



City of Muskegon
Community Development Block Grant
Consolidated Annual Performance and Evaluation Report
2013 Grant



Executive Summary

We experienced a very busy year assisting citizens with Priority Housing repairs- specifically roofs. After a long and damaging winter, many households sought help to make necessary repairs that would keep them safe in their homes. Below is a comparison of previous years' accomplishments within our CDBG and HOME activities.

2011-12

HOUSING PRIORITIES	HOUSING REPAIR	OBJECTIVE	OUTCOME	
		50 HOUSEHOLDS	44 HOUSEHOLDS	UNDER GOAL
	VINYL SIDING	OBJECTIVE	OUTCOME	
		10 HOMES	3 HOMES	UNDER GOAL
	SENIOR WEATHERIZATION	OBJECTIVE	OUTCOME	
		ASSIST 10 SENIORS	14 SENIORS	GOAL SURPASSED
	NEW CONSTRUCTION			
	2 HOMES	2 HOMES	GOAL MET	
	HOUSING REHAB	OBJECTIVE	OUTCOME	
	3 HOMES	3 HOMES	GOAL MET	
PUBLIC SERVICES	YOUTH EMPLOYMENT	OBJECTIVE	OUTCOME	
		20 YOUTH	7 YOUTH	UNDER GOAL
ECONOMIC DEVELOPMENT	EMPLOYMENT OPPORTUNITIES	OBJECTIVE	OUTCOME	
		CREATE 45 NEW JOBS	0 JOBS	UNDER GOAL
OTHER ACTIVITIES	RAMPS	OBJECTIVE	OUTCOME	
		N/A	3 RAMPS	

2012-13

HOUSING PRIORITIES	HOUSING REPAIR	OBJECTIVE	OUTCOME	
		50-75 HOMES	48 HOMES	UNDER GOAL
	VINYL SIDING	OBJECTIVE	OUTCOME	
		8-10 HOMES	7 HOMES	UNDER GOAL
	FAÇADE	OBJECTIVE	OUTCOME	
		5 BUSINESSES	1 BUSINESS	UNDER GOAL
	REHAB/TRANSITIONAL HOUSING	OBJECTIVE	OUTCOME	
	2 HOMES	2 HOMES	GOAL MET	
	RENTAL REHAB	OBJECTIVE	OUTCOME	
		3 UNITS	4 UNITS	GOAL SURPASSED
NON-HOUSING PRIORITIES	DEMOLITION/BOARD-UPS	OBJECTIVE	OUTCOME	
		12-25 UNITS	52 UNITS	GOAL SURPASSED
OTHER ACTIVITIES	UTILITY ASSISTANCE	OBJECTIVE	OUTCOME	
		N/A	19	
	YOUTH RECREATION	OBJECTIVE	OUTCOME	
		900 YOUTH	915	GOAL SURPASSED
	RAMPS	OBJECTIVE	OUTCOME	
		3 HOUSEHOLDS	3	GOAL MET

2013-14

HOUSING PRIORITIES	HOUSING REPAIR	OBJECTIVE	OUTCOME	GOAL SURPASSED
		30 UNITS	65 UNITS	
	RAMPS	OBJECTIVE	OUTCOME	
		8 HOUSEHOLDS	3 HOUSEHOLDS	UNDER GOAL
	VINYL SIDING	OBJECTIVE	OUTCOME	
	8 UNITS	8 UNITS	GOAL MET	
NON-HOUSING PRIORITIES	COMMERCIAL FAÇADE IMPROVEMENT	OBJECTIVE	OUTCOME	
		2 BUSINESSES	0 BUSINESSES	UNDER GOAL
	RESIDENTIAL CLEARANCE	OBJECTIVE	OUTCOME	
	DEMOLISH 5-7 HOUSING UNITS	10 HOUSING UNITS DEMOLISHED	GOAL SURPASSED	
NON-HOUSING PRIORITIES	BOARD-UPS	OBJECTIVE	OUTCOME	
		BOARD 18-20 HOUSING UNITS	37 HOUSING UNITS BOARDED	GOAL SURPASSED
PUBLIC SERVICES	UTILITY ASSISTANCE	OBJECTIVE	OUTCOME	
		16 HOUSEHOLDS	17 HOUSEHOLDS	GOAL SURPASSED
	SUMMER INTERNS	OBJECTIVE	OUTCOME	
		1-2 STUDENTS	4 STUDENTS	GOAL SURPASSED
PUBLIC SERVICES	YOUTH RECREATION	OBJECTIVE	OUTCOME	
		500 YOUTH	985 YOUTH	GOAL SURPASSED

Mid-way into our year, DTE Energy presented a Test and Tune program that would help us further the objective to assist our citizens with energy efficient features. Through this effort we were able to leverage our Priority Housing activities city-wide. The momentum from the previous year helped us market this year-round opportunity throughout the county. Our partnerships have proven to be vital for families that are ineligible for our program but can access this service from another entity in our county.

Fair Housing

Each year Muskegon County and our sister cities, Muskegon Heights and Norton Shores, partner through an Inter-agency agreement which contracts with the Fair Housing Agency of West Michigan (FHA). This agreement enlists surveys, testing, training and reports of our Muskegon Area fair housing behaviors and tendencies. We agreed to reduce the FHA requirement to a mid-year and end of the year report. This saved us all money and it is easier to review within our annual schedule.

Municipality	Approx. Population	Percentage of total	Financial Responsibility
City of Muskegon	40,000	31%	\$4,675
City of Norton Shores	22,000	17%	\$2,635
City of Muskegon Heights	10,000	9%	\$1,190
County of Muskegon	172,000	43%	\$6,500
TOTALS		100%	\$15,000

Affordable Housing

HOME activities for CHDOs and our Homebuyer Program were very successful. Three agencies received CHDO reserve dollars to produce 4 housing units- 2 homebuyers and 2 rentals. The city was able to rehab two properties: one HUD Home Purchase (nearly new, constructed 2002) and the other was donated by a local bank. Each property sold within 6 months of completion. In all, six affordable housing units were produced this funding cycle.

Using the 2009 Building Code standards as our rehabilitation/new construction standard, all housing projects within the city of Muskegon conform to our local code enforcement team of inspectors. Inspection reports and staff monitoring are important safeguards throughout the building process.

We continue to work together on the promotion of qualified contractors that provide quality work that meet our housing codes while promoting efforts to reach minority and female-owned businesses. Recently, our Affirmative Action department updated policies to include local minority owned business in our selection process. The procurement process for using contractors has been extended to two-year contract of service to avoid delays in our activity operations.

General Questions

Any obstacles we faced in meeting the underserved needs could be addressed by funding resources. We do not have a match requirement in our community so the biggest challenge was met head on by the reduction of Muskegon's 2011 grant allocation. We made policy changes to offset less funding, we continue to serve low income households and ultimately we can only fund one sub-recipient agency to help meet this goal. In the end, we lost some staple programs but the city uses a portion of its general fund resources to provide youth with after-school activities, open gym and fund a number of summer programs offered throughout our city.

Managing the Process

LEAD BASED PAINT

The County of Muskegon's Lead Hazard Reduction Program managed by Public Health Muskegon County has helped 4 owner-occupants, and 8 rental units. The City of Muskegon continues to commit funding to rentals units within our city limits in an effort to make safe housing units for young children. The free –testing for Lead Based Paint hazards allow us to reach more families because of the leveraging partnership.

- Publicized the program to every property owner requesting rental assistance for rehabilitation.
- Accepted vinyl-siding applications assisted with Lead Based Paint remediation.

The county will test; we will cover non-lead rehab cost @ a ratio of 50/50 and if necessary, fill the gap above the maximum grant threshold. We are committed to reducing lead based paint hazards in rental units in the City of Muskegon and we have made every effort to partner with the county to help our renters and landlord in this regard.

Utilizing our Vinyl Siding program, we have assisted 8 homeowners.

Community Development

In an effort to initiate job growth, our Affirmative Action director solicited the local high school and colleges for internship opportunities with the city of Muskegon. Interviews were conducted and five young people were able to be hired during the funding cycle.

Housing Needs

Goals and objectives met during Action Plan 2013 are tabulated below:

Type of Repair					Description	Total Amount	Ethnic					Senior	Income		
R	F	E	P/S	O			B	W	H	A	AI		60%	30 - 50%	20%
			1			\$1,200.00		1				1		1	
1						\$6,345.00	1							1	
		1				\$1,330.00	1							1	
1						\$8,037.21		1						1	
1						\$4,945.53		1				1		1	
1						\$5,650.00	1					1		1	
1						\$3,412.00	1							1	
1						\$4,095.50	1							1	
1						\$3,349.50		1				1		1	
1						\$4,840.00						1		1	
1						\$7,529.00	1						1		
1						\$3,199.20		1				1		1	
1						\$8,224.00	1							1	
1						\$6,632.00		1						1	
1						\$4,745.00	1							1	
				1		\$2,130.35	1							1	
			1			\$2,400.00	1					1		1	
				1	Water Heater	\$840.00	1							1	
		1				\$1,350.00		1				1		1	
1						\$6,566.00	1							1	
1						\$6,420.00	1							1	
1						\$4,600.00	1					1		1	
1						\$4,543.00		1							1
		1	1			\$2,393.23	1							1	
				1	Basement wall	\$1,200.00		1						1	
		1				\$2,540.00	1					1	1		
1						\$5,975.00		1				1		1	
1						\$3,707.00	1							1	
1						\$6,859.00	1							1	
1						\$3,741.00		1						1	
1						\$6,713.00		1						1	
1						\$5,232.50		1						1	
1						\$4,640.00	1					1			1
1						\$3,969.00		1						1	
			1			\$100.00	1					1		1	
		1				\$1,250.00		1							
			1	1	Front Step	\$1,780.00	1								1
	1				Boiler	\$7,215.00		1					1		
1						\$4,998.00	1					1	1		
1						\$5,277.00	1						1		
		1				\$1,350.00	1							1	

1					\$2,285.00	1							1		
			1	Foundation	\$1,950.00	1				1			1		
1					\$2,486.00	1					1				
		1			\$800.00	1				1			1		
1					\$6,282.00		1						1		
			1	Water Heater	\$895.00	1							1		
	1				\$395.00		1			1			1		
			1	Water Heater	\$845.00	1				1			1		
1					\$230.00	1									1
		1			\$300.00	1				1			1		
1				Boiler	\$8,985.00			1							1
					\$370.00	1							1		
		1		Water Heater	\$1,395.00	1					1				
1					\$3,930.00					1					1
1					\$5,388.00	1				1					1
1					\$3,600.00		1						1		
1					\$6,270.00		1			1			1		
	1				\$1,425.00	1				1			1		
			1	Foundation	\$1,950.00	1				1			1		
1					\$15,142.00					1					1
		1			\$2,805.00		1						1		
33	6	8	9	9	\$239,051.02	38	21	1	0	1	24	7	47	8	

*R=Repair F=Furnace E=Electric P/S=Plumbing/Sewer O=Other

INCOME		
<30%AMI 8	30-50%AMI 47	50-60 AMI 7
HEAD OF HOUSEHOLD		
Male- 18	Female- 44	

Vinyl Install Total	Vinyl Supply Total	Total Amount	Ethnic					Income			Senior?		FHH		HH	
			B	W	H	A	AI	30%	50%	60%	Y	N	Y	N	Y	N
\$2,395.25	\$2,702.68	\$5,097.93		1					1		1		1			1
\$1,856.35	\$3,884.53	\$5,740.88		1					1			1	1			1
\$6,600.00	\$4,445.62	\$11,045.62	1						1			1	1			1
\$2,312.75	\$2,699.50	\$5,012.25		1					1					1		1
\$3,600.00	\$2,100.50	\$5,700.50		1					1			1	1			1
\$3,166.75	\$2,895.81	\$6,062.56	1						1			1	1			1
\$3,387.75	\$3,229.61	\$6,617.36	1					1				1	1			1
\$1,864.75		\$1,864.75		1					1			1	1			1
		\$0.00														
		\$0.00														
		\$47,141.85	3	5	0	0	0	1	7	0	1	7	7	1	0	7

*occupants are below 30% AMI

Our intent to improve programs and streamline the process by which we assist families was strengthened when we restricted households to 10 years. Families cannot return to receive new housing repairs if they were assisted within the last 10 years. Without limits, our citizens were returning for help annually. As a result of our limits, grant funds can be made available for a longer period of time. We are proud to say that with current resources we were able to meet the needs and be consistent with program regulations.

For all of our housing programs, we did not displace any homeowner. It is necessary to state that our CDBG funded programs were limited to our entitlement allocation and any additional resources were covered by (PI) Program Income received from the CDBG programming.

HOME

Affordable, decent and safe housing is critical to goals and objectives of the 2011 consolidated plan activities. The City of Muskegon’s HOMEBUYER (program income available)

ACTIVITIES	5 YR PROJECTION	PREVIOUS PROGRESS	2013 PROGRESS
Acquisition	2	1	1
New Construction	5	2 *	1*
Rehabilitation	10	3	4*
Rental	10	8 *	2

*CHDO Assisted

2013 Accomplishments

- Community enCompass – 2 rental units, vacant
- Homebuyer Program – 3 homes rehabilitated and sold
- Trinity Housing Corporation – 1 rehabilitation listed for sale
- Habitat for Humanity- 1 newly constructed home

Types of Households Served

GENDER	MARRIED	RACE	INCOME	FAMILY SIZE
F	NO	WHI	70% AMI	1
M	YES	WHI	62% AMI	4
M	NO	BLK	70% AMI	1
M	YES	BLK	50% AMI	5

PUBLIC STRATEGY

As the governmental entity for our Public Housing Agency, we continue to affirm that their plan fits our consolidated plan supporting suitable living environments for low-income households. To promote homeownership, the City of Muskegon has taken an active role by appointing a city staff person to sit on the Housing Commission Board.

Reports and notification of threatened housing programs prompted the city manager to take action. Since February 2014, city departments were encouraged to offer specific services designed to stabilize the interim director. The services offered were received and have resulted in a smooth transition to new leadership in the public housing agency.

The challenges and ultimate sanctions of the public housing authority endured this year did not rank them as “troubled”. The representation from the governmental entity has been welcomed and appreciated. It appears that a stronger relationship between the agencies is growing.

BARRIERS TO AFFORDABLE HOUSING

Current identifiable barriers to affordable housing are FHA mortgages, banks willing to invest, and financing for families. Several banks have limited families to purchase affordable homes that are considered non-conforming collateral. Home selection is being limited and the inability to access a mortgage to purchase homes that are labeled “unique” has become a problem.

At least 4 lenders were sought after and could not accept the FHA appraisal because of the comparable properties listed. Each lender was unable to proceed because of this reason. Many conversations with FHA, appraisers, MSHDA and countless others resulted in a stalled purchase. Now that the FHA appraisal is expired, a current lender is working to close this deal.

We have had a Lease with Option to purchase program but no one has purchased the home that they are currently renting. However, our inventory in this program has diminished. After an eviction and rehab was conducted, a family offered to purchase it and were allowed to move in as renter. The sale was completed 60 days later.

In addition, we have worked with the Fair Housing Agency of West Michigan to identify barriers to families who may have experienced discrimination which can be considered a barrier to affordable housing. Our collaboration with our sister cities support a positive action toward furthering Fair Housing Choice in Muskegon.

This agreement commissions the FH agency to address realtors, service agencies and public officials, all in an effort to help eliminate barriers of housing discrimination. Twice a year, we receive reports about what they have found and what they perceive as solutions to any foreseen areas of affordable housing options.

HOMELESS NEEDS

In our Community, Muskegon is an active board member of the Continuum of Care Coalition. Local agencies have experienced some changes locally with the leadership. Another agency has assumed the role of tracking the clients, and offering housing vouchers to households at risk of becoming homeless.

Actions taken to deter homelessness

- Staff training
- Recruitment of landlords
- Multi-agent programs for at risk families
- Support groups
- Improved housing opportunity facilities

More funding for families in the area of rental assistance was accomplished. Previously cut off from any type of assistance, a family could re-apply for rent subsidy dollars that were released to our area early spring 2012. These federal dollars helped to prevent eviction which leads to homelessness.

NON-HOMELESS SPECIAL NEEDS

People Living Below Poverty

- Our commission members agreed to grant a local sub-recipient additional dollars to help low-income families pay utilities and rent.

LOVE INC

25 Residents of the City of Muskegon were assisted with Rent/Utility Assistance. The following is a breakdown of those receiving assistance:

<u>Income Level *</u>		<u>Service</u>	
Extremely Low	22	Rent	0
Very Low	3	Electric	10
Low	0	Gas	7
		Water	8
<u>Ethnic Group</u>			
Black	16		
White	9		

* Low: 60 – 80% Very Low: 30 – 50% Extremely Low 20% >

HOPWA

The City of Muskegon is home to a HOPWA funded agency who has submitted plans that coincide with the City’s Consolidated Plan as a Housing priority for affordable housing units. No direct financial assistance has been given to the agency but any improvement in local properties is a perceived benefit for any persons facing eviction and struggling to afford a suitable place to live.

Because the City of Muskegon does not receive HOPWA funding, our role is simple: We are available to meet the needs of all of our citizens regardless of race, religion, color, national origin, age, familial status, marital status, sexual orientation or gender identity and agency that supports this effort.

Emergency Shelter Grant

NOT FUNDED directly but several Continuum of Care coalition members report on the county’s funding. The needs of at-risk families have been served by the circle of shelters, programs and community organizations receiving state funding.

COMMENTS