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City of Lathrup Village

27400 Southfield Road Lathrup Village, MI 48076 www.lathrupvillage.org | (248) 557-2600

TO: Mayor & City Council

FROM: Mike Greene – City Administrator

DATE: December 12, 2024
RE: Study Session

Short-Term Rental

Over the past quarter, the City Council has discussed short-term rentals and regulations during Study Sessions. Kyle Bryce, City of Ferndale, will attend the meeting to discuss what Ferndale has done related to short-term rentals. The purpose of this item is to continue these discussions and see if the Council has a direction they want staff/the City Attorney to pursue.

Community Project Funding Grant – Engineering

As the Council knows, thanks to Congresswoman Tlaib, the City was allocated \$959,752 within the federal budget as part of the community project funding program for water main replacement along Southfield Road (EB 11 Mile to Lincoln). While we have been assigned this funding, we must go through the grant process to ensure the funding is spent within EPA (which oversees our funding) guidelines. NOTE: EPA guidelines require a 20% municipal match with this funding allocation which would have our minimum project cost at \$1,151,703 for full allocation reimbursement.

Part of their guidelines discusses the procurement of services and what is eligible for reimbursement. Engineering is a reimbursable expense, however, while exploring the opportunity to utilize the City's current engineer (Giffels Webster) it was determined that if we utilized them without going through the procurement process (issuing a request for proposal (RFP)) their expense would not be reimbursable.

The purpose of this discussion is to determine how the Council would like to proceed. We currently have two options:

- 1. Issue an RFP for engineering and include that as a reimbursable cost.
 - a. With this option, the project breakdown:
 - i. ~\$951,000 Construction (All reimbursable)
 - ii. ~\$200,000 Engineering (City Match)
- 2. Utilize Giffels Webster as our project engineer and utilize all our allocation monies for construction.
 - a. With this option, the project breakdown:
 - i. ~\$1,151,700 Construction (Reimbursable + City Match)
 - ii. ~\$200,000 Engineering (Additional Funding)

Option 1 could be the more cost-effective option (~\$200,000 savings) but we would need to ensure the engineer is in accordance with the qualifications-based selection (QBS) process per the Brooks Act and could result in fewer linear feet of water main; option 2 could be less cost-effective but could lead to more water mains being replaced (440 linear feet of additional water main or 12" cross-connection around 150 feet).

Funding note based on the DRAFT fiscal year 2023/2024 audit: As the City completed 2023/2024, its Water and Sewer fund reported a combined net position of \$8,600,840. This is a net increase of \$270,995 resulting from the current year's operations. Of the entire net position, \$7,515,288 is invested in capital assets, net of related debt, and \$1,085,552 is unrestricted (available fund balance).

CDBG Reprogramming

During the November 18, 2024, meeting, the City Council approved the CDBG project year 2025 resolution. While working with our CDBG team in the County, current staff were informed that the City needs to reprogram the 2021-2023 funding allocation (\$21,000) or funding reverts to HUD, and the City/County loses out of the funding. This reprogramming requires a public hearing,

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which will be held during the December 16 City Council meeting. As there are limited reprogramming opportunities available as the funds need to be spent before the end of December 2024, the staff recommends that the funds be reprogrammed to the Oakland County Home Improvement Program (HIP). The HIP would keep the funds within the County and LV residents have the opportunity to utilize the program.

Home Improvement Program: Qualified homeowners may receive interest-free loans of up to \$23,000 to make needed home repairs, including barrier-free access and energy-saving upgrades. The Home Improvement Program is not an emergency repair program.

There are no monthly payments, and the total loan is due and payable only when you no longer live in your home.

Oakland County staff are with you all the way from helping you apply for the loan to overseeing all repair work and paying prescreened contractors.

To qualify, you must meet Income Limits and own and live in your own home in Oakland County (the City of Lake Angelus, Novi Township, Southfield Township, Waterford Township and Village of Bingham Farms do not participate in the program).

Meet gross household income limits set by the federal government (Income Limits) updated annually in July for the year. Repairs must result in the home being "decent, safe and sanitary." Based on home improvement needs, financial situation, and availability of funds at the time of application, eligible improvements may include:

Have needed improvements that are eligible under the program

- Barrier-free access
- Basement waterproofing
- Bathroom
- Chimney
- Door
- Electrical system

- Heating system
- Insulation
- Kitchen
- Plumbing
- Porch
- Roof

- Septic system
- Siding
- Structural defect
- Water and sewer line
- Well
- Window

Voter Change Charity

Each major election, Nat Pernick, of Pathology Outlines, puts on a voter challenge to surrounding communities and donates money to a charity of their choosing if they meet a specific voter turnout threshold. Lathrup Village had a reported voter turnout of 77.56% and with that, Mr. Pernick is willing to donate \$250 to a charity of the City's choosing. This discussion is to see if there is a consensus on a charity, we wish Mr. Pernick to donate to on behalf of the City.

Council Meeting Dates & Times

Each December, the City Council sets its meeting dates/times for the following calendar year. The purpose of this discussion is to see if the Council wants to stay with the same schedule (1st Monday = Study Session at 6 PM & 3rd Monday = Study Session at 6 PM/Regular Meeting at 7:30 PM) or wants to make any adjustments (i.e. change the day of the week/start time). Based on this discussion staff will have a formal schedule ready for consideration at the 12/18 Regular Meeting.