeting of September 14th and they are recommending the following program allocations for 2011:

Recommended Projects					
CDBG Program Description	Organization Requesting Funding	Description	2010 Allocation Award	2011 Agency Requests	2011 HCD Committee Recommendation
Public Services	HAVEN	Battered and abused spouses	\$ 6,000	\$ 6,000	\$ 6,000
Public Services	Novi Youth Assistance	Specialized counseling and camp scholarships	\$ 9,164	\$ 15,000	\$ 9,164
Public Services	City of Novi	Senior van transportation services	\$ 15,000	\$ 15,000	\$ 12,000 #
Public Services	OLHSA	Safety and repair	-	\$ 2,500	-
Public Services	St. Vincent DePaul	Emergency Services	-	\$ 3,000	-
		Sub-total *	\$30,164	\$41,500	\$27,164 *
Minor Home Repair	City of Novi	Residential repair program for Novi residents	\$73,978	\$73,978	\$76,978
		TOTAL	\$104,142	\$115,478	\$104,142

*The maximum 30% allocation allowed within the Public Service category for 2011 is \$31,243.

The financial impact of this recommendation will be to reduce the amount of grant funding received to offset the costs of senior transportation by \$3,000 within the Parks, Recreation & Cultural Services Fund as compared to the prior year.



The Committee arrived at the following recommended spending levels within the public service category:

Organization Requesting Funding	Description	2011 Agency Requests for Funding	2011 HCD Committee Recommendation	% of Total 2011 Public Service Allocation
City of Novi	Senior van transportation services	\$ 15,000	\$ 12,000	44%
Novi Youth Assistance	Specialized counseling and camp scholarships	\$ 15,000	\$ 9,164	34%
HAVEN	Battered and abused spouses	\$ 6,000	\$ 6,000	22%
OLHSA	Safety and repair	\$ 2,500	-	-
St. Vincent DePaul	Emergency Services	\$ 3,000	-	-
Total		\$ 41,500	\$27,164	100%

Given the current economic conditions many families are facing within our community, our demand for Minor Home Repair services continues. To provide additional funding to address this need, the Committee unanimously approved the recommendation to reallocate \$3,000 from the Senior Transportation Program to Minor Home Repair. Senior transportation is still proposed to receive the majority of public service funding with 44% of the total recommended allocation to remain within this program service category.

On October 25th, City Council approved the 2011 Suburban Mobility Authority for Regional Transportation (S.M.A.R.T.) Municipal Credit Funds Resolution allocating \$44,713 towards the Novi Senior Van Transportation Service. Included in the October 25th agenda packet (see attached), is Exhibit B which provides a summary of the estimated funding sources for the Senior Van Program for FY 2011-12 as follows:

Estimated Revenues:	Original FY 2011-12	Revised FY 2011-12
Municipal Credit Funds	\$ 44,713	\$ 44,713
Community Credit Funds (CDBG funding)	15,000	12,000 #
General Funds (PRCS Fund)	57,190	60,190
Farebox Revenue	30,000	30,000
Total	\$ 146,903	\$ 146,903

The financial impact of this recommendation will be to reduce the amount of CDBG grant funding received to offset the cost of providing senior transportation services by \$3,000 within the Parks, Recreation & Cultural Services (PRCS) Fund as compared to the prior year.

The Committee unanimously agreed not to recommend funding at this time for either the St. Vincent de Paul Society or OLHSA to fund emergency and safety and repair services. The Oakland County Community and Home Improvement Division has determined that Novi cannot award block grant funding directly to either St. Vincent DePaul or Oakland Livingston Human Service Agency (OLHSA) since these agencies are not considered to be a sole source for the type of services they are providing. The City would therefore need to procure these services under a formal bid process in compliance with HUD regulations. In addition, Novi currently provides many of the specialized items OLHSA is requesting under our existing "Minor Home Repair" program. Some exceptions would include items which are not permanently affixed to a building such as shower chairs, tub mats, pill boxes and flashlights which would not be eligible under the Minor Home Repair program.

The Committee agreed to recommend continued funding for the Novi Youth Assistance (NYA) at the same level as the current Program Year. 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.

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 requested funding for 2011 in the amount of \$6,000. The Committee agreed to recommend continued funding for HAVEN. HAVEN has reported last fiscal year a total of 226 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: Our city-wide Minor Home Repair program has experienced tremendous success. As of September 30, 2010, we have a total of **70** Novi residents who have qualified under our Minor Home Repair Program waiting for assistance. As a result of leveraging our CDBG funds with the Department of Energy Weatherization Assistance Program (WAP), we were able to address the weatherization needs of **68** families currently on our waiting list and **leveraged an additional \$215,896 in American Recovery and Reinvestment Act (ARRA) funding for our residents.** We have a total of approximately **17** clients currently receiving assistance with our 2010 funds. We anticipate the need for this program to sustain throughout the 2011 grant year.

CDBG Program	Description	2007 CDBG Funding Allocation	2008 CDBG Funding Allocation	2009 CDBG Funding Allocation	2010 Award	2011 HCD Committee Recommendation
Minor Home Repair	Residential repair program	\$ 63,839	\$ 66,758	• \$106,754	\$73,978	\$76,978

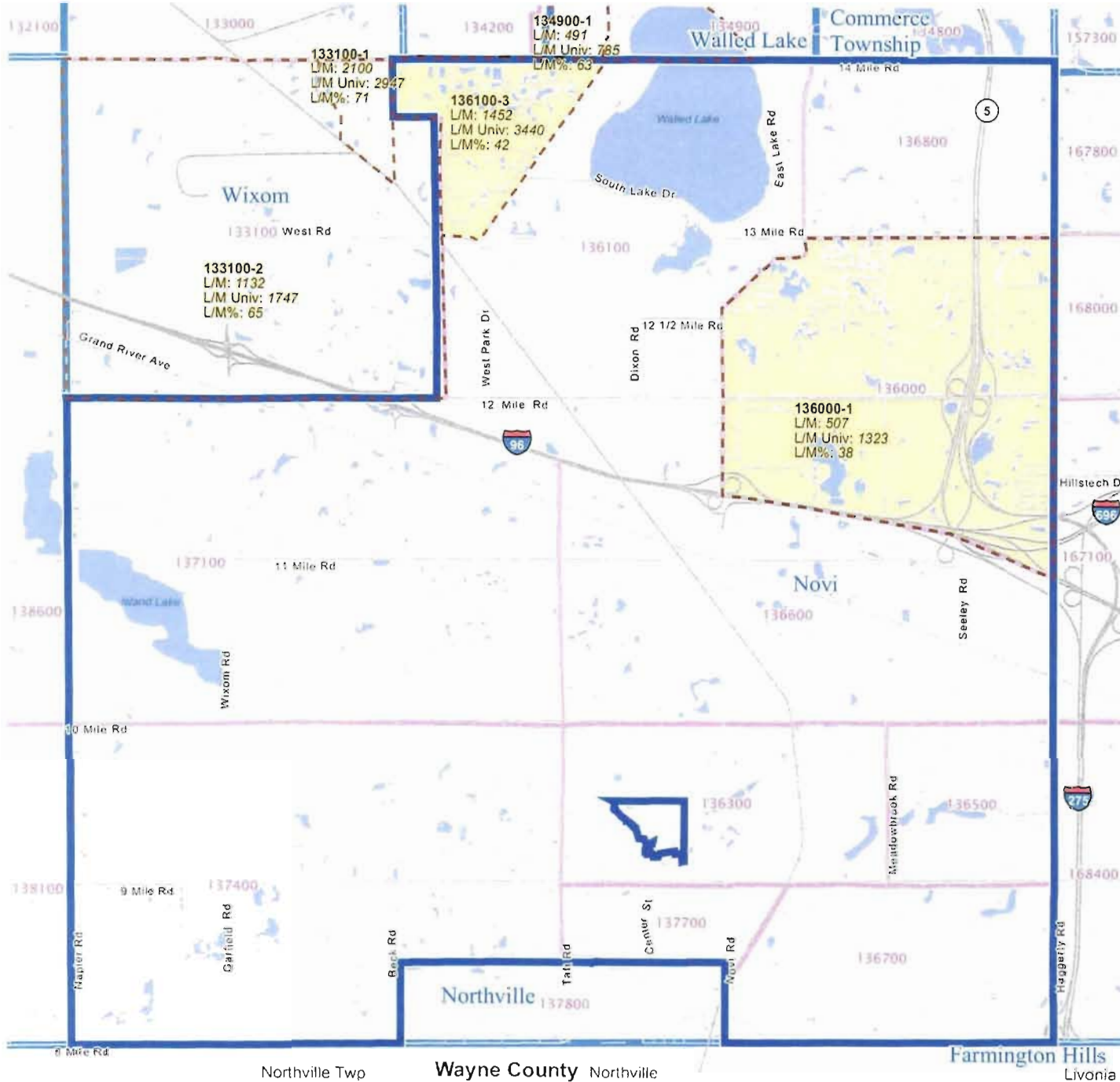
- In conjunction with the FY 2009-10 budget process, City Council approved the funding option to accelerate the repayment of future program income funds into our 2009 Minor Home Repair Program. By combining the additional funds approved in the 2009-10 Budget as a result of **accelerating the repayment of program income**, our 2009 Minor Home Repair Program totaled \$106,754.

Program Year 2011 Public Service Cap. Oakland County is required by 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. Recent economic events have resulted in the further erosion of the public service cap forcing community's to further reduce their allocation of funds within this category. 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 last year by Oakland County to a maximum of **30%** of community allocations. The public service category has allowed the City of Novi to

fund programs and services such as senior transportation, senior manager, Youth Assistance and HAVEN.

2000 Census Impact: Enclosed with this packet is the 2000 census areawide benefit map. A comparison to the 1990 map shows census tract 1361, block group 2 which includes Lakeshore Park, no longer qualifies for CDBG funding of infrastructure type projects. The Recommended Projects for 2011 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 census tract location.

September 30, 2010 Oakland County Community and Home Improvement Division Financial Report: Since 2001, the City of Novi has received and *successfully managed over \$1,158,580* in CDBG grant funds.



Area-wide Benefit Map

City of Novi

Legend

- Eligible Area-wide Benefit Block Groups
- Community Boundary (highlighted)
- Community Boundary (adjacent)
- Census Tract
- Highways
- Major Roads
- Minor Roads
- Railroads
- Lakes



1 inch = 4,884 feet

This Census Block Group map reflects 2009
LMISD data from the U.S. Department of
Housing and Urban Development.



cityofnovi.org

CITY of NOVI CITY COUNCIL

**Agenda Item C
October 25, 2010**

SUBJECT: Approval of the 2011 Suburban Mobility Authority for Regional Transportation (S.M.A.R.T.) Municipal Credit Funds Resolution and Contract in the amount of \$44,713 towards the Novi Senior Van Transportation Service.

SUBMITTING DEPARTMENT: Parks, Recreation and Cultural Services

CITY MANAGER APPROVAL: *[Signature]*

EXPENDITURE REQUIRED	\$146,903 (offset by \$44,713 credit, \$15,000 CDBG, \$30,000 farebox)
AMOUNT BUDGETED	\$157,900
APPROPRIATION REQUIRED	n/a
LINE ITEM NUMBER	208-695:00-960.557

BACKGROUND INFORMATION:

The City of Novi is eligible to receive \$44,713 in Municipal Credit Funds for 2011. These funds are utilized to support the Senior Van Transportation Service for Novi older adult residents age 55 and over and physically and mentally challenged non-senior residents. Transportation is available for Novi residents during the weekday hours of 8am – 9pm and on Saturday from 9am – 5pm.

Novi Senior Transportation is an essential service for the older adults of Novi. In 2009-2010 11,721 one way rides were provided by the Senior Van Transportation Service.

RECOMMENDED ACTION: Approval of the 2011 Suburban Mobility Authority for Regional Transportation (S.M.A.R.T.) Municipal Credit Funds Resolution and Contract in the amount of \$44,713 towards the Novi Senior Van Transportation Service.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Gatt				
Council Member Crawford				
Council Member Fischer				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Staudt				

**MUNICIPAL CREDIT CONTRACT
FOR FY 2011**

I, David Landry, on behalf of the **City of Novi** apply to Suburban Mobility Authority for Regional Transportation (SMART) for our municipal credits for the period of July 1, 2010 to June 30, 2011, and agree that the Municipal Credit/Community Credit Master Contract, which is incorporated herein, by reference, will form part of this agreement.

Our community agrees to use the \$44,713 in **Municipal Credit** funds available to us as follows:

(1) Transfer \$ _____ to _____
TRANSFeree COMMUNITY

At the cost of \$ _____.

(2) Transportation program operated/administered by the community
(Includes Charters, Van/Bus Program, Taxi Reimbursement)

At the cost of \$ 44,713
Total \$ 44,713

Exhibits A and B as completed are attached hereto and made a part hereof.

City of Novi

By: _____
David Landry

Date: _____

Its: Mayor

**Suburban Mobility Authority
for Regional Transportation**

Date: _____

By: _____
General Manager



SMART MUNICIPAL CREDIT PROGRAM RESOLUTION

WHEREAS, the City of Novi is desirous of maintaining the existing Suburban Mobility Authority for Regional Transportation (S.M.A.R.T.) Municipal Credit Program, and

CITY COUNCIL

Mayor
David B. Landry

Mayor Pro Tem
Bob Gall

Terry K. Margolis

Andrew Mutch

Kathy Crawford

Dave Slautli

Justin Fischer

WHEREAS, this program provides an essential service to senior citizens and handicapped individuals.

NOW, THEREFORE, BE IT RESOLVED that the Novi City Council hereby requests the 2011 Municipal Credit funding from Suburban Mobility Authority for Regional Transportation (S.M.A.R.T.), in the amount of \$44,713, and

BE IT FUTHER RESOLVED that funding be distributed in the following manner:

City Manager
Clay J. Pearson

Parks, Recreation &
Cultural Services Director
Randy Auler

Senior Services Manager
Rachel Zagaroli

Novi Senior Van Program

\$44,713

Total

\$44,713 (less
SMART
administration fees)

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 at a Regular Meeting held the 25th day of October, 2010.

Maryanne Cornelius, City Clerk

Novi Senior Center
25075 Meadowbrook Road
Novi, Michigan 48375
248.347.0414
248.347.0490 fax

cityofnovi.org

Exhibit A

Novi Senior Van Transportation System

DESCRIPTION

The City of Novi Senior Transit System is an "advance reservation" transportation service for seniors and disabled non-seniors provided by the City of Novi Parks, Recreation and Cultural Services Department. The priority of the Van Transportation program is to provide rides for medical appointments, trips to the hospitals, grocery stores, banks, malls, as well as numerous other facilities. Particular emphasis is placed on transporting riders to the senior citizen center, city hall and the library as well as other City sponsored events. The City promotes the program through the Parks, Recreation & Cultural Services brochure, Engage!, Enhance, the Older Adult newsletter, as well as flyers, advertisement on the local cable station, community presentations, etc.

SERVICE AREA

Service for Van Transportation is available to residents for trips within the City of Novi boundaries, as well as up to 10 miles outside the City for medical appointments only. In some cases, the medical facility may be located just outside the 10 mile radius and consideration will be given to include those special requests, if timing is appropriate.

SERVICE HOURS

Regular on-demand Van Transportation is available 8am-4pm Monday-Friday and 9am-2pm Saturday. Advance notice of 2 days is required for transports during regular business hours. Expanded on-demand Van Transportation is available until 9pm Monday-Friday, and 5pm on Saturday for employment or medical appointments only that can not be made during regular transportation hours. Advance reservation of 72 hours is required for transports during the expanded hours of service. There are no Sunday hours. Clients may schedule rides between the hours of 7:30am and 4:30pm daily by calling (248) 735-5617. Riders should allow some flexibility in their appointment scheduling to account for traffic, construction and weather conditions. We may be up to 15 minutes early or late, depending on the conditions.

ELIGIBLE USER

All Novi residents, age 55 and above, are eligible for the transit service, as well as disabled non-seniors approved by the Novi Parks, Recreation and Cultural Services Department. The highest priority is given to seniors who have no other form of transportation.

FARE STRUCTURE

Fares within the City are \$4.00 one-way (per stop) and \$6.00 one-way outside the City limits for medical appointments only. A \$1 fee is charged per one way ride to the Senior Center, Civic Center and Library. A punch card is also available to passengers to use in place of money and is purchased at the Senior Center or from a driver. Rides are available to those with income restrictions.

SERVICE LEVEL

Potential riders must call the Scheduling Clerk a minimum of 48 hours in advance. No reservations may be made with the driver. Riders must inform scheduler of they are in need of extra help getting to the vehicle or if they can not move on their own, must provide a caregiver that is allowed to ride free of charge.

SERVICE MODE

The program utilizes 2-14-passenger van, 2-8 passenger vans with lift and two wheelchair lockdowns, 1 – either 8 passenger or 2 passenger with 2 wheelchair mini van, 1 – 7 passenger mini van and 1 city pool car for a total of 7 vehicles. Note: We do provide wheelchairs to those that need one from our loan closet if in stock, but we can not accommodate all types of motorized chairs, due to limitations of our lifts.

08/22/10

EXHIBIT B

PROJECTED OPERATING BUDGET

Municipality: City of Novi

Project: Novi Senior Transportation

Contract Period: July 1, 2010 – June 30, 2011

Account No: 48 223

OPERATING EXPENSES:

Administrative Fee
(10% max. of MC & CC funds) _____
Driver Wages 11,090.3
Fringe Benefits _____
Gasoline & Lubricants 18,000
Vehicle Insurance _____
Parts, Maintenance Supplies 18,000
Mechanic Wages _____
Fringe Benefits _____
Dispatch Wages _____
Other (Specify) _____

Sub-Total (Operations & Maintenance) 146,903

Purchased Service

Taxi Service _____
Charter Service _____
SMART Bus Tickets _____
SMART Shuttle Service _____
SMART Dial-A-Ride _____

SUB-TOTAL _____

CAPITAL EQUIPMENT:

(Only list purchases to be made with Community Credits)

Computer Equipment _____
Software _____
Vehicle _____
Maintenance Equipment _____
Other (Specify) _____

Sub-Total _____

TOTAL EXPENSES:

146,903

EXHIBIT B (Page 2)

REVENUES:

Municipal Credit Funds	<u>44,713</u>
Community Credit Funds	<u>15,000</u>
Specialized Services Funds	<u> </u>
General Funds	<u>57,190</u>
Farebox Revenue	<u>30,000</u>
In-Kind Service	<u> </u>
Special Fares (Contracted Service)	<u> </u>
Other (Specify)	<u> </u>

TOTAL REVENUE: 146,903

(Note: Total Expenses must equal Total Revenues)

Submitted By:	Title	Date:
<u>Rachel Zugardi</u>	<u>Sr. Sew. Mgr.</u>	<u>10/13/10</u>

Employment Data (continued)

Employment at this establishment-Report all permanent, temporary, or part-time employees including apprentices and on-the-job trainees. Report the appropriate figures.

b Categories	Current Workforce					Under-utilization		Estimated Number of Vacancies	20... Goals				Ultimate Goals			
	No. of Employees	Minority		Female		Min.	Fem.		Minority		Female		Minority		Female	
		#	%	#	%				#	%	Year	%	Year	%		
Officials/Managers	1			1	100%											
Professionals																
Technicians																
Production Workers																
Office and Clerical incl. Secretaries	3	0	0	1	33%											
Millwrights (Skilled)																
Operators (incl. Skilled)																
Operators (Unskilled)																
Machinists																
Truck Drivers	9	1	11%	1	11%											
Truck Drivers																
Apprentices																
Other																

Signature of authorized official: Rachel Zagardi Title: Senior Services Manager
 Signature: Rachel Zagardi Date: 9/22/10
 Name of person to contact: Glenn Caldwell Title: Customer Serv. REP
 Address (number and street): 45175 W. 10 Mill Rd City: Nash
 State: MI Zip Code: 48375 Area Code: 248 Telephone Number: 347-0452 Ext.:

Was information as to race or ethnic group obtained? Visual Survey Employment Records

Do not write below this line. For SMART Only.

3	Awardable		Signature	Comments
	Yes	No		