

CITY COMMISSION AGENDA ITEM

TITLE	Award of Contract for Rent and Utility Assistance Program Planning Year 2025
SUBMITTING DEPARTMENT	Community Development - Planning
PRESENTER	Joseph M. Murphy, Director of Planning
MEETING DATE	July 14, 2025
SECOND READING REQUIRED	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
CERTIFIED RESOLUTION	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

EXECUTIVE SUMMARY *(include history of previous Commission action/discussion, background, scope of work, etc.):*

The City relies on local service agencies to help identify and deliver Community Development Block Grant (CDBG), funded social services to its residents. In January 2025, the City received an application for CDBG funding from Legal Aid and Defender Association, Inc. (LADA).

At its June 9, 2025, meeting, the Royal Oak City Commission approved the CDBG program year 2025 Annual Action Plan which includes \$100,000 for LADA to operate a rental assistance program to prevent the eviction of low- to moderate-income Royal Oak individuals / households who are at-risk of becoming homeless. The program also includes those income qualified Royal Oak renters at-risk of having their electrical or natural gas service shut-off due to non-payment or who have recently been disconnected due to non-payment.

Income-eligible renter households may receive assistance with no greater than three (3) months of arrears per federal regulations. Rental rates must be reasonable based on federal guidelines.

LADA shall be reimbursed for assistance services and case management efforts. In recent years, LADA has operated CDBG- and ARPA-funded rental assistance programs on behalf of the city. LADA has demonstrated superior organizational and operational skills. LADA has proven its ability to assist residents in need and meet federal requirements.

Fiscal Impact

BUDGET SUMMARY	
EXPENDITURE REQUIRED	\$100,000
AMOUNT CURRENTLY BUDGETED	\$100,000
BUDGET AMENDMENT REQUIRED	\$0.00 (BA between dept; net -0- effect on FB)
FUNDING SOURCE/ GL NUMBER	FY2025 274.715.91734
WAS THIS A BUDGETED EXPENSE?	<input type="checkbox"/> Yes <input type="checkbox"/> No

OTHER FISCAL IMPACTS: (Select all that apply.)

☒ No fiscal impact
☐ Workload impact (details below)

☐ Revenue impact (details below)
☐ Operations Impact (details below)

REVENUE IMPACT: N/A

WORKLOAD IMPACT: N/A

OPERATIONS IMPACT: N/A

ALIGNMENT WITH COMMISSION APPROVED PLANS, POLICIES, AND PROGRAMS

This aligns with the following community need priority / objective identified in the City's CDBG Consolidated Plan:

Non-Homeless Special Needs – Public Services That Benefit Special Needs Population
To support and facilitate access to the wide variety of existing public services that may enhance life skills and self-sufficiency.

Housing - Affordable Owner-Occupied & Renter-Occupied Housing
To preserve and increase the supply of affordable owner-occupied and renter-occupied housing for low- to moderate-income residents through housing rehabilitation, new construction, advocacy, policies, and regulations.

COMMUNITY ENGAGEMENT

N/A

BOARD AND COMMISSION FEEDBACK

The Royal Oak Rehabilitation Board of Appeals reviewed LADA's application for funding at its May 27, 2025, meeting which included a public hearing.

LEGAL COMMENTS

PROPOSED COMMISSION RESOLUTION:

Be it resolved, the Royal Oak City Commission hereby approves entering into contract with the Legal Aid & Defender Association, Inc. of Detroit, Michigan to operate a rent and utility assistance program at a price not to exceed \$100,000; and

Be it further resolved, the Mayor and City Clerk are hereby authorized to execute the contract for services.

ATTACHMENT: LADA + City of Royal Oak – CDBG PY2025 contract.pdf