

December 17, 2025

Re: **application for assistance / funding**
City of Royal Oak Community Development Block Grant (CDBG) program
program year 2026 (**July 1, 2026 – June 30, 2027**)

To: local service agencies and city staff

The City of Royal Oak is developing its program year 2026 Community Development Block Grant (CDBG) program annual action plan. Attached is the City of Royal Oak's application for financial assistance. **Applications are due** on or before **February 27, 2026**.

The application collects information regarding your agency/department, the proposed activity/project, how the activity/project qualifies under the federal objectives, requested funding level, anticipated number of persons/households served and past performance, if applicable. The application, in accordance with the Federal Register Notice of June 2005, also collects performance outcome measurements for each proposed activity.

CDBG-assisted activities must comply with regulations set forth through the U.S. Department of Housing and Urban Development. The city must give, to the maximum extent feasible, priority to activities which benefit low- and moderate-income persons. In addition, the city may also carry-out activities which prevent or eliminate slum and blight or identify an urgent need in the community. Historically, the City of Royal Oak has funded four basic categories of activities: public services, home improvement program, infrastructure improvements and administration.

- Public service activities provide a direct benefit to an identified clientele. Assisting seniors with minor chores, assistance for abused women and children, rental assistance, operational costs of a homeless shelter, etc. are all examples of public service activities. Public service activities are limited to 15% of the program's funding.
- The city's housing rehabilitation program provides code-related improvements to existing single-family homeowners. The program includes low-interest rate loans, deferred loans, and forgivable loans for income qualifying households. This program helps address the community's affordable housing needs.
- Infrastructure improvements vary on a yearly basis but have included numerous road resurfacing and park improvements in low- to moderate-income areas of the city. The activity must typically qualify as an "area benefit". The application includes a map showing all eligible areas based on current HUD data.

Not all activities are eligible. Attached is a list of ineligible activities as outlined by HUD regulations. All projects must meet HUD's "National Objective" criteria. The three (3) National Objectives are: 1) benefit to low- to moderate-income persons; 2) aid in the prevention of elimination of slums or blight; and 3) meet a need having a particular urgency. City staff will work directly with HUD to determine project eligibility.

An activity cannot be funded if it does not comply with the U.S. Department of Housing and Urban Development's regulations for the CDBG program. Selected activities are federally funded projects. The contractor and subcontractors associated with activities must comply with HUD regulations, the Davis-Bacon Act, Nondiscrimination, Equal Employment Opportunity, Affirmative Action, Section 3 requirements, Anti-Kickback Act, Labor Standards and Regulations as set forth in the Contract Bid Documents. The City of Royal Oak is an equal opportunity employer; businesses owned by women, minorities, veterans and the low- to very low-income (Section 3 business interests) are strongly encouraged to bid.

Each subrecipient granted a CDBG award will be required to enter into a memorandum of understanding (MOU) and agreement. The MOU outlines the scope of work and establishes an understanding of how the arrangement will function, the role and responsibility of each function, and the dollar amount of CDBG funding granted. The agreement defines the purpose, general conditions, administrative requirements, personnel and participant conditions, and acceptance of the terms and conditions of the funding agreement. Attached is a sample MOU and agreement for your review prior to submittal of an application.

If you have any questions, please contact the undersigned.

Kind regards,



Joseph M. Murphy
Director of Planning

Contact Information: Joseph M. Murphy
Director of Planning
City of Royal Oak
203 S Troy Street
Royal Oak, MI 48067

Phone: (248) 246-3285
Fax: (248) 246-3005
Email: joem@romi.gov

Attachments
(CDBG application, list of ineligible activities, map, sample MOU and Agreement)



**City of Royal Oak
Community Development Block Grant (CDBG) program
Program Year 2026
(July 1, 2026 – June 30, 2027)**

Application For Funding

Date:	Signature:
Organization Name:	
Organization Website (if applicable):	
Contact Name:	
Contact E-mail:	
Street Address:	
City:	State/Zip:
Telephone:	

CDBG Funding Request:

\$

Leveraged Funds:

Are the funds applied for being leveraged with other funding sources? Yes / No

List funding sources and amounts (attach separate sheet if necessary):

Project Location (if applicable):

People City-Wide: Yes / No

Site address (if applicable):

Census Tract – Block Group (for area benefit projects that service low- to moderate income persons):

Project Information:

Who does your project benefit, i.e., the disabled, abuse victims, homeless, unemployed, elderly, youth, all low- and moderate-income persons within eligible census tract – block group (provide description)?

Purpose: (check if applicable)

Help those with HIV or AIDS

Help homeless/prevent homelessness

Estimate the number of persons or households benefiting from the project:

Estimate infrastructure improvements (square feet, capacity, etc.):

Description of Project:

(Provide a detailed description of the activities/services provided, person(s) served, improvements proposed, project timeframe, etc.)

Estimated Project Schedule

Estimated start date

(note that a program year starts after July 1st and ends June 30th):

Estimated completion date

(note that a public service activity must be completed by June 30th):

Previous Project Funding

Has your agency / department received funding through the CDBG program in prior years: Yes / No

If yes, have you expended all prior year(s) funds:

Identified Community Needs (check appropriate box)

The city's HUD-approved CDBG Consolidated (5 Year) Plan identified the following community needs. Check the box adjacent to the community need that your project helps the address. All application will be viewed in light of the community needs & compliance with program's National Objectives.

<input type="checkbox"/>	<i>Public Services That Benefit Special Needs Population</i> To support and facilitate access to the wide variety of existing public services that may enhance life skills and self-sufficiency.
<input type="checkbox"/>	<i>Public Services That Benefit the Homeless</i> To support public services that help those experiencing homelessness so they may immediately seek a more stable setting and gain access to network of services to achieve self-sufficiency.
<input type="checkbox"/>	<i>Immediate Shelter Needs of the Homeless</i> To support the immediate, temporary shelter needs of those experiencing homelessness.
<input type="checkbox"/>	<i>Special Needs Housing</i> To preserve and increase the supply of affordable housing with supportive services for special needs populations, including the frail elderly and disabled persons through housing rehabilitation, new construction, advocacy, policies, and regulations.
<input type="checkbox"/>	<i>Affordable Owner-Occupied & Renter-Occupied Housing</i> 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.
<input type="checkbox"/>	<i>Fair Housing Choice</i> To promote and ensure fair housing choice for all residents.
<input type="checkbox"/>	<i>Redevelopment of Blighted Properties</i> To eliminate individual instances of blight and create economic job opportunities and/or below market rate multiple-family housing.
<input type="checkbox"/>	<i>Public Improvements & Facilities</i> To create new or improved public facilities and infrastructure in CDBG Target Areas by identifying, designing, and implementing unique projects.

§ 570.207 Ineligible activities.



The general rule is that any activity that is not authorized under the provisions of §§570.201–570.206 is ineligible to be assisted with CDBG funds. This section identifies specific activities that are ineligible and provides guidance in determining the eligibility of other activities frequently associated with housing and community development.

(a) The following activities may not be assisted with CDBG funds:

(1) *Buildings or portions thereof, used for the general conduct of government* as defined at §570.3(d) cannot be assisted with CDBG funds. This does not include, however, the removal of architectural barriers under §570.201(c) involving any such building. Also, where acquisition of real property includes an existing improvement which is to be used in the provision of a building for the general conduct of government, the portion of the acquisition cost attributable to the land is eligible, provided such acquisition meets a national objective described in §570.208.

(2) *General government expenses.* Except as otherwise specifically authorized in this subpart or under OMB Circular A–87, expenses required to carry out the regular responsibilities of the unit of general local government are not eligible for assistance under this part.

(3) *Political activities.* CDBG funds shall not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration. However, a facility originally assisted with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns, provided that all parties and organizations have access to the facility on an equal basis, and are assessed equal rent or use charges, if any.

(b) The following activities may not be assisted with CDBG funds unless authorized under provisions of §570.203 or as otherwise specifically noted herein or when carried out by an entity under the provisions of §570.204.

(1) *Purchase of equipment.* The purchase of equipment with CDBG funds is generally ineligible.

(i) *Construction equipment.* The purchase of construction equipment is ineligible, but compensation for the use of such equipment through leasing, depreciation, or use allowances pursuant to OMB Circulars A–21, A–87 or A–122 as applicable for an otherwise eligible activity is an eligible use of CDBG funds. However, the purchase of construction equipment for use as part of a solid waste disposal facility is eligible under §570.201(c).

(ii) *Fire protection equipment.* Fire protection equipment is considered for this purpose to be an integral part of a public facility and thus, purchase of such equipment would be eligible under §570.201(c).

(iii) *Furnishings and personal property.* The purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property not an integral structural fixture is generally ineligible. CDBG funds may be used, however, to purchase or to pay depreciation or use allowances (in accordance with OMB Circular A–21, A–87 or A–122, as applicable) for such items when necessary for use by a recipient or its subrecipients in the administration of activities assisted with CDBG funds, or when eligible as fire fighting equipment, or when such items constitute all or part of a public service pursuant to §570.201(e).

(2) *Operating and maintenance expenses.* The general rule is that any expense associated with repairing, operating or maintaining public facilities, improvements and services is ineligible. Specific exceptions to this general rule are operating and maintenance expenses associated with public service activities, interim assistance, and office space for program staff employed in carrying out the CDBG program. For example, the use of CDBG funds to pay the allocable costs of operating and maintaining a facility used in providing a

public service would be eligible under §570.201(e), even if no other costs of providing such a service are assisted with such funds. Examples of ineligible operating and maintenance expenses are:

(i) Maintenance and repair of publicly owned streets, parks, playgrounds, water and sewer facilities, neighborhood facilities, senior centers, centers for persons with a disabilities, parking and other public facilities and improvements. Examples of maintenance and repair activities for which CDBG funds may not be used include the filling of pot holes in streets, repairing of cracks in sidewalks, the mowing of recreational areas, and the replacement of expended street light bulbs; and

(ii) Payment of salaries for staff, utility costs and similar expenses necessary for the operation of public works and facilities.

(3) *New housing construction.* For the purpose of this paragraph, activities in support of the development of low or moderate income housing including clearance, site assemblage, provision of site improvements and provision of public improvements and certain housing pre-construction costs set forth in §570.206(g), are not considered as activities to subsidize or assist new residential construction. CDBG funds may not be used for the construction of new permanent residential structures or for any program to subsidize or assist such new construction, except:

(i) As provided under the last resort housing provisions set forth in 24 CFR part 42;

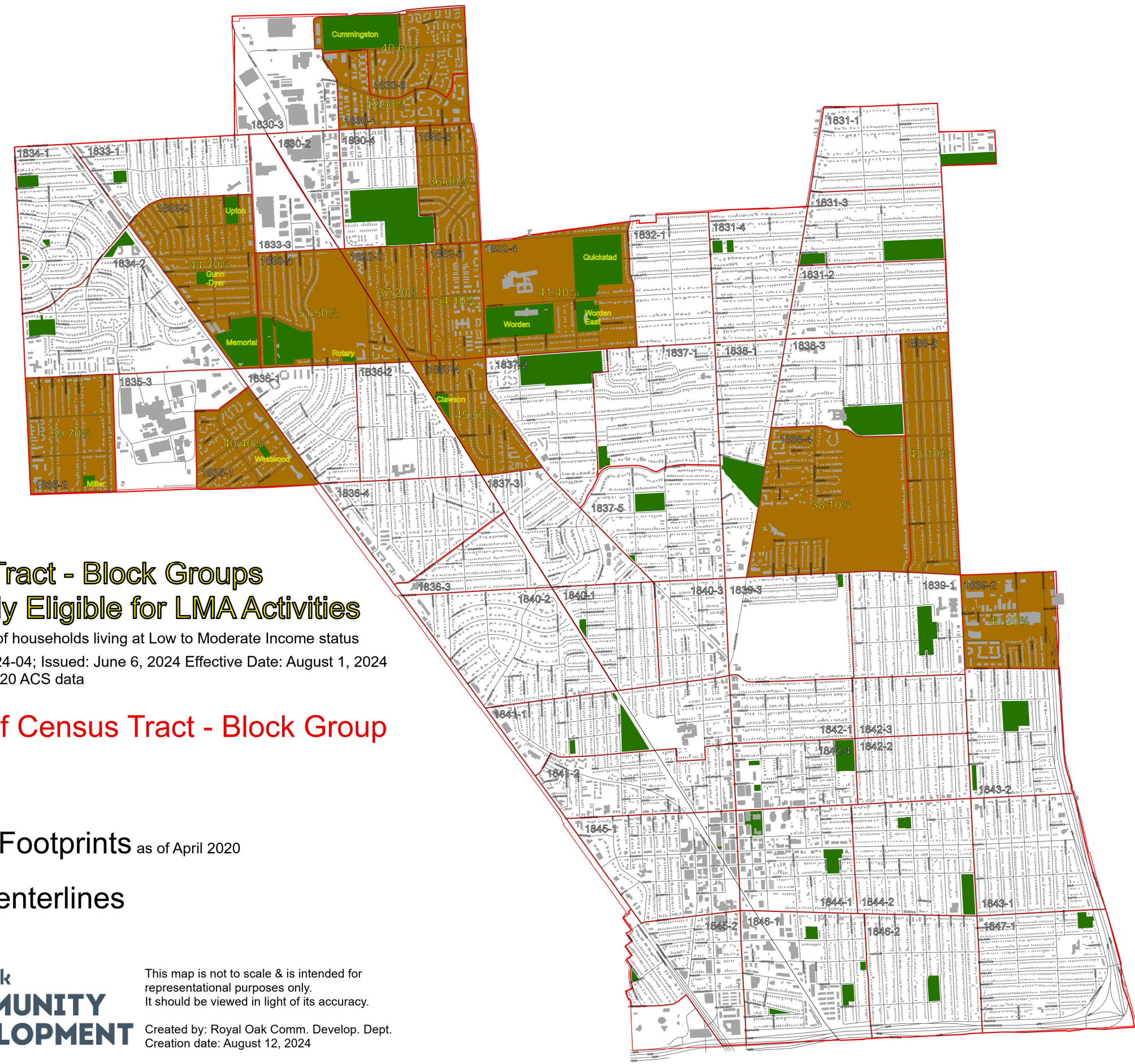
(ii) As authorized under §570.201(m) or (n);

(iii) When carried out by an entity pursuant to §570.204(a);

(4) *Income payments.* The general rule is that CDBG funds may not be used for income payments. For purposes of the CDBG program, "income payments" means a series of subsistence-type grant payments made to an individual or family for items such as food, clothing, housing (rent or mortgage), or utilities, but excludes emergency grant payments made over a period of up to three consecutive months to the provider of such items or services on behalf of an individual or family.

[53 FR 34439, Sept. 6, 1988; 53 FR 41330, Oct. 21, 1988, as amended at 60 FR 1945, Jan. 5, 1995; 60 FR 56912, Nov. 9, 1995; 65 FR 70215, Nov. 21, 2000]

PY 2025 - July 1, 2025 - June 30, 2026
Community Development Block Grant
City of Royal Oak, Michigan



Census Tract - Block Groups Potentially Eligible for LMA Activities

36.6% or greater of households living at Low to Moderate Income status
Per Notice: CPD-24-04; Issued: June 6, 2024 Effective Date: August 1, 2024
Based on HUD 2020 ACS data

% LowMod
Population

- Outline of Census Tract - Block Group
- Parks
- Building Footprints as of April 2020
- Street Centerlines



Royal Oak
**COMMUNITY
DEVELOPMENT**

This map is not to scale & is intended for
representational purposes only.
It should be viewed in light of its accuracy.
Created by: Royal Oak Comm. Develop. Dept.
Creation date: August 12, 2024

GEOID	GEONAME	LOWMOD_PCT
261251830001	Block Group 1, Census Tract 1830, Oakland County, Michigan	42.90%
261251830002	Block Group 2, Census Tract 1830, Oakland County, Michigan	0.00%
261251830003	Block Group 3, Census Tract 1830, Oakland County, Michigan	0.00%
261251830004	Block Group 4, Census Tract 1830, Oakland County, Michigan	27.40%
261251830005	Block Group 5, Census Tract 1830, Oakland County, Michigan	36.60%
261251830006	Block Group 6, Census Tract 1830, Oakland County, Michigan	40.60%
261251831001	Block Group 1, Census Tract 1831, Oakland County, Michigan	27.80%
261251831002	Block Group 2, Census Tract 1831, Oakland County, Michigan	33.70%
261251831003	Block Group 3, Census Tract 1831, Oakland County, Michigan	32.40%
261251831004	Block Group 4, Census Tract 1831, Oakland County, Michigan	15.90%
261251832001	Block Group 1, Census Tract 1832, Oakland County, Michigan	8.50%
261251832002	Block Group 2, Census Tract 1832, Oakland County, Michigan	37.20%
261251832003	Block Group 3, Census Tract 1832, Oakland County, Michigan	54.10%
261251832004	Block Group 4, Census Tract 1832, Oakland County, Michigan	41.40%
261251833001	Block Group 1, Census Tract 1833, Oakland County, Michigan	17.50%
261251833002	Block Group 2, Census Tract 1833, Oakland County, Michigan	44.70%
261251833003	Block Group 3, Census Tract 1833, Oakland County, Michigan	0.00%
261251833004	Block Group 4, Census Tract 1833, Oakland County, Michigan	51.50%
261251834001	Block Group 1, Census Tract 1834, Oakland County, Michigan	6.60%
261251834002	Block Group 2, Census Tract 1834, Oakland County, Michigan	33.60%
261251835001	Block Group 1, Census Tract 1835, Oakland County, Michigan	40.40%
261251835002	Block Group 2, Census Tract 1835, Oakland County, Michigan	59.70%
261251835003	Block Group 3, Census Tract 1835, Oakland County, Michigan	0.00%
261251836001	Block Group 1, Census Tract 1836, Oakland County, Michigan	32.10%
261251836002	Block Group 2, Census Tract 1836, Oakland County, Michigan	29.30%
261251836003	Block Group 3, Census Tract 1836, Oakland County, Michigan	27.20%
261251836004	Block Group 4, Census Tract 1836, Oakland County, Michigan	17.70%
261251837001	Block Group 1, Census Tract 1837, Oakland County, Michigan	14.00%
261251837002	Block Group 2, Census Tract 1837, Oakland County, Michigan	28.50%
261251837003	Block Group 3, Census Tract 1837, Oakland County, Michigan	18.10%
261251837004	Block Group 4, Census Tract 1837, Oakland County, Michigan	45.50%
261251837005	Block Group 5, Census Tract 1837, Oakland County, Michigan	12.50%
261251838001	Block Group 1, Census Tract 1838, Oakland County, Michigan	3.70%
261251838002	Block Group 2, Census Tract 1838, Oakland County, Michigan	43.10%
261251838003	Block Group 3, Census Tract 1838, Oakland County, Michigan	16.30%
261251838004	Block Group 4, Census Tract 1838, Oakland County, Michigan	38.10%
261251839001	Block Group 1, Census Tract 1839, Oakland County, Michigan	28.50%
261251839002	Block Group 2, Census Tract 1839, Oakland County, Michigan	40.20%
261251839003	Block Group 3, Census Tract 1839, Oakland County, Michigan	21.70%
261251840001	Block Group 1, Census Tract 1840, Oakland County, Michigan	15.00%
261251840002	Block Group 2, Census Tract 1840, Oakland County, Michigan	11.60%
261251840003	Block Group 3, Census Tract 1840, Oakland County, Michigan	29.50%
261251841001	Block Group 1, Census Tract 1841, Oakland County, Michigan	19.40%
261251841002	Block Group 2, Census Tract 1841, Oakland County, Michigan	26.50%
261251842001	Block Group 1, Census Tract 1842, Oakland County, Michigan	11.20%
261251842002	Block Group 2, Census Tract 1842, Oakland County, Michigan	2.20%
261251842003	Block Group 3, Census Tract 1842, Oakland County, Michigan	18.90%
261251842004	Block Group 4, Census Tract 1842, Oakland County, Michigan	27.20%
261251843001	Block Group 1, Census Tract 1843, Oakland County, Michigan	23.50%
261251843002	Block Group 2, Census Tract 1843, Oakland County, Michigan	15.60%
261251844001	Block Group 1, Census Tract 1844, Oakland County, Michigan	34.90%
261251844002	Block Group 2, Census Tract 1844, Oakland County, Michigan	27.80%
261251845001	Block Group 1, Census Tract 1845, Oakland County, Michigan	21.50%
261251845002	Block Group 2, Census Tract 1845, Oakland County, Michigan	20.30%
261251846001	Block Group 1, Census Tract 1846, Oakland County, Michigan	22.00%
261251846002	Block Group 2, Census Tract 1846, Oakland County, Michigan	23.20%
261251847001	Block Group 1, Census Tract 1847, Oakland County, Michigan	27.70%

PROFESSIONAL SERVICES CONTRACT

BETWEEN THE CITY OF ROYAL OAK

AND [REDACTED]

This Professional Services Contract dated the 1st day of July, 2024 is made by the City of Royal Oak, a Michigan Municipal Corporation, with offices at 203 S. Troy Street, Royal Oak MI 48067 (the "City") and [REDACTED], a domestic nonprofit corporation, with a local office at [REDACTED] ("").

Both parties agree to the following:

Section 1 - Purpose

Both parties approve of, and hereby agree to, the following project description, budget, and tentative schedule.

Purpose of Project

The City is a recipient of federal funds through the Community Development Block Grant (CDBG) program, which is administered by the U.S. Department of Housing & Urban Development (HUD).

The project includes Federal financial assistance, via the City's Community Development Block Grant (CDBG) program (CFDA No. 14.128), to reimburse [REDACTED] for the operation of a rental assistance program to prevent the eviction of low- to moderate-income Royal Oak individuals / households who are at-risk of becoming homeless. Additionally, 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.

The project helps the City fulfill the following community need priority / objective identified in its PY2021 – PY2025 Consolidated (Five Year) 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.

Eligible Activities

The City has designed this contract to operate specific eligible activities (rent arrear assistance & utility arrear assistance) identified under the Code of Federal Regulations, Title 24, Part 570 Community Development Block Grants, Subpart C Eligible Activities, Section 201 Basic Eligible Activities, (e): Public Services..."welfare (but excluding the provision of income payments identified under §570.207(b)(4)" which identifies income payments.: "The general rule is that CDBG funds may not be used for income payments. For purposes of the CDBG program, "income payments" means a series of subsistence-type grant payments made to an individual or

family for items such as food, clothing, housing (rent or mortgage), or utilities, but excludes emergency grant payments made over a period of up to three (3) consecutive months to provider of such items or services on behalf of an individual or family”.

rent arrear assistance / payments

- rent arrear assistance may not exceed rental costs accrued over a 3-month period
- amount of rent arrear assistance provided should be based on need
- rent arrear assistance paid cannot exceed the actual rental cost per the landlord and tenant agreement which must be in compliance with HUD’s standard of rent reasonableness outlined below
- all payments must be made directly to third party landlords on behalf of the beneficiary
- in addition to contractual monthly rent rate, this program allows assistance to include the following types of fees associated with arrears: late charges, late pet fees, late parking fees, court fees, administration fees, processing fees, etc.
- assistance does not apply to luxury fees, such as pool or other amenities, or fees associated with inflicted damage to the dwelling unit
- arrear assistance must prevent eviction; not simply provide the landlord with the equivalent of 3 months rent while still resulting in eviction

utility arrear assistance / payments

- utility arrear assistance may not exceed costs accrued over a 3-month period for renters only
- amount of utility arrear assistance provided should be based on need for renters only
- utility arrear assistance is limited to electrical service and/or natural gas service for renters only
- all payments must be made directly to third party utility companies on behalf of the beneficiary
- arrear assistance must prevent the renter’s utility disconnection; not simply provide the utility company with the equivalent of 3 months of payment while still resulting in disconnection

not eligible

- | | |
|--------------------------|------------------------------|
| - rent security deposits | - utility security deposit |
| - current rent payment | - current utility payment |
| - future rent payment | - future utility payment |
| - luxury amenity fees | - utility re-connection fees |

Eligible Program Beneficiaries

At a minimum, an eligible program beneficiary/participant must meet the following criteria:

Current, income-qualified Royal Oak residents that reside in a leased dwelling unit within the city limits. The program is not designed to accommodate those seeking to move into the city limits.

All leased units must maintain a license to rent with the City’s Community Development Department.

Royal Oak renters must provide evidence of unpaid rent or related penalties, or an imminent eviction notice due to rental arrears.

Royal Oak renters must provide evidence of unpaid utility bills or related penalties, or an imminent notice to disconnect electrical or natural gas services due to utility arrears.

The Royal Oak renter households must be at or below 80 percent of the 2024 Area Median Income (details below under Household Income Eligibility).

The actual rental costs of the dwelling unit assisted must comply with HUD's standard for "rent reasonableness" (details below under Rent Reasonableness).

Household Income Eligibility

To be eligible to participate in this program, a household's income may not exceed 80% of the Area Median Income (AMI). [REDACTED] shall utilize the table below, or appropriately updated data, to determine eligibility based on the total number of household members.

2024 HUD income limits - effective 04/01/2024

persons in family	0-30% MFI extremely low-income	30.1-50% MFI low-income	50.1-80% MFI moderate-income	80.1+% MFI not eligible
1 person	\$0 - \$20,150	\$20,151 - \$33,600	\$33,601 - \$53,700	\$53,701+
2 persons	\$0 - \$23,000	\$23,001 - \$38,400	\$38,401 - \$61,400	\$61,401+
3 persons	\$0 - \$25,900	\$25,901 - \$43,200	\$43,201 - \$69,050	\$69,051+
4 persons	\$0 - \$31,200	\$31,201 - \$47,950	\$47,951 - \$76,700	\$76,701+
5 persons	\$0 - \$36,580	\$36,581 - \$51,800	\$51,801 - \$82,850	\$82,851+
6 persons	\$0 - \$41,960	\$41,961 - \$55,650	\$55,651 - \$89,000	\$89,001+

Median Family Income: \$95,900

Detroit-Warren-Livonia, MI HUD Metro FMR Area

A household includes all persons who occupy the housing unit. The income of all members of the household at 18 years of age or older shall be included in the calculation. [REDACTED] shall calculate using one of the definitions of annual income to determine whether households are eligible to participate in this program.

1. Annual income as defined in 24 CFR Part 5
2. Annual income as reported on individual income tax federal Form 1040 – gross adjusted income

HUD's Office of Community Planning & Development has developed an online Income Eligibility Calculator to determine income eligibility and assistance amounts. The online calculator can be found at: <https://www.hudexchange.info/incomecalculator/>

Part 5 annual gross income is determined by calculating a household's anticipated total or gross income over the next 12 months. This may be a more advantageous method of determining eligibility for those that have experienced a recent loss of employment.

Household Data

HUD requires that all beneficiaries provide the following data regarding their household. [REDACTED] shall collect and report the below data to the City prior to reimbursement.

Number of persons residing in the household: _____

Number of persons under 18 years of age: _____

Is the head of household female?

- ☐ Yes
☐ No

Check the box indicating the ethnicity of the head of household.

- ☐ Not Hispanic / Latino
- ☐ Hispanic / Latino

Check the box indicating the race of the head of household.

- ☐ American Indian or Alaskan Native only
- ☐ Asian only
- ☐ Black or African American only
- ☐ Native Hawaiian or Other Pacific Islander only
- ☐ White only
- ☐ American Indian or Alaskan Native AND White
- ☐ Asian AND White
- ☐ Black or African American AND White
- ☐ American Indian or Alaskan Native AND Black/African American
- ☐ Multi-Race (not listed)

Rent Reasonableness

In [REDACTED]'s efforts to provide rent arrear assistance, it must ensure that the actual rental costs of the dwelling unit assisted are in compliance with HUD's Emergency Shelter Grant (ESG) standards of "rent reasonableness".

Rent reasonableness means that the total rent charged for a unit must be reasonable in relation to the rents being charged during the same period for comparable units in the private unassisted market and must not be in excess of rents being charged by the owner during the same time period for comparable non-luxury unassisted dwelling units. [REDACTED] shall maintain, and provide to the City, a checklist to demonstrate rent reasonableness for each instance of assistance.

An analysis and compliance with Fair Market Rates (FMRs) is not applicable.

Habitability Standards, HQS, & LBP

A physical housing quality standard and/or lead-based paint inspection is not applicable due to the limitation of 3 months of assistance.

Fee & Reimbursement / Payment for Services

[REDACTED] shall be eligible for administrative delivery costs associated with implementing eligible activities. Administrative delivery costs shall be in the form of case management fees for each beneficiary.

Case management activities include the arrangement, coordination, monitoring, and delivery of services related to eligible activities. The eligibility of case management fees ceases / ends once the third party is provided payment on behalf of the beneficiary.

[REDACTED] shall be entitled to a flat hourly rate of \$55 for all case management efforts.

[REDACTED] shall provide the City with the number of billable hours per beneficiary. The City shall reimburse [REDACTED] for case management fees.

The sum total of all rent and utility arrear assistance payments and all related case management fees shall not exceed the total dollar amount (\$55,000) of this contract.

The following fees which are not eligible for reimbursement under this contract: program publicity / outreach, housing search and placement, legal services / representation, credit repair, etc.

██████ shall submit to the City an invoice for reimbursement and all documentation demonstrating eligibility by no later than July 30, 2025.

The City shall promptly pay ██████ according to the approved City of Royal Oak Accounts Payable Calendar which establishes check requests deadlines bi-weekly for payment the following week.

Term

This contract shall commence upon execution. It shall cover all eligible expenses and case management fees between the date of execution and the expenditure of the maximum dollar amount (\$55,000) established under this contract or June 30, 2025, whichever is first.

Section 2 – General Condition

General Compliance

██████ agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 870 the Housing and Urban Development regulations concerning Community Development Block Grant. ██████ also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract.

Suspension / Termination

██████ agrees that suspension or termination of this project may occur if it materially fails to comply with any term of this contract, or any rules, regulations or provisions referred to within, and that this grant may be terminated for convenience by the City. These conditions are fully described in the Code of Federal Regulations, Title 24, Part 85.43 (Enforcement) & Part 85.44 (Termination for Convenience).

██████ agrees to reimburse the City all or part of this grant if at any time HUD determines that this activity was ineligible, but only if this ineligibility status resulted from misrepresentation(s) by ██████.

Default of Contract

When, in the opinion of the Director of Planning, the work or any part of the work to be done under this contract has been abandoned, is unnecessarily delayed, or cannot be completed at the rate of progress or within the time specified, or ██████ is willfully violating any of the covenants of this contract or is carrying it out in bad faith, or has been adjudged as bankrupt, or if he/she should make a general assignment for the benefit of his creditors, then the Director of Planning or designee shall so certify in writing and may declare ██████ in default and so notify him/her to discontinue the work. The City agrees to pay ██████ for all work itemized work conducted prior to the written notice of default. This contract shall be dissolved upon receipt of notice.

Reversion of Assets

Upon final payment / reimbursement by the City, ██████ agrees that any unspent funds shall no longer be obligated to the activity.

Merger or Integration

This contract constitutes the entire contract between [REDACTED] and the City with respect to the subject matter hereof; there are no other further written or oral understandings or agreements with respect hereto.

Modification, Assignment or Subcontracting Absent Prior Written Consent

No variation or modification of this contract and no waiver of its provisions shall be valid unless in writing and signed by the duly authorized officers of [REDACTED] and the City. Any alterations, additions or deletions to the terms of this contract, which are required by the enactment of legislation, regulations and directives are automatically incorporated into this contract on the date designated by law, regulation or directive.

Termination

Either party may, at any time during the life of this contract, terminate this contract by giving thirty (30) days written notice to the other party of its intention to terminate and an opportunity for consultation prior to termination. In the event of a termination, the City's obligation shall only be to reimburse the selected contractor(s) for services rendered up to the point of notification of termination.

Addendum

The contract duration may be extended or shortened, funds may be added or subtracted via an addendum signed by a representative from the City and [REDACTED] indicating exactly what is changing.

Hold Harmless

To the fullest extent permitted by law, [REDACTED] agrees to indemnify, pay on behalf of, and hold harmless the City, their elected and appointed officials, employees, volunteers, boards, commissions and others working on behalf of the City of Royal Oak, against any and all claims, demands, suits, losses, including all costs connected therewith for any damages which may be asserted, claimed or recovered against or from the City of Royal Oak, by reason of personal injury, including bodily injury and death, and/or property damage, including loss of use thereof, which arises out of, or is in any way connected or associated with, the activity authorized by this contract.

Confidentiality

The use or disclosure of information by the City concerning services, applicants or recipients obtained in connection with the performance of the contract shall be restricted to the purposes directly connected with the administration of the services provided under this contract. Such information shall not be used for any other purpose unless written approval is obtained from [REDACTED].

Disputes

The City shall notify [REDACTED] in writing of its intent to pursue a claim against [REDACTED] for breach of any terms of this contract. No suit may be commenced by the City for breach of the contract prior to the expiration of ninety (90) days from the date of such notification. Within this ninety (90) day period, the City at the request of [REDACTED], must meet with an appointed representative of [REDACTED] for the purpose of attempting to resolve the dispute. [REDACTED] shall be given the opportunity to cure or remedy any breach within such ninety (90) day period.

Notices

Whenever under this contract provision is made for notice of any kind, unless otherwise herein expressly provided, it shall be in writing and shall be served personally or sent by registered or certified mail with postage prepaid to the designated representatives at the addresses supplied below.

Planning Division
Joseph M. Murphy
Director of Planning
Community Development Depart
City of Royal Oak
203 S. Troy St
PO Box 64
Royal Oak, MI 48068-0064

P (248) 246-3285
joem@romi.gov

[REDACTED]
President & CEO
[REDACTED]
P
E
[REDACTED]
State Id. #: [REDACTED]
Federal Unique Entity ID: [REDACTED]

Section 3 – Administrative Requirements

Financial Management

[REDACTED] shall comply with the requirements and standards of the Office of Management & Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The final guidance is codified in the Code of Federal Regulations at 2 CFR Part 200, as applicable.

Uniform Administrative Requirements & Cost Principles

[REDACTED] shall comply with the policies, guidelines, and requirements of 24 CFR Part 85 and 2 CFR Part 200, as applicable, as they relate to the acceptance and use of Federal funds.

[REDACTED] will complete the attached form (Single Audit notification form) and, if applicable, supply the City with a copy of its most recent Single Audit (2 CFR Part 200, Subpart F – Audit Requirements) prior to seeking reimbursement for the project. The City's Finance and Community Development departments will examine the Single Audit to determine the subrecipient's compliance requirements, risk level, review identified corrective actions, examine corrective actions thereafter, verify compliance, determine monitoring levels, determine ability to seeking CDBG funds in future program years, etc.

Documentation and Recordkeeping

1. [REDACTED] agrees to maintain all records required by the Federal regulations specified in 2 CFR Part 200, Subpart D – Post Federal Award Requirements, that are pertinent to the project to be funded under this contract. Such records shall include but are not limited to:
 - a. Records providing a full description of the project undertaken;
 - b. Records demonstrating that the project undertaken meets one of the National Objectives of the CDBG program;
 - c. Records documenting compliance with the fair housing & equal opportunity components of the CDBG program.
 - d. Other records necessary to doc. compliance with Subpart D of 2 CFR Part 200.

2. [REDACTED] shall retain all records pertinent to expenditures incurred under this contract in compliance with the Retention Requirements for Records in accordance with Subpart D of 2 CFR Part 200.
3. [REDACTED] records with respect to any matters covered by this contract shall be made available to the City and to the U. S. Department of Housing & Urban Development (HUD). Any deficiencies noted in any local or Federal audit report must be fully cleared by [REDACTED] within thirty (30) days after receipt by the city. Failure to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments.

Reporting and Payment Procedures

1. **Program Income**
[REDACTED] agrees that this CDBG-funded project, as proposed, generates no program income, as defined in 2 CFR Part 200 (Section 200.307).
2. **Reimbursement Payment Procedures**
The City will reimburse [REDACTED] funds available under this contract based upon information submitted by [REDACTED] under the terms and conditions of this contract. At any point, [REDACTED] may submit a request for a reimbursable payment for eligible expenses actually incurred directly related to the project. The City will make its best efforts to process the reimbursement payment in a timely manner. Timeliness of reimbursement payment is also contingent upon the approved City of Royal Oak Accounts Payable Calendar.
3. **Progress Reports**
[REDACTED] will report to the City progress towards meeting goals, and achievements in providing program benefits in forms, content and frequency as required by the City.

Procurement

1. **Compliance with Federal Procurement Requirements**
[REDACTED] shall follow federal procurement rules when purchasing services, supplies, materials, or equipment. The applicable federal regulations are contained in 2 CFR Part 200 (200.317-326).

Non-Federal entities must maintain written standards of conduct covering conflicts of interest, including organizational conflicts of interest, and governing the performance of their employees engaged in the selection, award and administration of contracts. City staff will collect [REDACTED]'s written standards.

Other program requirements

[REDACTED] shall carry out the project under this contract in compliance with all Federal laws and regulations in 24 CFR Part 570, Subpart K as applicable:

- (1) 570.600 General
- (2) 270.601, Public Law 88-352 and Public Law 90-284; affirmatively furthering fair housing; Executive Order 11063; 99
- (3) 570.602, Section 109 of the Act;
- (4) 570.603, Labor Standards;
- (5) 570.604, Environmental Standards;
- (6) 570.605, National Flood Insurance Program;

- (7) 570.606, Displacement, Relocation, Acquisition, and Replacement of Housing;
- (8) 570.607, Employment and Contracting Opportunities;
- (9) 570.608, Lead-Based Paint;
- (10) 570.609, Use of Debarred, Suspended or Ineligible Contractors or Subrecipients;
- (11) 570.610, Uniform Administrative Requirements and Cost Principles;
- (12) Conflict of Interest;
- (13) 570.612, Executive Order 12372; and
- (14) 570.613, Eligibility Restrictions for Certain Resident Aliens.

Section 4 – Personnel and Participant Conditions

Labor Laws, Employee Taxes, Withholding, Etc.

████ and subcontractors must abide by federal, state and local regulations pertaining to equal employment, and shall obey and abide by all the laws of the State of Michigan relating to the employment of labor.

████ agrees not to discriminate against any employee or applicant for employment, to be employed in the performance of this contract, with respect to hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of age or sex, except where based on a bona fide occupational qualification, or race, color, religion, national origin, familial status, marital status, disability, sexual orientation, or ancestry. █████ further agrees that every subcontractor entered into for the performance of this contract will contain a provision requiring non-discrimination in employment, as herein specified, binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of this contract.

████ assumes full responsibility to account for all federal, state and local taxes and assessments for █████ in the performance of this contract, and for all withholdings required by applicable laws, rules or regulations. █████ is not entitled to unemployment compensation from the City, as █████ is an independent contractor and not an employee. █████ shall assume full responsibility for the contributions required under any applicable unemployment compensation or social security laws, rules or regulations. █████ is not entitled to worker's compensation coverage from the City, as █████ is an independent contractor and lacks the status of an employee.

Assignment or Subletting

In the execution of this contract, it may be necessary for █████ to sublet part of the work to others; however, █████ shall not award any work to any subcontractor without acknowledgement of the City, which approval shall not be given until █████ submits to the City a written statement concerning the proposed award to the subcontractor, which statement shall contain such information as the City may require.

████ shall be fully responsible to the City for the acts and omissions of their subcontractors and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by him. Nothing contained in this contract shall create any contractual relation between any subcontractor and the City.

████ shall not assign, transfer, convey, or otherwise dispose of this contract, of any part thereof, or his right, title, or interest in the same or any part thereof, without the previous consent in writing of the City. █████ shall not assign by power-of-attorney or otherwise any of the monies due or to become due and payable under this contract without the previous consent in writing of the City.

Access of Records

At the request the City, [REDACTED] shall provide the City a digital copy (pdf format) of all case notes, reports, or related materials resulting from the fair housing testing services to be performed under this contract.

Freedom of Information Act (FOIA)

[REDACTED] recognizes that it is performing work on behalf of a governmental entity. By law, records of a governmental entity must be released under the Michigan Freedom of Information Act (FOIA) unless specifically exempted. Therefore, records created by and/or for the City and its agents or assigns pursuant to this contract, including, but not limited to, any correspondence, analysis, reports and related materials prepared, constitute property of the City and may be subject to release to the public under FOIA. The City has adopted a FOIA policy which establishes a procedure for receipt and review of FOIA requests. The City must respond to requests for non-exempt public records within five days of receipt unless the City requests a ten-day extension. [REDACTED] shall assist in compliance with the City's procedure.

[REDACTED] agrees that all information kept as a result of this contract is a public record. In the event that the City receives a FOIA request for public records, [REDACTED] shall be required to disclose such information to the City for a determination, at the sole discretion of the City, as to whether or not that information is exempt from disclosure. The City agrees to give [REDACTED] a copy of the FOIA request upon receipt by the City. Unless [REDACTED] obtains an injunctive order from a court of competent jurisdiction within the time limits for response, the City shall release the non-exempt public records in accordance with a FOIA request.

Indemnification and Hold Harmless

[REDACTED] expressly agrees to indemnify and hold the City harmless against all losses and liabilities arising out of personal injury, bodily injury or property damages to the extent of any negligent act, grossly negligent act, error or omission of [REDACTED] or anyone acting on [REDACTED]'s behalf, in connection with, or incidental to, the contract or work to be performed, except that [REDACTED] shall not be responsible to indemnify the City for any losses or damages to the extent that same are caused by or result from the gross negligence of the City or any other person or entity.

To the extent of the FHMCD's actual degree of fault, [REDACTED]'s obligation to indemnify and hold the City harmless shall include:

The obligation to defend the City from any such suit, action or proceeding, and;

The obligation to pay any and all judgments which may be recovered in any such suit, action or proceeding and/or any reasonable expenses including, but not limited to costs, attorney fees and settlement expenses which may be incurred, but only to the extent that such judgments and expenses are attributable to [REDACTED]'s actual fault.

[REDACTED] agrees that it will not settle or resolve any claim or action against [REDACTED] based upon its acts which includes, or may include, a claim or count against the City or its employees without obtaining a full and complete release in favor of the City with respect to any and all claims or counts against the City except those based upon the gross negligence or willful or wanton misconduct of the City or its employees.

For the purpose of indemnity clauses in the contract, "City" shall mean City of Royal Oak, its elected and appointed officials, employees and volunteers working on behalf of the City; losses and liabilities shall mean loss, cost, expense, damage, liability or claims, whether groundless or

not; personal injury shall mean false arrest, erroneous service of civil papers, false imprisonment, malicious prosecution, assault and battery, libel, slander, defamation of character, discrimination, mental anguish, wrongful entry or eviction, violation of property, or deprivation of any rights, privileges or immunities secured by the constitution and laws of the United States of America or the State of Michigan, for which [REDACTED] may be held liable to its injured party in an action-at-law or a suit in equity or other proceedings for redress; bodily injury shall mean bodily injury, sickness or disease and mental injury which may be sustained or claimed by any person or persons; and property damage shall mean the damage and destruction of any property including the loss of use thereof.

[REDACTED] and the City may agree to arbitrate any disputes with respect to the application of this indemnification clause.

Insurance Requirements

[REDACTED] shall not commence work under this contract until [REDACTED] has obtained the insurance required under this paragraph. All coverages shall be with insurance companies licensed and admitted to do business in the State of Michigan. All coverages shall be with insurance carriers acceptable to the City.

Worker's Compensation Insurance

The CONTRACTOR shall procure and maintain during the life of this contract, Worker's Compensation Insurance, including Employer's Liability Coverage, in accordance with all applicable Statutes of the State of Michigan.

Commercial General Liability Insurance

[REDACTED] shall procure, and maintain in effect during the life of this contract, Commercial General Liability Insurance, on an "Occurrence Basis", with limits of liability not less than **\$300,000** per occurrence and/or aggregate combined single limit Personal Injury, Bodily Injury and Property Damage. Coverage shall include the following extensions: (a) Contractual Liability; (b) Products and Completed Operations; (c) Independent Contractor's Coverage; (d) Broad Form General Liability Extensions, or equivalent; and (e) Deletion of all Explosion, Collapse and Underground (XCU) Exclusions, if applicable.

Motor Vehicle Liability

[REDACTED] shall procure and maintain during the life of this contract, Motor Vehicle Liability Insurance, including Michigan No-Fault Coverage, with limits of liability not less than **\$300,000** per occurrence combined single limit Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.

Additional Insured

Commercial General Liability Insurance and Motor Vehicle Liability Insurance, as described above, shall include an endorsement stating the following shall be **"Additional Insureds"**: **The City of Royal Oak, Michigan, all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and board members, including employees and volunteers thereof.**

Cancellation Notice

Worker's Compensation Insurance, Commercial General Liability Insurance, and Motor Vehicle Liability Insurance, as described above, shall include an endorsement stating the following: "It is understood and agreed that thirty (30) days Advance Written Notice of Cancellation, Non-Renewal, and/or Material Change in Coverage will be sent to: Director

of Planning, 203 S. Troy St., Royal Oak, Michigan 48067".

Owner's & Contractor's Protective Liability

█████ shall procure and maintain during the life of this contract, Owner's and Contractor's Protective Liability Insurance with the limits of liability not less than **\$300,000** per occurrence and/or aggregate, combined single limit, Bodily Injury and Property Damage. The City of Royal Oak, Michigan, shall be "Named Insured" on said coverage. Thirty (30) days notice of cancellation shall apply to this policy.

Proof of Insurance Coverage

█████ shall provide the City at the time this contract is returned by for execution, certificates and policies as listed below:

A copy of Certificates of Insurance for Worker's Compensation Insurance;

A copy of Certificates of Insurance for Commercial General Liability Insurance;

A copy of Certificates of Insurance for Vehicle Liability Insurance;

Original Policy, or Original Binder pending issuance of policy, for Owner's and Contractor's Protective Liability Insurance;

If so requested, Certified copies of all policies mentioned above will be furnished.

If any of the above coverages expire during the term of this contract, █████ shall deliver renewal certificates and/or policies to the City at least ten (10) days prior to expiration date.

Civil Rights

1. Compliance

█████ agrees to comply with all local and state civil rights ordinances and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, Executive Order 11246 as amended by Executive Orders 11375 and 12086, and the City of Royal Oak's Human Right's Ordinance (Chapter 402).

2. Nondiscrimination

█████ will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance. █████ will take affirmative action to insure that all employment practices are free from such discrimination.

Affirmative Action

1. Women, Minority-Owned and Section 3 Business Enterprises

█████ will use its best efforts to afford minority, women-owned, and Section 3 business enterprises the maximum practicable opportunity to participate in the performance of the project as needed.

2. Access to Records

█████ shall furnish the City all information and reports required to demonstrate compliance and will permit access to its books, records and accounts by the City, HUD or its agent, or other authorized Federal officials for purposes of

investigation to ascertain compliance with all applicable rules, regulations and provision.

3. Equal Opportunity Employer Statement
All solicitations or advertisements for contractors, as needed, to complete the project shall state that the "Equal Opportunity Employment applies".

Conduct

1. Assignability
[REDACTED] shall not assign this contract or any of the payments that become due without consent of the City.
2. Subcontracts
[REDACTED] shall not enter into any subcontracts with any agency or individual in the performance of the approved project without the written consent of the City to the execution of such an contract, as needed.
3. Conflict of Interest
Except for approved administrative and/or personnel costs, no person having responsibilities dealing with CDBG assisted activities may obtain a personal or financial interest or benefit from the project, or have an interest in any contract, subcontract or agreement, either for themselves or their family, during the tenure or for one year thereafter. The general procurement standards in 2 CFR Part 200.318 shall apply.
4. Religious Organization
[REDACTED] agrees that funds provided under this contract will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the federal regulations specified in 24 CFR Part 570.200(j).
[REDACTED] hereby certifies that none of the beneficiaries of its activities or services are based upon any religious preference.

Lobbying

[REDACTED] certifies, to the best of its knowledge and belief, that:

No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

█████ shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, U.S. Code. Any person who fails to file the required certification shall be subject to penalty as authorized by Section 1352, Title 31, U.S. Code.

2 CFR Part 200, Subpart – Cost Principles, 200.450 Lobbying shall apply to this contract.

Contract Binding and in Full Force

This contract shall be binding upon the parties hereto and their respective heirs, successors, legal representatives and permitted assigns.

This contract represents the entire understanding and agreement between the parties with respect to the subject matter. In case any one or more of the provisions contained in this agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, this invalidity, illegality, or unenforceability shall not affect the enforceability of any other provision of this contract. This contract shall be construed as if the invalid, illegal or enforceable provision had never been contained in it. The remainder of the contract shall remain in full force and effect.

No waiver, alteration, amendment, or modification or any provisions of this contract shall be binding unless in writing and signed by the parties hereto. The fact that one of the parties to this contract may be deemed to have drafted or structured any provision of this contract shall not be considered in construing or interpreting any particular provision of this contract, either in favor for or against such party.

Section 5 - Acceptance

The undersigned indicate by their signatures that they are authorized to act on behalf of their respective party in this capacity.

CITY OF ROYAL OAK:

██

By: Michael C. Fournier, Mayor

██

By: Melanie Halas, City Clerk

██
██
██

Approved To Form:

██
██

Nicolas Grochowski, City Attorney

Appendix

Insurance (required) Attached

Single Audit Form (required) Included

Equal Employment Opportunity (required) Attached

Compliance with Federal Procurement Standards (required) Attached

Approved Accounts Payable Calendar Attached

SAMPLE
AGREEMENT