

David Whitaker, Esq.  
*Director*  
Irvin Corley, Jr.  
*Executive Policy Manager*  
Marcell R. Todd, Jr.  
*Senior City Planner*  
Janese Chapman  
*Deputy Director*

John Alexander  
LaKisha Barclift, Esq.  
M. Rory Bolger, Ph.D., AICP  
Elizabeth Cabot, Esq.  
Tasha Cowen  
Richard Drumb  
George Etheridge  
Deborah Goldstein

**City of Detroit**  
**CITY COUNCIL**  
**LEGISLATIVE POLICY DIVISION**  
208 Coleman A. Young Municipal Center  
Detroit, Michigan 48226  
Phone: (313) 224-4946 Fax: (313) 224-4336

Christopher Gulock, AICP  
Derrick Headd  
Marcel Hurt, Esq.  
Kimani Jeffrey  
Anne Marie Langan  
Jamie Murphy  
Carolyn Nelson  
Kim Newby  
Analine Powers, Ph.D.  
Jennifer Reinhardt  
Sabrina Shockley  
Thomas Stephens, Esq.  
David Teeter  
Theresa Thomas  
Kathryn Lynch Underwood  
Ashley A. Wilson

**TO:** Honorable Detroit City Council  
**FROM:** David Whitaker, Director <sup>DW</sup>  
Legislative Policy Division Staff

**DATE:** May 14, 2019

**RE: DETROIT CITY COUNCIL CDBG FUNDING PRIORITIES /  
REPROGRAMMING AMENDMENTS TO CDBG ANNUAL ACTION PLAN**

This memorandum is in response to the April 22, 2019, memorandum submitted by the Office of Council Gabe Leland in regards to a request for the Legislative Policy Division to provide a current list of the Detroit City Council's Community Development Block Grant (CDBG) funding priorities in addition to an opinion on the appropriateness of an ordinance requiring reprogramming amendments to give first consideration to Detroit City Council CDBG funding priorities.

Attached, please find a copy of the FY 2019-2020 CDBG/NOF funding priorities which were adopted by Your Honorable Body in July of 2018. For the past ten (10) years, the Detroit City Council has been requested to submit a completed survey which lists in rank order your funding priorities for both Public Service and Non-Public Service for each CDBG/NOF process. For the past three years your Honorable Body's priorities have remained unchanged, with the exception of several CDBG items shifting completely under the Administrations jurisdiction, i.e., Commerical Façade, which is now Motor City Restore; and Economic Development which is now Motor City Match.

Under the Public Service category, which is limited to a 15% public service cap Council's priorities are listed as:

Education  
Seniors  
Public Safety

Recreation  
Health

Under the Non-Public Service category the only remaining item is Public Facility Rehabilitation which does not have a cap on the amount of funding which can be expended.

In June of 2018 Your Honorable Body voted to amend the manner in which Homeless Public Service contracts are reviewed and awarded. The timeline for Homeless Public Service was shifted to align more so with the Emergency Solutions Grant time line which typically takes place in either April or May of each year.

In regards to the appropriateness of an ordinance requiring reprogramming amendments to give first consideration to Detroit City Council CDBG funding priorities, the authority for Council to approval contracts is rested in the City Charter under Sec. 4-122 – Approval of Contracts and Disclosure, which states in part:

*“The City may not purchase or in any way procure property or the services of independent contractors without approval by resolution of the City Council except as provided by ordinance.”*

Given that Council has the Charter mandated responsibility to approve all service contracts inclusive of CDBG/NOF contracts, staff is of the opinion that an ordinance to ensure that Council’s funding priorities are taken into consideration is not necessary.

Should you have any additional questions or concerns, please contact our office directly.

Attachments



City of Detroit  
CITY COUNCIL

Planning & Economic Development Standing Com.  
Date: 5-2-19 Line Item # 36  
 New  Unfinished Bus  Discussion  
 Hearing  Public Hearing  Interview  
Disposition BE 2 6 1 2

GABE LELAND  
COUNCIL MEMBER

MEMORANDUM

TO: George Etheridge  
City Planner – Legislative Policy Division

THRU: Council President Brenda Jones

FROM: Councilman Gabe Leland

DATE: April 22, 2019

RE: **Detroit City Council CDBG Funding Priorities / Reprogramming  
Amendments to CDBG Annual Action Plan**

I am requesting LPD to:

1. Provide a current list of the Detroit City Council's CDBG funding priorities.
2. Provide LPD's opinion of an ordinance requiring reprogramming amendments to give first consideration to Detroit City Council CDBG funding priorities.

Sincerely,

Councilman Gabe Leland  
Detroit City Council District 7

# Detroit City Council's CDBG/NOF 2019-2020

## Priority Survey

The Legislative Policy Division in conjunction with the Housing Revitalization Department are asking Your Honorable Body to identify community needs and priorities for the expenditure of federal funds to low/moderate income families, households and neighborhoods. The results will be used to set the program funding priorities which will be utilized by the administration for the 2019-2020 CDBG/NOF process. Please help us by ranking the following Public Service categories.

**NOTE: Place the categories in priority order with the first being of highest importance to you. Please complete this survey and submit it to the LPD offices by FRIDAY JULY 13, 2018.**

### **PUBLIC SERVICE CATEGORIES**

#### **SENIORS / ELDERLY**

Which includes: Chore Services, Adult Day Care, Support service (Transportation, Food Services, Medical, etc.)

#### **PUBLIC SAFETY**

Which includes: Crime prevention programs, Community Policing, Human Trafficking

#### **EDUCATION**

Which includes: After school programs, Conflict Resolution, Programs, Counseling, Adult Education, Job readiness programs

#### **HEALTH SERVICES**

Which includes: Substance abuse treatment, Abused and neglected individuals, Mental health services, Services to the disabled/impaired, Dental care/ Health care services

#### **RECREATION**

Which includes: Sports, Cultural Enrichment (Dance, Music, Theatre, Art)

**PLEASE INDICATE YOUR FUNDING CATEGORY PRIORITIES FOR PUBLIC SERVICE HERE:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

### **HOMELESS PUBLIC SERVICE ACTIVITIES**

#### **HOMELESS/EMERGENCY ACTIVITIES**

- Emergency Shelter
- Domestic Violence Emergency Shelter
- Transitional housing
- Permanent housing
- Housing for disabled/chronic homeless
- Housing for homeless veterans
- Food banks/food programs
- Support Services (Utility shutoff prevention)

*(Note: Since there are no sub-categories under Homeless Public Service please rank the Homeless Public Service activities in order of importance to you)*

**PLEASE INDICATE YOUR FUNDING CATEGORY PRIORITIES FOR HOMELESS PUBLIC SERVICE HERE:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_
8. \_\_\_\_\_

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# City of Detroit

## CITY COUNCIL

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**TO:** THE HONORABLE DETROIT CITY COUNCIL

**FROM:** David Whitaker, Director  
Legislative Policy Division Staff

**DATE:** June 15, 2018

**RE:** Establishing Priorities and Threshold Criteria for the 2019-20 Community Development Block Grant/Neighborhood Opportunity Fund Program

On July 17, 2018 Your Honorable Body is scheduled to receive an update and presentation from the Housing and Revitalization Department regarding their proposed timeline for the 2019-2020 CDBG/NOF process. The first two proposal writing workshops (there may be more) have been tentatively scheduled for a Wednesday and Saturday in August ahead of the RFP being released on August 31st. Similarly to last year a best practices forum was held on Monday, June 18, 2018. This forum was advertised via the public access channels as well as email distribution networks through your respective offices.

For several years the Detroit City Council has held Committee of the Whole strategy sessions on Community Development Block Grant (CDBG), where it has been recommended that the City Council adopt funding priorities for the pending Community Development Block Grant/Neighborhood Opportunity Fund (CDBG/NOF) funding cycles in anticipation of a 7.5% to 10% reduction in funding. However, in 2018-2019 an overall increase in funding was realized, supplemented by additional funds through a Section 108 loan defeasance payment. Since the CDBG/NOF process of 2015-16 the City Council and the Administration have elected to adopt the same set of priorities as you have done for the past four funding cycles. Earlier this year as Your Honorable Body deliberated on CDBG/NOF, Public Safety was listed as your top funding priority. While only two applications were received for Public Safety, given that the Public Safety category was your top priority the two groups were funded in their entirety.

Additionally, it has been recommended that Council take the necessary actions to formally adopt the joint threshold criteria that City Planning Commission staff and the Housing and

Revitalization staff are required to use in reviewing the CDBG/NOF proposals for the applicable fiscal year.

### **Priorities**

As it relates to Council's past priorities the actual funding amounts from the 2018-19 NOF/CDBG review are listed below:

•Home Repair	\$3,900,204
•Homeless/Public Service	\$2,394,094
•Economic Development	\$2,350,464
•Public Facility Rehabilitation	\$938,375
• Summer Jobs Program (NRSA)	\$2,750,000
• Public Service	
▪ Education	\$950,000
▪ Seniors	\$380,000
▪ Recreation	\$330,000
▪ Health	\$225,000
▪ Public Safety	\$180,000
•Total	\$14,398,137

If council is desirous of funding a public service activity which historically has not been considered, please indicate what that activity is on the attached survey. Given the time frame available, and the impact of the Neighborhood Revitalization Strategy Areas on Public Service funding, it may be best to simply identify the priorities.

### **Threshold Criteria**

Below, please find the twelve (12) threshold criteria recommended for implementation during the 2019-2020 CDBG/NOF proposal review process. The list is essentially identical to the threshold criteria adopted by Your Honorable Body the last two years.

1. Must meet HUD National Objective;
2. Group must attend the 2019-2020 CDBG/NOF workshop;
3. Proposal must be complete, typed and submitted by the deadline and on correct form;
4. Must have at least five (5) member board and meets at least bi-annually;
5. Must have 501(c)3 status prior to applying for proposal;
6. Must have at least one year of operation and proof of operations;
7. Must not have unresolved government audit and monitoring problems (i.e. tax, legal, etc);
8. Must submit most recent fiscal year cash flow statement, financial statement and if available, recent audit or 990 within the past two years;
9. Must read and sign conflict of interest form;
10. Must submit current Non-profit Corporation Information Update (Michigan Annual Non-Profit Report);
11. Must submit Certificate or Article of Incorporation;
12. Applicant's organization must provide proof of operating cash on hand (at least 7% of the request) (PS and HPS only).

Staff will be prepared to draft the necessary resolution(s) to adopt both the funding priorities and threshold criteria for the 2019-2020 CDBG/NOF process upon Council's direction. Staff would request Council to address this matter as soon as possible in order for the Priorities and Criteria to be published in the CDBG/NOF application/RFP, which HRD intends to release via BidSync on Friday, August 31, 2018.

Attachments

cc: Arthur Jamison, HRD  
Michael Freeman, HRD  
Tamra Fontaine, HRD  
Pierre Batton, HRD  
Mike Duggan, Mayor