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## City of Detroit

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February 28, 2025

## HONORABLE PLANNING & ECONOMIC DEVELOPMENT STANDING COMMITTEE EXPANDED

# **RE:** 2025-26 Community Development Block Grant/Neighborhood Opportunity Fund (CDBG/NOF) Overview and Public Service funding recommendations

This report provides an overview of the 2025-26 Community Development Block Grant (CDBG)/ Neighborhood Opportunity Fund (NOF) Public Service (PS) funding recommendations.

The Housing and Revitalization Department (HRD) is the City's lead department in administering the CDBG/NOF program. At its meeting on February 27, 2025, the City Planning Commission (CPC) voted to accept the Administration's PS funding recommendations without changes and is now submitting the summary chart to Council for consideration. Attached to this report is a list of groups that applied. Also included with this report is an updated chart from HRD listing the PS recommendations from HRD, the Mayor's office, and City Planning Commission.

## BACKGROUND

## **Funding Programs**

The three primary objectives of CDBG funding are to: 1) benefit low to moderate income persons, 2) prevent or eliminate slums or blight, or 3) meet an urgent community need. The subject review focuses only on PS organizations addressing these objectives. It is expected in May 2025, the Council will review the Homeless Solutions Funding programs, which include Homeless Public Service (HPS) and Emergency Solutions Grants. Similar to the past few years, HRD did not include Public Facility Rehab (PFR) funding with this NOF Request for Proposals (RFP), because HRD is working to revamp the PFR program to improve its effectiveness. However, if ready, HRD may be proposing funding for PFR groups as part of the City budget or later in the Spring 2025.

## Funding Available & Public Service 15% Cap

Federal regulations require that no more than 15% of the entitlement funds (plus program income) be allocated toward PS and HPS funding. As part of the City's overall CDBG budget review, the final CDBG budget will ensure no more than 15% of CDBG funds are spent on PS. For 2025-26, HRD is allocating a total of \$2,395,517 toward PS. The exact allocation to Detroit for 2025-26 has not yet been released by the Department of Housing and Urban Development (HUD), but are expected in Spring 2025.

## **APPLICATION REVIEW PROCESS**

## Outreach for the 2025-26 CDBG/NOF Review

On July 16, 2024, HRD held a NOF Best Practice Forums to assist applicants with completing the RFP. Additionally, HRD held two proposal writing workshops: one on August 27, 2024 and the other on September 19, 2024. The RFP workshops were also recorded and posted on the HRD website, as well as the City's YouTube page. The NOF application opened on the City's website on September 9, 2024 and closed on October 11, 2024.

#### Threshold Criteria

Back in 1994, the City Council and the Administration first approved eligibility criteria for NOF funded proposals. Since then, the City Council has relied increasingly on the criteria to determine eligibility of the proposals. In July of 2007, partly in response to concerns of HUD, the City Council adopted Joint Threshold Criteria to be utilized by both the legislative and executive branches of government. Each year, the Administration and City Council's joint threshold criteria are listed in the application. The application states that groups not meeting the threshold criteria are not eligible for funding; applications missing non-threshold items are eligible, but scored lower.

The current joint threshold criteria listed in the proposal are as follows:

- 1. Meet HUD National Objective (serves low to moderate income individuals);
- 2. Attend NOF Proposal workshop or view webinar;
- 3. Proposal must be complete, submitted by the deadline and on correct form;
- 4. Have at least five (5) member board which meets at least twice a year;
- 5. Has 501(c)3 status prior to applying for proposal;
- 6. Has at least two years of operation and proof of operation;
- 7. Has no unresolved government audit and monitoring problems (i.e., tax, legal, etc.);
- 8. Submit most recent fiscal year cash flow statement, financial statement and if available recent audit;
- 9. Read and sign application certification forms;
- 10. Submit current Michigan Annual Non-Profit Report;
- 11. Submit Recorded Articles of Incorporation;
- 12. Submit Current Certificate of Good Standing; and
- 13. Applicant's organization has provided proof of operating cash on hand (at least 7% of the funding request).

## **Funding Priorities**

Every few years, the City Council selects PS funding priorities. The current City Council funding priorities are as follows:

- 1. Public safety
- 2. Education
- 3. Health
- 4. Senior
- 5. Recreation

## Submittals and Review

HRD worked in cooperation with CPC staff and the Office of Contracting and Procurement (OCP) in reviewing the submitted CDBG/NOF applications. During November and December

2024, CPC staff met with staff from the other departments to conduct a joint review and scoring of each proposal. Each proposal was scored separately ranging from 0 to 100 points using a scoring criteria grid; then the staff met to discuss each proposal and develop a single consensus proposal ranking.

As in previous years, proposals scoring less than 80 points are not recommended for funding. After the joint review and score, HRD reviews the number of proposals, final consensus data, those that met threshold, and anticipated entitlement amounts, in order to determine HRD recommended funding amounts.

Below is a summary of this year's NOF recommendations as highlighted on the last page of the chart:

- For this review cycle, 53 applications were submitted (in 2023, 60 proposals were submitted and in 2022, 47 proposals were submitted)
- 35 groups are recommended for funding (40 were recommended last year and 35 the previous year)
- 18 groups are not recommended for funding (of these 9 scored 80 or above but did not meet threshold and 9 scored below 80 points)
- HRD indicates there are 17 new groups this year it appears some are completely new to NOF, but some have applied in previous years, prior to last year (last year there were 10 new groups and 4 the previous year)

PS has five sub-categories: education, health, public safety, recreation and seniors. The table below summarizes the funding recommendations in rank order:

	TOTAL PROPOSALS RECEIVED	RECOMMENDED FOR FUNDING	NOT RECOMMENDED
PUBLIC SAFETY	5	3	2
EDUCATION	23	16	7
HEALTH	6	5	1
SENIORS	7	5	2
RECREATION	12	6	6
TOTAL	53	35	18

## CITY PLANNING COMMISSION REVIEW AND CONCLUSION

At its special meeting on February 27, 2025, the CPC voted to accept the Administration's PS funding recommendations without changes and is now submitting the summary chart to Council for consideration. During the meeting, the Commission raised the following three items:

- Commissioner Esparza asked that City staff double check/verify the listed threshold violation of Southwest Economic Solutions Corp. (that a 2024 Certificate of Good Standing was not submitted) – CPC staff explained this would be done if an Appeal was submitted by the group;
- Commissioner Esparza asked that City staff double check/verify the listed threshold violation of United Community Housing Coalition (that a 2024 Certificate of Good Standing was not submitted) – CPC staff explained this would be done if an Appeal was submitted by the group; and

3. In general, the Commission was concerned about the annual challenge of some groups not being funded due to threshold violations and the need for the City to continue working with groups to improve their applications.

On March 3, 2025, the City Council is scheduled to have an overview, public hearing, and appeals hearing for the 2025-26 NOF PS recommendations, and then on March 11, 2025, the Council will vote on the NOF allocations. For its vote, the Council will be asked to disclose or declare any potential conflict of interest.

Respectfully submitted,

Donovan Smtih, CHAIRPERSON

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Marcell R. Todd, Jr., Director Christopher J. Gulock, AICP, Deputy Director

Attachments

cc: Julie Schneider, HRD Tamara Fontaine-Hardy, HRD Kayla Perrin, HRD

	2025-2026 CDBG NOF APPLICANTS – alphabetical	by organization	
1	Accounting Aid Society	Education	
2	Avalon Healing Center	Health	
	(aka Wayne County Sexual Assault Forensic Examiners)		
3	Boys and Girls Clubs of Southeastern Michigan	Recreation	new
4	Big Brothers Big Sisters of Southeast Michigan	Recreation	new
5	Boys Hope Girls Hope of Detroit	Education	new
6	Central Detroit Christian CDC	Education	new
7	Clark Park Coalition	Recreation	
8	Camp Restore Detroit	Education	
9	Carrie Morris Arts Productions, dba, Detroit Puppet	Recreation	
	Company		
10	Center for Employment Opportunities	Education	
11	Cody Rouge Community Action Alliance	Recreation	
12	DACEP	Education	
13	Detroit African Youth Development Organization	Recreation	new
14	Detroit Horse Power	Recreation	
15	Disability Network Wayne County Detroit	Seniors	
16	Eden Gardens Community Association	Recreation	new
17	Forgotten Harvest	Health	new
18	First Step- The Western Wayne County Project	Public Safety	new
	Domestic Assault		
19	Give Merit Inc.	Education	
20	International Institute of Metropolitan Detroit	Education	
21	Jefferson East, Inc.	Public Safety	
22	Kennedy's Hope	Public Safety	new
23	Life Remodeled	Recreation	new
24	Live6 Alliance	Public Safety	new
25	Luella Hanna Memorial Foundation	Seniors	
26	Mariners Inn	Education	
27	Matrix Human Services	Education	
28	Mosaic Youth Theater of Detroit	Recreation	
29	Math Corps	Education	
30	Mercy Education Project	Education	
31	My Community Dental Centers	Health	
32	Neighborhood Legal Services Michigan	Public Safety	
33	Northend Village Nonprofit	Seniors	new
34	Project Health Communities	Health	
35	RTTM Community Center	Recreation	new

36	SAGE Metro Detroit- Gay Elders of Metro Detroit	Seniors	
37	Siena Literacy Center	Education	
38	Southeastern Michigan Health Assoc.	Health	new
39	Southwest Detroit Business Assoc.	Recreation	
40	Sowing Power and Economic Development Inc.	Education	
41	St. Patrick Senior Center	Seniors	
42	St. Vincent and Sarah Fisher	Education	
43	Southwest Detroit Immigrant and Refugee Center	Seniors	new
44	Southwest Economic Solutions Corporation	Education	
45	Student Advocacy Center of Michigan	Education	
46	T.E.A. (Teach Empower Achieve)	Education	new
47	Teen Hype Youth Development Program	Education	
48	The Greening of Detroit	Education	
49	The Youth Connection, Inc.	Education	
50	United Community Housing Coalition	Seniors	new
51	Urban Neighborhood Initiatives	Education	
52	Wellspring	Education	
53	World Medical Relief	Health	

	2025-2026 CDBG NOF APPLICANTS – organiz	ed by sub-category	
1	Accounting Aid Society	Education	
2	Boys Hope Girls Hope of Detroit	Education	new
3	Central Detroit Christian CDC	Education	new
4	Camp Restore Detroit	Education	
5	Center for Employment Opportunities	Education	
6	DACEP	Education	
7	Give Merit Inc.	Education	
8	International Institute of Metropolitan Detroit	Education	
9	Mariners Inn	Education	
10	Matrix Human Services	Education	
11	Math Corps	Education	
12	Mercy Education Project	Education	
13	Siena Literacy Center	Education	
14	Sowing Power and Economic Development Inc.	Education	
15	St. Vincent and Sarah Fisher	Education	
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19	Teen Hype Youth Development Program	Education	
20	The Greening of Detroit	Education	
21	The Youth Connection, Inc.	Education	
22	Urban Neighborhood Initiatives	Education	
23	Wellspring	Education	
	Avalon Healing Center		
_	(aka Wayne County Sexual Assault Forensic		
24	Examiners)	Health	
25	Forgotten Harvest	Health	new
26	My Community Dental Centers	Health	
27	Project Health Communities	Health	
28	Southeastern Michigan Health Assoc.	Health	new
29	World Medical Relief	Health	
30	First Step- The Western Wayne County Project Domestic Assault	Dublic Safaty	0014
30 31		Public Safety	new
	Jefferson East, Inc.	Public Safety	<b>B</b> 0141
32 33	Kennedy's Hope Live6 Alliance	Public Safety	new
33 34	Neighborhood Legal Services Michigan	Public Safety Public Safety	new

35	Boys and Girls Clubs of Southeastern Michigan	Recreation	new
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	Carrie Morris Arts Productions, dba, Detroit Puppet		
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