

To: Mayor and City Council

From: Melissa R. Marsh, City Manager

Date: January 14, 2024

RE: Interlocal Agreement between the City of Madison Heights and Habitat for Humanity of Oakland County to Manage all aspects of a Neighborhood Improvement Program

In Fiscal Year 2023, the City of Madison Heights partnered with Habitat for Humanity of Oakland County (HFHOC) to submit a grant application for congressionally directed spending under the Economic Development Initiative - Community Project Funding (CPF). CPF grants provide investment in a wide variety of projects, including home improvements in specific areas. In March of 2023, Madison Heights was notified that they were awarded \$850,000 through this process.

Through this partnership, City staff worked with HFHOC, to create a multi-faceted program to help Madison Heights homeowners make home upgrades, such as furnaces, hot water heater replacements, roof replacements and repairs, kitchen and bath upgrades, deck and porch replacements, new siding and other home upgrades to address long-term health and safety issues. The project area was designated in the south end of Madison Heights, located South of Lincoln, North of I-696 between Dequindre and Stephenson Highway.

HFHOC will be a sub-recipient of the City and has staff dedicated to homeowner-occupied home restoration and financial counseling. Homeowners with low to moderate income can qualify for grant funding to cover various home repairs with emphasis placed on addressing health and safety concerns. As the sub-recipient, they will oversee all grant activities, including applicants for participants, assessing and approving repairs to be completed, contracting for the work to be completed, verifying that work is completed, payment of vendors, and repayment (if required) from participants in the program. They will also track expenditures and report to the municipality throughout the program.

HFHOC will manage this fund on behalf of the City and has staff dedicated to homeowner-occupied home restoration and financial counseling. Homeowners with low to moderate income can qualify for grant funding to cover various home repairs with emphasis placed on addressing health and safety concerns.

As a partner, HFHOC is also able to bring other funding and programs to the City, including a Rock the Block program focused on exterior improvements and neighborhood beautification and an Ownes Corning roof grant for \$50,000.

In order to begin implementing this program this Spring, the City and HFHOC need to enter into a Sub-Recipient grant agreement. Legal Counsel has reviewed this agreement. Staff recommends that the City Council approve the attached sub-recipient agreement between the City of Madison Heights and Habitat for Humanity of Oakland County to administer the CPF 2023 Grant program for Neighborhood Home Improvements as outlined in the grant application.