

MEMORANDUM

DATE: October 24, 2025

TO: Melissa Marsh - City Manager

FROM: Giles Tucker - Community & Economic Development Director

SUBJECT: CDBG Public Hearing & Staff Recommendations for PY 2026 Application

BACKGROUND & PUBLIC HEARING NOTICE

Each year the city submits its Program Year (PY) application to Oakland County for inclusion in their Annual Action Plan to the U.S Department of Housing and Urban Development. The deadline for submitting our Program Year 2026 application to Oakland County is December 5, 2025. A Public Hearing Notice is required at least 10 days prior to the hearing date and must be posted physically at city hall and on the city website. Notice was published at www.madison-heights.org on 10-15-25 and in the north entrance of city hall located at 300 W 13 Mile Rd, Madison Heights, MI 48071 on 10-9-25.

City staff have prepared the PY 2026 CDBG application to include three program areas: Code Enforcement, Minor Home Repair and Public Service. A summary of these programs, including a request for funding from Western Oakland County Meals on Wheels is below:

CODE ENFORCEMENT & MINOR HOME REPAIR

The most critical project area for the city is code enforcement. The CDBG program allows the City to cover the costs of a second code enforcement officer to cover low/mod income areas of the city. Code enforcement activities are important to identifying and eliminating blight and help to maintain home values and improve the quality of life in our neighborhoods. Further, code enforcement also helps to identify projects eligible for the CDBG Minor Home Repair program such as roof, furnace, and water heater replacement projects for up to \$10,000 for income qualifying residents.

PUBLIC SERVICE: YARD SERVICES & MEALS ON WHEELS REQUEST

Public Service Yard Services provides funds to be used to help income qualifying seniors and those with disability by providing a lawn cutting service to them at no charge. This program is advertised at the Active Adult Center and has served around 50+ seniors each year. Starting in Program Year 2024, Oakland capped public service programs to 15% of the total subrecipient allocation. Without supplemental funding sources, this program will see significant service reductions in calendar year 2026. Based on most recent pricing per cut, we will see a drop in the amount of seniors served from 50 to around 30.

On November 3rd, Western Oakland County Meals on Wheels (WOCMM) sent a letter requesting \$10,000 in CDBG funding to help support Madison Heights seniors facing food insecurity. According to this letter they served 225 seniors a total of 20,500 meals. City staff has confirmed with Oakland County CDBG that our PY26 application can include two Public Service programs, but the total program allocation for public service will remain 15% and that the minimum allocation for a program is \$3,500. This means that if City Council desired to provide funding to WOCMM, it would be at minimum \$3,500 and it would take away funding available to seniors on the lawn service program. While staff

recognizes the important work of WOCMM, staff is not in favor of adding this additional service when the senior yard service programs is already being reduced.

CDBG PROGRAM APPLICATION CHANGES: LESS CERTAINTY; COMPETITON FOR LIMITED RESOURCES

Beginning with this Program Year's application, Oakland County has significantly changed how participating communities are awarded funds for their communities. In the past, an allocation was granted to a community in a manner that was generally predictable which allowed City's to more reliably fund programs. The county has instead moved to a more competitive application process based on scoring criteria and priorities set by the county instead of local communities. While application scoring is a new system, Oakland County CDBG staff has indicated that program types such as Public Facilities and Minor Home Repair will be viewed as more favorable than others like Public Services and Code Enforcement.

STAFF RECOMMENDATION:

After City Council has conducted the required Public Hearing staff recommends that City Council authorize the PY 2026 CDBG application as follows:

1. Code Enforcement	\$103,050.00
2. Public Service- (Senior Seasonal Yard Clean-Up)	\$20,261.00
3. Minor Home Repair	\$30,000.00
Requested Total	\$ 153,311

Staff further recommends that City Council authorize the PY 2026 CDBG application to be submitted to Oakland County for inclusion in Oakland County's Annual Action Plan to the U.S. Department of Housing and Urban Development, and hereby authorize the Mayor to execute all documents, agreements or contracts which result from this application to Oakland County.

