

1. Statement of Need – Extent of the Problem - 40 points

The City of Muskegon is a lovely community set along beautiful Lake Michigan, located in the western part of the state of Michigan with many beautiful natural amenities. The City of Muskegon is the largest city in Muskegon County and is also the County seat. Muskegon County, and more specifically the City of Muskegon, has the most diverse racial and income population in the Western Michigan area. Muskegon County was incorporated in 1859 and the community enjoyed a booming lumber industry during its first economic era. By the time the local lumber industry had reached its peak in the mid 1880's, forty-seven sawmills surrounded Muskegon Lake and Muskegon was known as the "**Lumber Queen of the World**" when 665,000,000 board feet were cut in 1887 alone. Toward the end of the nineteenth century the lumber era was fading away and, much like today, the local economy was severely depressed. Several local industrialists at that time organized an economic development program, which attracted several substantial businesses to the Muskegon community. Before long, Muskegon was well on its way to being a diversified industrial center. The Great Depression of the 1930's under minded much of the economic development, but the economy rebounded during World War II in response to Muskegon's role as an "**Arsenal of Democracy.**" Unfortunately, the period of the 1960's through the 1980's witnessed business consolidations, large employee lay-offs, and many businesses closed their doors permanently. Other locally owned industrial businesses were sold to giant international conglomerates that shipped many of their living wage jobs down South or offshore. Sadly, in many ways the community has never recuperated from the economic doldrums planted in that period of the 1960's to the early 1980's. (Source Daniel Yakes Muskegon Community College/ Muskegon County Museum)

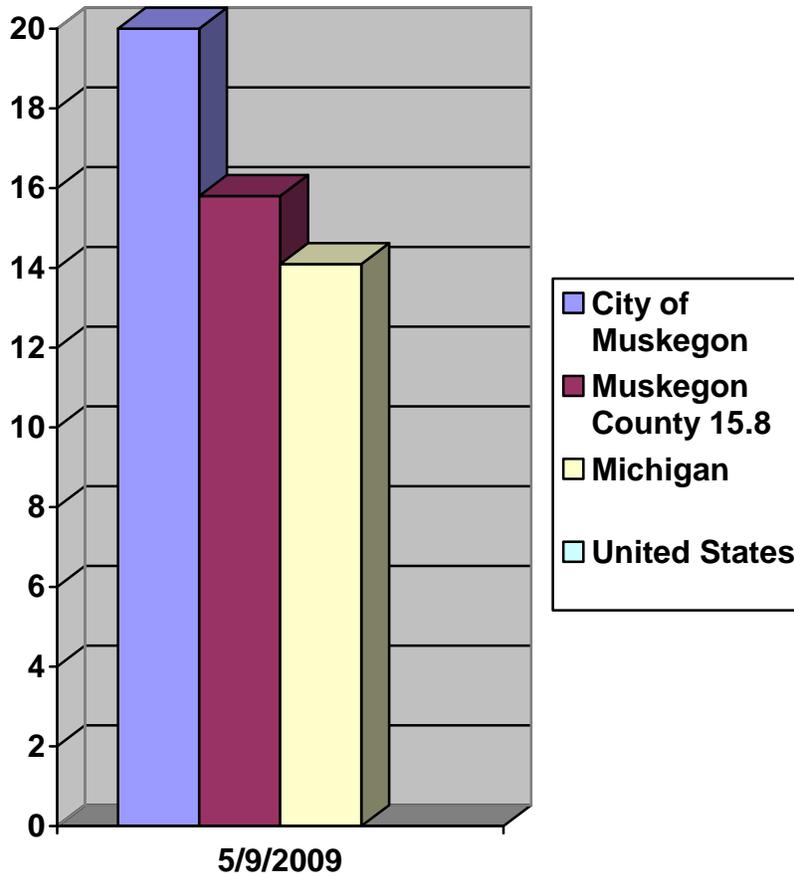
During the last thirty years, Muskegon County, and specifically the core cities of Muskegon and Muskegon Heights, has experienced a significant decline in manufacturing jobs. A total of 3,260 manufacturing jobs were lost between 1984 and 1990 in Muskegon County (source: Muskegon Area Enterprise Grant). Obviously, those jobs haven't been replaced at an adequate level almost 20 years later because of the high unemployment level besieging the Muskegon community. According to the 2000 Census, the City of Muskegon's population is 40,738. The most recent census report for 2008 stated that the City of Muskegon had the highest unemployment rate for any community in the country with a population over 20,000, during the time period of 2006 and 2007 at 21.2% (www.USCensus). The report goes on to state that during that same time period, 52% of men between the age of 16 and 64 years of age in the City of Muskegon were unemployed. The youth unemployment rate for the City of Muskegon in February 2006 was 32.5%, according to the Michigan Department of Labor and Economic Growth; that is the most recent information available in that category according to the State agency. The Department of Labor and Economic Growth currently shows the City of Muskegon unemployment rate at 20% as of June 2009. The aforementioned economic statistics have also had a negative influence on most of the City's neighborhoods and/or Census Tracts, especially the central neighborhoods. All of these neighborhoods or communities have high unemployment rates, high youth

<u>Census Tract/ Neighborhood</u>	<u>Poverty Rate</u>	<u>% of High School Graduates</u>	<u>% of College Graduates</u>	<u>Race % W- white B-black H-Hispanic</u>	<u>Fore closure Rate</u>	<u>Vacan cy Rate</u>	<u>% Homes Built Before 1939</u>
Tract-1 Marquette	17.01	33.70	8.6	W 62.10 B 30.18 H 6.10	18	13	6.3
Tract-2 Jackson Hill	37.87	30.20	2.5	W 25.17 B 68.60 H 8.23	19	20	38.8
Tract-3 Angell	26.20	33.20	3.6	W 29.20 B 62.90 H 6.66	20	20	34.8
Tract -4 East Muskegon	17.48	41.10	2.4	W 54.03 B 37.53 H 6.30	19	19	20.7
Tract-5 McLaughlin/ Marsh	26.86	39.10	3.0	W 46.60 B 42.80 H 0.39	20	20	34.4
Tract-6.02 North Nelson	33.70	41.80	2.3	W 44.30 B 48.40 H 6.43	19	20	49.2
Tract-6.01 South Nelson	19.4	32.40	8.7	W 56.7 B 34.2 H 7.30	18	20	64.6
Tract-8 Nims	14.43	40.83	7.3	W 84.4 B 6.12 H 9.18	17	18	52.0
Michigan	13.9	83.40	21.8	W 79.5 B 14.1 H 4.0			16.7
UNITED STATES	9.80	85.00	27	W-80.00 B 12.80 H 15.10			14.7

unemployment rates, high rental rates, high poverty rates and some of the oldest housing in the state.

Recently, these neighborhoods have been hit hard by the current housing crisis as it relates to the country's foreclosure dilemma:

City of Muskegon Unemployment Graph Most Recent Unemployment Statistics



Incidence of Homelessness

According to a point-in-time survey conducted by the Muskegon County Continuum of Care in early 2008, a total of 1,839 individuals were either homeless or at risk of homelessness. A total of 717 or 39% were homeless and the remaining 1,122 or 61% were at risk of being homeless. In those families, an additional 540 children that were not included in the survey were homeless, which would make the aggregate number of homeless during the study 1,257 and 43% were children.

The City of Muskegon and its Consortium members are requesting Neighborhood Stabilization Program 2 funds to be used for redevelopment activities in neighborhood Census Tract 1 (Marquette), Census Tract 2 (Jackson Hill), Census Tract 3 (Angell), Census Tract 4 (East Muskegon), Census Tract 5 (McLaughlin/Marsh Field), Census Tract 6.01 (Nelson), Census Tract 6.02 (Nelson) and Census Tract 8 (Nims).

All of these neighborhoods have experienced many of the factors that have contributed to neighborhood decline across the country. The majority of these

neighborhoods possess a housing stock where a significant percentage of the housing was built before 1940. Because of the age of the housing, it is difficult for many of the residents to have the needed disposable income to keep the homes from becoming obsolescent. Unfortunately, as discussed earlier, many of these communities have been affected by the long-term systemic unemployment. Because of some of the social factors like middle class flight, poverty concentration, urban sprawl and simply overall disinvestment, many of the structures in the targeted areas became “easy pickins” for property investors for a minimal cost who, in many cases, did not or do not contribute any type of investment to the long-term condition of the units. Instead, a significant number of the investors ‘milked’ the units for all their worth, while leaving a long-term negative effect on the specific neighborhoods that usually produces blight. This then brought in other negative factors that follow blight, e.g. crime, apathy, abandonment, family disorientation, poor health status of many residents and a decline in the attractiveness of the area (both physical and image wise), thereby leaving a negative image on the areas by many as a place to live and work.

In a majority of these neighborhoods, the main contributor to their negative status is the lack of living wages and employment opportunities. The City of Muskegon is currently transitioning its economy from the old heavy industrial economy that required little skills but strong ‘backs,’ to a new economy that is based on the current information age, service economy and the green economy. It is important that we make sure that all of our residents have the necessary skills to compete in this new economy or our community will not experience the true renaissance which our community desperately needs. It is the goal of the Muskegon NSP2 Consortium plan to physically rehabilitate our community while we will assist our residents by producing employment and training opportunities not only in the construction trade, but more importantly, offering them employment and training in the Green economy jobs area as well.

To illustrate how the unemployment factor has affected our neighborhoods, please follow the nexus. Due to the lack of employment opportunities, many middle-class families deserted the neighborhoods for areas where employment opportunities exist. Many times the homes that the middle-class families leave behind eventually become rental properties because the owner is not able to sell the home and make a decent return. As a result, many homes become acquired by absentee landlords who many times have no real commitment to the community. This process has accelerated the neighborhoods to become significantly rental. Those residents who may or who would be interested in purchasing homes in the areas for owner-occupancy decide to look beyond these areas because these areas have an image of being undesirable as a place to invest in because of a low or no long-term financial appreciation. In many cases, due to the lack of jobs in the area, many of these neighborhoods over the years develop a concentration of low-income households, many with public benefit dependency. In addition, the populations of many of these neighborhoods have become a concentration of older residents who moved into the neighborhoods when they were more “market attractive” and a large number of female headed households because of low rent or because the landlords accept Section 8 certificates. The lack of employment opportunities in the area, along with economic restructuring, reduces the

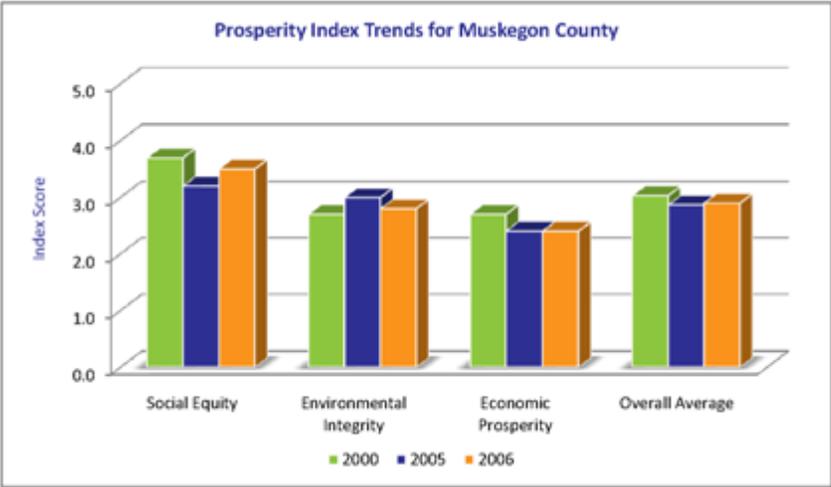
demand for workers in some areas and produces skills mismatched in others. A surplus of residents in the area appearing to be idle with little structure responsibilities results. This idleness helps to create an image of uneasiness' for many outsiders, especially since a large portion of those residents left idle are young males and of color.

As mentioned earlier, the employment factor contributes to the overall value of the neighborhood housing stock by creating a surplus of available housing. This, in effect, lowers the value of the available existing housing in the area, in direct correlation with the 'law of supply and demand.'

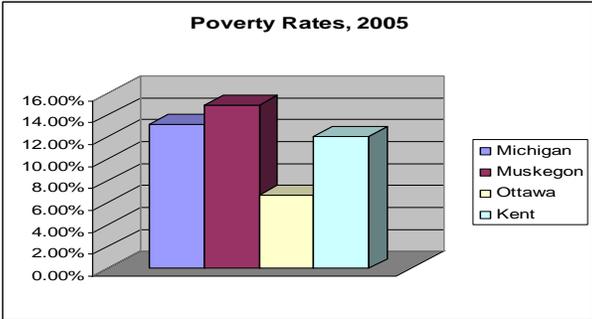
Muskegon NSP Census Tract Targets and Percentages of AMI

Targeted Muskegon NSP Census Tract		Percentage of Households ≤ 50% of AMI		Percentage of Households > 50% of AMI ≤ 80% of AMI		Percentage of Households < 80% of AMI ≥ 120% of AMI	
<u>Census Tract Number</u>	<u>Total Households</u>	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>	<u>Number</u>	<u>Percentage</u>
1	2016	1350	67%	331	17%	209	10.3%
2	387	263	68%	53	14%	46	19%
3	1,159	651	56.1%	234	20.1%	115	10%
4	2,165	767	35%	827	38.9%	408	19%
5	1,956	1188	61%	318	16.3%	326	16.7%
6.01	669	331	49.4%	205	30.6%	73	10.9%
6.02	1,017	787	77%	108	10.3%	73	7.1%
8	1,403	837	59.6%	216	15.4%	262	18.7%

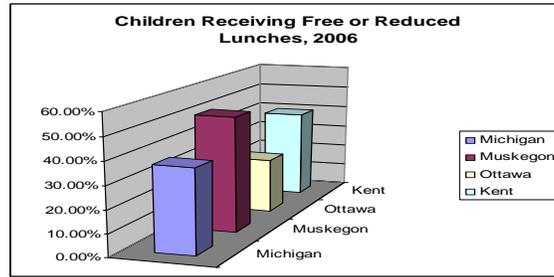
The Community Coordinating Council of Muskegon County conceived and developed the concept for an index that would support integration of various sectors of the community in achieving prosperity. The index scores are based on a 5-point scale with 5.0 being the highest score. Scores of 4.0 or higher indicate a community is "thriving." A score of 3.0 indicates a "sustainable" level has been achieved. Please note that Muskegon County has an average score of 2.9:



The chart below indicates that Muskegon County has a higher percentage of individuals living in poverty than the State of Michigan and its neighboring counties:



Another indicator of the stress faced by those living in the community is the number of children that receive free or reduced lunches in Muskegon County. In the two enterprise communities, (including the City of Muskegon) nearly 95% of the children receive free or reduced lunches. The chart below indicates that Muskegon County has a higher percentage of children receiving free or reduced lunches than the State of Michigan and its neighboring counties. The culture of poverty is pervasive throughout the County.



Market Condition and Demand Factors

As stated earlier, the targeted neighborhoods have felt the effects of the systemic unemployment in the area and the recent foreclosure problems. It has also been previously revealed that the City of Muskegon has some of the oldest housing in the State and in the country. The combination of the age of the housing, the unemployment problem and the large percentage of rental housing has helped to accelerate the blighted housing problem and then the abandonment problem. According to the 2000 Census there were 15,999 housing units in the City of Muskegon. The 2008 Census update states that there are now 15,766, a decrease of 233 units. The Census also showed in the 2000 edition that there were 14,569 housing units in the City; occupied, that number is now estimated to be 13,974, leaving 595 unoccupied or approximately 4 percent of the City's housing stock.

Information supplied by Barbara Delello, a long time local realtor who specializes in foreclosure properties in Muskegon County, illustrated that there were 345 homes on the market during June 2009, while the number of homes sold during June of 2009 was 25. We calculated the absorption rate as the following: The number of units sold multiplied by the number of months in a year ($25 \times 12 = 300$). We then divided the 300 by the number of weeks in a year ($300 / 52 = 5.8$). In order to get the absorption rate we divided the total number of listings of 345 by 5.8 ($345 / 5.8 = 59.5$) which gives us an absorption rate of 59.5.

A two-year trend analysis of the number of housing sales in the City of Muskegon and the targeted area revealed a significant reduction in home prices as well as sale prices, according to the Muskegon county equalization office the city has seen a 6 to 9 percent decrease in value of its' housing stock through out the City in the last 2 years.

**CMA Report: Sale Price by Time Period
Source: Re/Max Muskegon**

Time Period	High Sales Price	Low Sale Price	Median Sale Price	Sale % of List Price
6/15/2007 to 9/15/2007	\$110,200	\$6,000	\$38,900	94.44
9/16/2007 to 12/15/2007	\$138,500	\$5,250	\$30,750	91.89
12/16/2007 to 3/15/2008	\$98,000	\$2,500	\$15,750	92.64
3/16/2008 to 6/15/2008	\$89,900	\$3,000	\$17,250	92.84
6/16/2008 to 9/15/2008	\$289,000	\$3,000	\$16,200	90.17
6/16/2008 to 12/15/2008	\$65,000	\$3,174	\$15,000	90.27
12/16/2008 to 3/15/2009	\$70,000	\$2,181	\$11,400	86.33
3/16/2009 to 6/15/2009	\$75,000	\$635	\$8,500	81.51

It is because of the current market that the Muskegon Consortium is designed to first do significant demolition to remove the major blight. Then the next step will be to do tactical planned total rehabilitation in the targeted area(s). The last piece of the Muskegon NSP2 revitalization plan will be to tactically build new quality affordable housing on parcels where the Muskegon Consortium recently demolition blighted housing and or obsolescence structures from the targeted communities. It is the opinion of the Muskegon Consortium that this comprehensive strategy will be a powerful tool in the City of Muskegon long-term revitalization of its low/moderate income neighborhoods. It is felt that by using this process we will first eliminate obsolescent blighted housing from the area through demolition. The rehabilitation process will help to produce a new and improved image of the area, by taking some of the ugliest houses in the respected neighborhoods, but that are structurally sound, and totally rehabilitating them to almost new. Then the last component will supply the respected areas with newly constructed affordable housing to help fertilize the community in several ways. First, it will help with the image of the area; secondly, it will increase the overall value of the area and lastly it will bring new residents to the respected communities. As the old African proverbs says “a people who do not fertilize the land around them will surely die of hunger.”

Rating Factor 2 - Demonstrated Capacity of the Applicant and Relevant Organizational Staff – 40 points

The six partners in the application for Neighborhood Stabilization Preservation funds are the City of Muskegon Community and Neighborhood Services, the Muskegon County Land Bank Authority, Community Mental Health Services of Muskegon County, Habitat for Humanity, Community enCompass and Neighborhood Investment Corporation. Below please find a description of the partners:

City of Muskegon CNS 38-6004522, 01727968 (Duns #)

The City of Muskegon Community and Neighborhood Services office is an original entitlement Participating Jurisdiction community which began receiving Community Development Block Grant funds in 1974 and began receiving HOME funds in 1990. The CNS office received a total of \$2,002,851 in CDBG funding during the last two fiscal years, and under the HOME Partnership program our total allocation has been \$588,987 for fiscal years 2007 and 2008 combined. In 2008, the City of Muskegon was awarded a 2.1 million dollar three-year lead abatement grant from the Department of Healthy Homes. The CNS office has been very successful at implementing the grant and has had extreme success in managing the program. The CNS office has averaged 98% on its quarterly reports scored by the Department of Healthy Homes.

The CNS office has been very aggressive during the last few in its neighborhood revitalization efforts because of our understanding of our community and its problems and/or issues. We understand that to be successful in truly revitalizing our City, we must implement a multi-faceted approach in our community development arsenal. This includes simultaneously working with a cross section of our community in an effort to solve the long term systemic problems that exist in our community. Two years ago the CNS department developed the community initiative called Operation R & R (Reawakening and Resurgence). The intent of the initiative is to bring a large number of stakeholders together who either lived, worked or owned property in the targeted neighborhoods of Jackson Hill, Nelson, McLaughlin and Angell and Nims, to discuss what those on the ground level feel are major concerns in their community while simultaneously continuing to do physical neighborhood revitalization in the targeted areas in total rehabilitation and infill construction. Through several town hall meetings, it was determined that the targeted residents wanted programs that focused on activities that address the overall neighborhood economy and more specifically addressed the needs of children and youth in the community. Through the Operation R & R initiative several programs have developed including a neighborhood clean-up/cookout, student poster anti-litter contest and an annual Academic Olympic competition for area students, as well as the rehabilitation of five blight homes located in at least one of the targeted neighborhoods and the construction of one new infill home in the Angell neighborhood.

The physical activity that took place under Operation R & R was the rehabilitation of eight blighted homes throughout the targeted neighborhood as well as the construction of one infill home in the targeted neighborhood. The CNS office obtained the properties through a number of different avenues which included the State Tax-Reversion Program, citizen donation, HUD Good Neighborhood Dollar Program and purchased on the free market.

The five areas that the Muskegon Consortium has targeted for its activities in the NSP2 grant are demolition of blight, rehabilitation of blighted and obsolescent properties, new construction of infill housing in previously vacant parcels, homeownership training and down payment assistance. The City of Muskegon, under its department of Construction and Inspection, demolished a total of 30 residential and other dangerous buildings during the last two fiscal years. The Inspection department managed the activity from beginning to end. First, they identified the house as a dangerous abandoned or vacant property, notifying the owner of record of the property status and supplying the owner with the needed information to save the property from the 'demolition ball' if possible. The Inspection Department is also responsible for bidding out the particular property for demolition and making sure all the proper steps have been followed in order for the property to be demolished in a safe and quality manner, causing the least disturbance to the immediate community as possible while assuring that the activity is in compliance with state and federal guidelines and/or laws.

The Community and Neighborhood Services office has made a real impact on our neighborhoods through our rehabilitation programs. Under the Emergency Repair Program, the CNS office has been able to assist a plethora of Muskegon households with their emergency repair needs. Because of the emergency repair assistance, often many low and moderate-income households have been able to remain in their homes instead of being forced to relocate due to costly repairs that would be too much of a burden on their available disposable income. Otherwise, this would add additional structures to the community to the abandon classification and more likely additional blight. The CNS office is responsible for all components of the program, except the actual repairs, which are bid out to qualified construction trade businesses. The CNS staff is the initial contact for the homeowner to request services. The CNS staff is responsible for the inspection of the property to assure the requested service qualifies under the Emergency Repair Program guidelines. If the emergency qualifies, the CNS Rehabilitation Counselor bids out the project, sets up the contract with the selected contractor, has all required parties sign the contract and follows the project to completion. If completed satisfactorily, the Rehabilitation Counselor assures the contractor was paid for their services and that the homeowner was satisfied with the repair. Many areas may be included under the Emergency Repair Program's items like replacement of a deficient roof, replacement of outdated plumbing, upgrade of an electrical system, and when in compliance with the program guidelines, structure repair.

Under the City's Vinyl Siding Repair Program the CNS office is responsible for the marketing of the program to qualified homeowners, for the inspection of the property to assure the structure qualifies for the program under the established guidelines, for

the selection of a contractor for the specific job and the monitoring of vinyl repair jobs to completion.

During the summer of 2008 the City of Muskegon Community and Neighborhood Services office partnered with the Nova Group of Detroit, MI. to offer a weatherization /energy conservation program to 22 low-income senior citizen homes. The Nova Group received an energy conservation grant from the Michigan Public Service Commission. Approximately 55% of the cost of the energy renovations was covered by the City of Muskegon's HOME funds; the other portion was covered by Michigan Public Service Commission grant.

As mentioned earlier in 2008, the City of Muskegon was awarded a 2.1 million dollar Lead Abatement Grant from the Department of Healthy Homes. Since being awarded the grant, the CNS office developed the policy and procedures for the program, did significant community outreach to inform the community about the grant, solicited qualified contractors to work on the project. The CNS office also developed partnerships with our County Health Department, with the non-profit Muskegon Community Health Project and Neighborhood Investment Corp. Since implementing the program and getting it up and running, the CNS office, in partnership with its' community allies, have trained 30 low-income residents in Lead Abatement and have tested 67 children under the age of 6 for elevated blood levels and abated 70 housing units.

During the last two fiscal years, the City has rehabilitated or constructed a total of 310 homes in the community under a number of subcategories: Emergency Repair (169), Vinyl Siding (45), Weatherization Improvements (22), Total Rehabilitation (4) Lead Abatement (70) and new construction Infill (2).

Wilmern G. Griffin is the Director of Community and Neighborhood Services. Mr. Griffin has almost 20 years of experience in the areas of Community Development, Economic Development and Housing. In the almost 10 years that Mr. Griffin has been the Director of CNS for the City of Muskegon, the department has received several awards and recognitions for their projects. Those awards or recognitions have come from the U.S. Department of Housing and Urban Development, the Muskegon County Rotary and the National League of Cities. Oneata Bailey is the City of Muskegon's Rehabilitation Coordinator. During her time in her current position, which is also ten years, Mrs. Bailey has gained extensive experience in the areas of total housing rehabilitation, infill new construction, rental rehabilitation, Lead-based paint abatement, IDIS administration, and CHDO monitoring. Sue Sutherland is the City of Muskegon's Finance administrator. Sue has over 25 years experience in grant monitoring, bookkeeping, data processing and financial management. Mr. Griffin will be responsible for the daily direction of the NSP2 activity, while Mrs. Bailey will be the direct manager of the program. The Program Monitor will be responsible for the marketing, working directly with subrecipients, file management, keeping lines of communication open with clients, contractors, etc. The NSP Inspector will be responsible for project selection, tracking of materials and assuring sites are safe in compliance, etc.

The City of Muskegon obviously has extensive experience in most areas of community and neighborhood redevelopment including:

- Site selection and plan development
- Contractor solicitation
- Program management
- Redevelopment of blighted properties
- Monetary community development investment
- Land banking
- Neighborhood program planning

Muskegon County Land Bank Authority
38-6006063, 105780093 (Duns #)

The Muskegon County Land Bank Authority was formed on November 6, 2006, to transform vacant, tax-delinquent and abandoned property for the benefit of the surrounding property and to improve the community in Muskegon County, Michigan. The Muskegon County Land Bank Authority will place properties in the Land Bank for the various partners. It will also demolish ten structures (five per year) and rehabilitate two houses per year. Vacant land, as a result of the demolition of blighted property, will become community gardens. The Muskegon County Land Bank Authority rehabilitated eight (8) homes during the previous year. It will contract with the Neighborhood Investment Corporation to manage the rehabilitation of the five homes and demolish ten blighted properties in the Census Tracts with a HUD risk value of 10 given the level of experience that NIC has in the rehabilitation of houses.

Community enCompass
38-3279226, 143931339 (Duns #)

Community enCompass is a non-profit community development organization that focuses its efforts and programs in the McLaughlin neighborhood, a residential neighborhood which borders downtown Muskegon. Community enCompass has a 17 year history of rehabilitating housing and property management in the City of Muskegon. Community enCompass currently owns and operates twenty (20) units of permanent and transitional housing. Community enCompass has partnered with the City of Muskegon through its HOME program, the Michigan State Housing Development Authority (MSHDA) through its ESG, HRF and Homeless Families Initiatives and Muskegon County Department of Employment and Training in its rehabilitation and development efforts.

Community enCompass recognizes the importance of neighbors creating the vision and drive for transformation of the McLaughlin neighborhood. Community enCompass created the Healthy Neighborhood Project, which is a collaborative of neighborhood institutions, associations and residents that together provide input into neighborhood planning with four immediate objectives: 1) improve the image of McLaughlin Neighborhood; 2) Increase neighborliness in the McLaughlin Neighborhood;

3) Improve the physical conditions of homes, parks, and infrastructure; and 4) Nurture neighborhood leaders. Additionally, close to half of Community enCompass' Board of Directors are neighborhood residents.

Community enCompass employs a licensed builder, a HQS inspector and an individual who has completed the Lead Safe Work Practices. It has also created a Lead Abatement Company called, "Pedal to the Metal," consisting of graduates from the Youth Employment Program as well and a licensed builder and lead abatement supervisor. It developed three (3) units during the last 24 months.

Sarah Rinsema-Sybenga will be the case manager of the activities completed by the Community enCompass partner. The inspection duties will be taken care of by Jeff Glass. His duties will include site-selection, material inventory, supervision of work crews, specification preparation, etc.

**Community Mental Health Services of Muskegon County
38-6006063, 105780093 (Duns #)**

Community Mental Health Services of Muskegon County serves as the managed care organization for Medicaid and uninsured residents of Muskegon County for behavioral health services. CMHS of Muskegon County has successfully operated the PATH project for ten years. Funding for the PATH Program is directed through the Michigan Department of Community Health from McKinney-Vento funds. In addition, CMHS of Muskegon County was awarded funding for tenant-based rental assistance through the Supportive Housing Program under the McKinney-Vento Act in 2004 and has been successfully operating the units since the award. CMHS of Muskegon County has active participation by individuals using services through direct representation on its Board of Directors as well as on various committees throughout the organization. The PATH Program is administered by an individual who has been homeless and receives mental health services. CMHS of Muskegon County is proposing to rehabilitate foreclosed multi-unit structures to provide 12 units of supportive housing to individuals in the Census Tracts with a HUD risk value of 10 in the City of Muskegon. It will contract with the Neighborhood Investment Corporation to manage the rehabilitation of the units given the level of experience that NIC has in the rehabilitation of houses/units. CMHS of Muskegon County will provide the support services to the tenants as well as property management functions.

**Habitat for Humanity
38-2938902, 151803389 (Duns #)**

Muskegon County Habitat for Humanity has served Muskegon County for nearly 25 years and has positively impacted the lives of 121 adults and 266 children through its homeownership program to-date.

MCHFH is a City of Muskegon CHDO that has received funding over the years from the State of Michigan through Down Payment Assistance HOME funds, Energy

Efficiency grants, Community Housing and Development Fund grants and City of Promise grants. MCHFH is also a FHLB Affordable Housing Program sponsor.

Muskegon County Habitat for Humanity has a staff of seven full- and three part-time employees, as well as an Americorp member and two contracted professionals. MCHFH's Building Coordinator is a licensed builder with 20 years experience in new construction and rehabs and green building experience. MCHFH builds homes to Energy Star standards.

MCHFH engages the entire Muskegon County community in its home construction through the use of volunteer labor. In the neighborhood(s) where homes will be built, local churches, schools, and businesses are invited to become involved in the project through construction, as well as attendance at ground blessings and dedications. The selection sites will be conducted by the Habitat Site Committee. The daily management of the Habitat component of the NSP2 Program will be managed by Jody Nichols, while the over direction of this component will be provided by the Habitat Director, Ivor Thomas. Habitat homeowners already living in the neighborhood are asked to mentor new homeowners. New homeowners are encouraged to become involved with Neighborhood Associations.

Habitat for Humanity is proposing to construct ten new homes on vacant land. All of the Habitat homes will qualify for the twenty-five percent of the award that can go to purchasing and redeveloping homes for individuals with incomes of no more than 50% AMI.

All homes constructed by MCHFH will have pre-qualified homebuyers awaiting completion of construction for purchase at zero percent interest mortgage through Habitat Michigan Fund and will be located in the Nelson neighborhood located in two Census Tracts with a HUD risk value of 10.

Habitat for Humanity developed 9 (nine) units in last 24 months.

**Neighborhood Investment Corporation
38-3076893, 176802254 (DUNS#)**

Neighborhood Investment Corporation is a City of Muskegon CHDO that implements several programs including a Homebuyer Assistance Program in Greater Muskegon to improve housing conditions and opportunities for area residents. It has been in operation since 1992.

The NIC Homebuyer Assistance Program is a buyer-based program that links NIC's services with the services of local lenders, realtors, contractors, title companies and other housing development entities. Families seeking assistance are encouraged to apply and then are individually matched to the services listed below that best fit their situation.

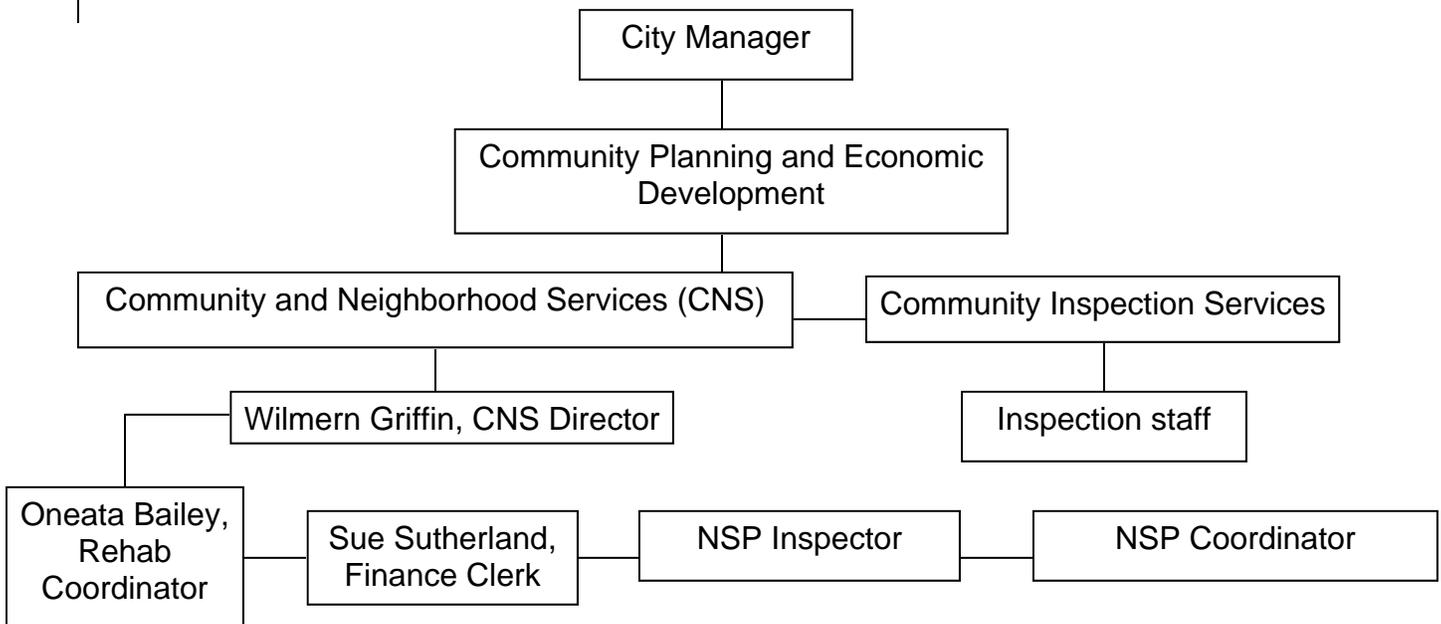
Individual Pre-Purchase Counseling – NIC currently offers families personal assistance with credit analysis, debt analysis, budgeting and housing affordability analysis. 550 families have taken advantage of the counseling program. NIC also provides foreclosure counseling to over 200 families in Muskegon County through its certified counselors during the last 24 months. In addition, NIC rehabilitated **58 units of housing** during the last 24 months and provided down payment of closing cost assistance to fifteen families and/or individuals. NIC will rehabilitate **15 homes** and sell them to individuals at lower than 120% of AMI over the three year grant period in the Nelson neighborhood which is located in two Census Tracts with a HUD risk value of 10.

References

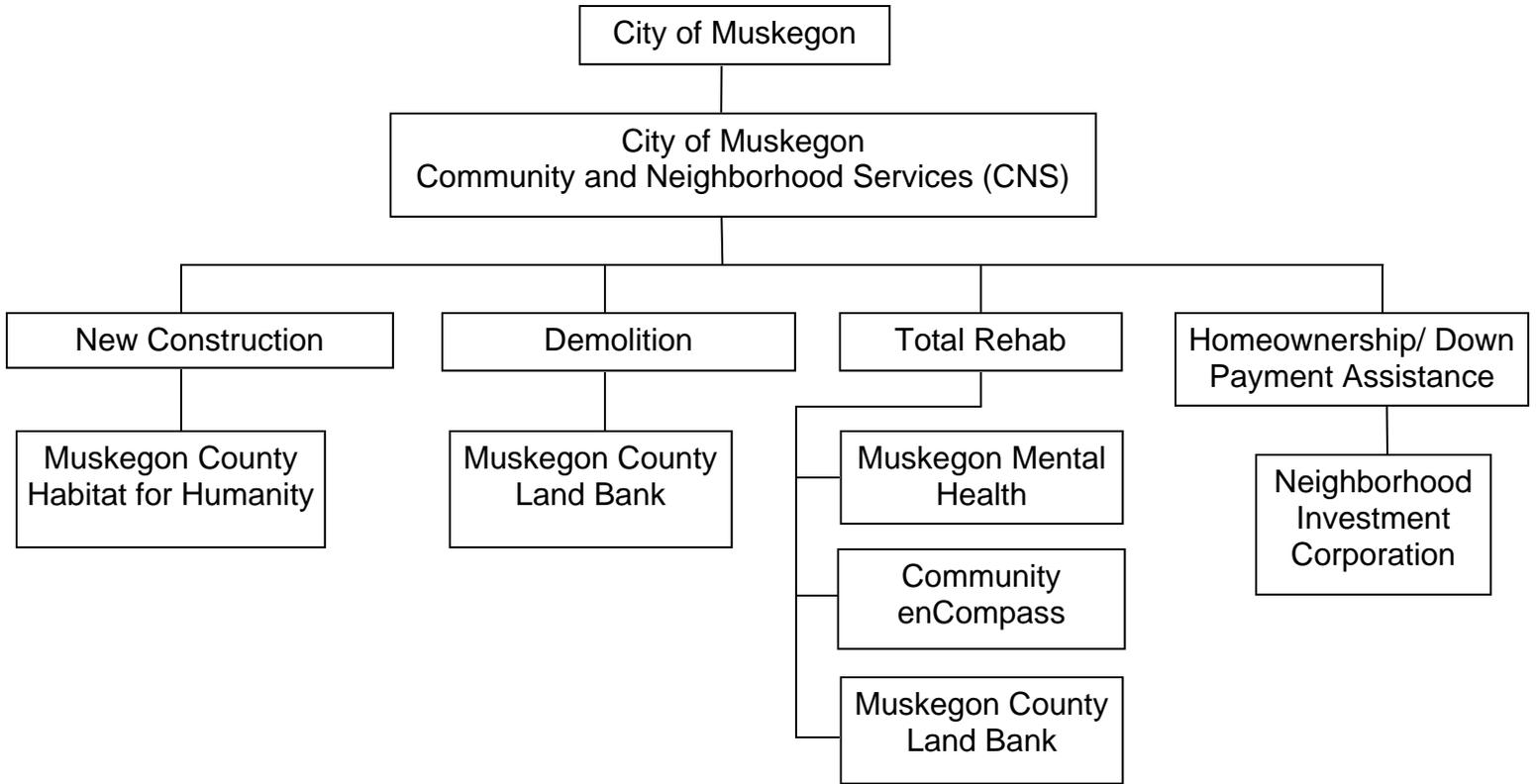
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City of Muskegon NSP2



**City of Muskegon NSP2
Responsibility Flowchart**



Rating Factor 3 – Soundness of Approach – 45 points

A. Proposed Activities – 15 points

The City of Muskegon Consortium Neighborhood Stabilization Program will be a multi-faceted and comprehensive program consisting of five components that the community has already seen make a positive impact on the City in its community revitalization efforts. All five components are an expansion of the City’s current neighborhood redevelopment operations. The five components are: acquisition and demolition, acquisition and rehabilitation, acquisition and new construction infill, homeownership training and down payment assistance.

All these components, presented in a systematic approach, should have an almost immediate impact on the targeted communities by removing long-term blight through demolition and by limiting the density in some neighborhoods because of the demolition of the obsolescent and dangerous buildings from the area. Increasing the availability of quality, affordable housing in the community, because of the total

rehabilitation of previously abandoned homes, will not only make these areas look nicer because of the rehabilitation, but the overall monetary value of the area will increase because of the rehabilitation investment. In addition, the new construction infill will have a similar impact on the community. By replacing the old abandoned blighted housing with newly constructed affordable quality housing in the area, the specific areas will receive a 'fresh injection of economic joie de vivre.' The Muskegon Consortium NSP is proposing infill construction on a scattered sited basis and also on a specific site development basis. Both sub-components should make a 'gargantuan' type impact on the targeted neighborhoods.

It is hoped that the home-ownership training and down payment assistance will be instrumental in first educating the potential homeowner to a large array of issues in reference to home-ownership in order to help them remain home owners on the long-term basis. While the down payment assistances will make the homes more affordable for the potential buyer, in addition, all of these components will be bringing new residents to the communities and also possibly to the City. The new injection of residents will increase the owner-occupancy rate in the area as well as hopefully the overall diversity of the community.

The Muskegon NSP Consortium Program should be a win/win for all that are involved. The immediate neighborhoods will see the removal of blight, new residents, new or totally rehabilitated housing, while the City government will see an increase in tax revenues and an improvement in the overall image of the community.

The Proposed use of NSP2 Funding by the City of Muskegon Consortium:

<u>Activity Entity</u>	<u>Budget Amount</u>	<u>Responsibility Entity</u>
Demolition (26)	\$500,000	City of Muskegon CNS/ Land Bank/NIC
Infill New Construction (21)	\$2,900,000	City of Muskegon CNS/ Habitat for Humanity
Total Rehabilitation (21)	\$1,670,281	City of Muskegon CNS/ Community encompass/ NIC
Home-ownership Training (42)	\$25,510	Muskegon County Mental Health/ Neighborhood Investment Corporation
Down Payment Assistance (42)	\$50,346	City of Muskegon
Administration (0)	\$500,000	City of Muskegon, Habitat for Humanity, Community enCompass and Muskegon County Mental Health
Total (152)	\$5,646,137	

All new construction infill projects will be required to meet at least two-star level energy efficiency with the overall goal to meet three-star level. All appliances will meet the energy star rating.

Because of the condition of the targeted communities, it is the content of the NSP2 plan to attack the community from a number of areas; first, demolition, then total rehabilitation and lastly new construction infill. It is also important to illustrate that the NSP2 program will be a partnership with the City of Muskegon CHDO's who have extensive experience in the area of neighborhood development and redevelopment.

B. Project Completion Schedule – 5 points

The City of Muskegon Consortium will assure that the NSP2 activities meet its milestones established on its timeline. The first year, the Consortium will complete a total of 12 demolitions, which is approximately 46% of the aggregate. During the second year, a total of eight demolitions will be completed, approximately 31% for that year and 77% of the aggregate. During the last year of the grant, six units will be demolished, which is 23% of the project and which will be 100% of the total units.

During the grant year's first year, the Consortium will construct six single-family newly constructed units; a total of 40% of the total number of units. The second year, a total of seven units will be constructed, which will be 47% of the aggregate and 87% of the total targeted units. During the last year, two units will be constructed, which will be 14% of the aggregate and 100% of the projected activity.

The total rehabilitation activity is scheduled in the following manner. During the first year, seven units will be rehabilitated, which is approximately 33.3% of the aggregate. During the second year, 10 units will be completed, which is again approximately 47.6% of the aggregate and during the last year 4 of the projected total will be redeveloped a total of 19% and 100% of the aggregate.

In reference to both the Home-ownership Training and the Down Payment Assistance Program, it is projected that 14 families or persons will be assisted in each of the three years, which is approximately 33.3% of the total each year.

Timeline Matrix

Activity	1 st month	2 ND	3 rd	4 th	5 th	6 th	7 th	8 th	9 th	10 th	11 th	12 th
First Year- Project Completion Schedule												
DEMOLITION												
Identify first 6 demolition project												
Start Environmental Review for first demos.												
Bid for demolition for first 6 properties												
Complete 6 demos												
Identify next 6 demos												
Start Environmental Review process												
Bid for demolition												
Complete demolition												
INFILL												
Identify potential 6 sites for Infill												
Do environmental review												
Develop plans for the site/solicit contractors												
Begin construction												
REHABILITATION												
Research potential properties for rehab												
Purchase properties for rehab												
Write specifications for rehab/have Risk Assessment completed, solicit contractors for projects												
Complete Rehabs												
Second Year												
DEMOLITION	1 st month	2 ND	3 rd	4 th	5 th	6 th	7 th	8 th	9 th	10 th	11 th	12 th
Identify first 8 demolition project												

Start Environmental Review for first demos.												
Bid for demolition for first 8 properties												
Complete 8 demos												
Identify next 8 demos												
Start Environmental Review process												
Bid for demolition												
Complete demolition												
INFILL												
Identify potential 8 sites for Infill												
Do environmental review												
Develop plans for the site/solicit contractors												
Begin construction												
REHABILITATION												
Research potential properties for rehab of 7 projects												
Purchase properties for rehab												
Write specifications for rehab/have Risk Assessment completed, solicit contractors for projects												
Complete Rehabs (7)												
Third Year												
DEMOLITION												
	1 st month	2 ND	3 rd	4 th	5 th	6 th	7 th	8 th	9 th	10 th	11 th	12 th
Identify first 6 demolition project												
Start Environmental Review for first demos.												
Bid for demolition for first 6 properties												
Complete 6 demos												
Identify next 6 demos												
Start Environmental Review process												
Bid for demolition												
Complete demolition												
INFILL												
Identify potential 6 sites for Infill												
Do environmental review												

Develop plans for the site/solicit contractors												
Begin construction												
REHABILITATION												
Research potential properties for rehab of 7 projects												
Purchase properties for rehab												
Write specifications for rehab/have Risk Assessment completed, solicit contractors for projects												
Complete Rehabs (7)												

<u>Activity Eligibility</u>
Demolition (24)CFR570.201(a)(b)(D)
Infill New Construction (21) 24CFR570.206
Total Rehabilitation (21) 24 CFR570.206B/24CFR570.202
Home-ownership Training 24 CFR 570.201(e)
Down Payment Assistance 24CFR 570.201(n)
Administration (0)

Rating Factor 4 – Leveraging Other Funds, or Removal of Substantial Negative Effects – 10 Points

The Muskegon NSP Consortium has been able to leverage supportive findings and assistance from several different avenues, both from fellow non-profits and social service providers, as well as from the private business sector. In addition, the Muskegon-Oceana Community Action Agency Against Poverty has agreed to assist with the testing of potential rehabilitation projects for energy conservation. MOCAAAP has also agreed to supply \$3,000 per unit for up to 60 units (\$180,000).

The Muskegon Department of Employment and training has agreed to assist in the economic component by offering 50% of the salary of persons while receiving on the job training either in the area of deconstruction, weatherization and/or rehabilitation and construction. The total amount of funding allocated for this activity is \$125,000.

Muskegon Community Mental Health will supply supportive housing services for special needs residents who obtain housing services from NSP2 activities. A total of 12 clients will receive \$6,500 in services for a total of \$78,000.

The City of Muskegon CNS office has developed a partnership with two area businesses, Keene Lumber and Weber Lumber, both local lumber yards. Both businesses agreed to offer a 10% rebate on materials. The total amount from this rebate will be reimbursed to the program on a yearly basis as program income. It is estimated that over the three-year period, a total of \$31,500 will be produced from this reimbursement of material costs for both new construction and total rehab.

CNS has also agreed to allocate up to \$50,000 per home for lead-based paint assistance for the total rehabilitation component of this activity. It is estimated that a

total of 21 homes will be rehabilitated at a cost of \$25,000 per home for a total of \$525,000.

Leveraging Totals:

<u>Activity Entity</u>	<u>Amount</u>
Muskegon-Oceana County Action Agency	\$180,000
Muskegon Department of Employment & Training	\$125,000
Muskegon Mental Health	\$78,000
City of Muskegon CNS Lumber Rebate	\$31,500
City of Muskegon Lead Abatement	\$525,000
Total Leveraging	\$939,500

Rating Factor 5 – Energy Efficiency Improvement and Sustainable Development Factors – 10 points

Each of the properties will be either built or rehabilitated exceeding Energy Star Standards.

The main module to the City of Muskegon’s NSP2 program will be an activity called Green Mountain – aka Froebel School Redevelopment. The project will acquire the old Froebel School building, which has been vacant for approximately 15 years. Because of the current decrease in the population of the Muskegon Public School body, that building has been declared by the local school system obsolescent and is creating blight in the community.

After the acquisition of the school is completed, NSP2 funding will be used to first demolish the existing building; then a ten-unit single-family development, using sustainable building or ‘green’ techniques, will be built in two phases. The units will be energy efficient by using high-efficient lighting systems and energy efficient heating/cooling systems in conjunction with a thermally efficient building shell. Sustainable construction material will be used along with reused and recycled construction and demolition materials. The Green Mountain Development will also use a water-efficiency design, which will have minimal water waste by using ultra low-flush toilets and low-flow showers.

The Green concept will also be included on all other infill new constructions and total rehabilitation project, as well as during the demolition process of all units demolished with NSP funds.

The City of Muskegon is served by the Muskegon Area Transit System (MATS), which has helped the City towards its' goal of being a Transit Orient Community. The MATS policy is to stop on any corner where a rider is standing as long as it's along the designated route. So the whole city of Muskegon is a Transit Orient Community.

The Muskegon NSP2 program has designed our demolition module to make sure the majority of the site will be reused by replacing the old, demolished structures with new housing. When possible, non-buildable sites will be sold to the adjacent resident as additional yard space. Some of the sites will possibly be used as public green spaces, when appropriate.

Rating factor 6 - Neighborhood Transformation and Economic Opportunity **5 points**

The Muskegon NSP2 program will make a significant improvement on the targeted neighborhoods by first eliminating blighted structures from the area by either demolition or total rehabilitation and in some cases the construction of new affordable housing. By the elimination of the blighted structures not only will the overall appearance of the targeted areas improve, but also the overall financial value of the area should increase. The demolition program will be complimented with the total rehabilitation program and the new construction infill program; which, as a result, should increase the number of quality new or total rehabilitated housing in the area. It is to the content of the Muskegon NSP2 Consortium that the proposed activities will make an economic impact and transform the targeted area in the following manner:

- Increase the true tax value of the area.
- Increase the percentage of owner occupancy in the area.
- Increase the availability of quality affordable housing in the area.
- Have the area exhibit a significant decrease in blight.
- Increase the desirability of the area.
- See a reduction in crime in the area.

The Muskegon NSP2 program plans to offer employment opportunities to local residents in a number of areas. The City of Muskegon will work with the Muskegon County Department of Employment and Training (DET) to develop an on-the-job training program to use local residents in the deconstruction of the rehabilitated and demolished structures. DET will work with the City of Muskegon to develop a program that will provide employment on a long term basis in deconstruction as well as lead abatement. The City of Muskegon will attempt to obtain a commercial building through the tax reversion process where the deconstructed materials can be stored. The deconstructed materials will be offered to residents of the City of Muskegon to use for

rehabilitation purposes for minimum cost. The City of Muskegon will also partner with Habitat for Humanity's Restore to market and sell materials to residents of the City of Muskegon at little or no cost.

Staff of the Muskegon-Oceana Community Action Agency, which is the fiduciary for the stimulus weatherization funds, will do an energy audit of the homes and will make recommendations for energy efficiency. Weatherization funds through the MO-CAAP program will be used as leverage for the rehabilitation of the homes. The Department of Employment and Training will offer on-the-job training for the weatherization crews, thereby increasing future employment in the community. The NSP2 program will offer the opportunity to use local residents in the deconstruction of the targeted rehabilitated and demolished structures. Second, any selected contractor for either new construction and or total rehabilitation will be required to hire at least two residents from the community to be employed during the specific job. Because the NSP2 program is a three-year program, there will be some time lapse between one phase of the project to the next. For example, after structures have been demolished, someone will be needed to keep the property in compliance with the City ordinances (e.g. grass cut, snow removed from sidewalk etc.) thereby creating additional employment opportunities for local residents.

The CNS office has already seen first hand, through its hard work and vision, how DIR (demolition, infill and rehabilitation) can have a real impact on redeveloping our community. A few examples are the following; approximately 3 years ago, in partnership with Neighborhood Investment Corporation, the City CNS office acquired land above our current Farmers Market. This previously vacant wooded formerly urban renewal site was acquired, environmentally cleared and then developed as a six single unit development overlooking the City's Farmer Market and Muskegon Lake. This area, which was previously a problem area for illegal dumping and other illegal activities, has been transformed into one of the nicest areas in the City, occupied by six young families the majority of the new homeowners whom were living in other areas but the Walton Mountain development attracted them to our community. So an area that just a few years ago was vacant and basically an eyesore with almost no value, is now a site of some of the newest housing in the City with an assessed value of over a half of million dollars (Source Muskegon Department of Equalization). Another project that the CNS office completed in the last few years was a project called "It Takes Two "AKA Nyumba Mabili" or two houses. This project started approximately 3 years ago. A former dairy had been let to deteriorate. According to the available institutional knowledge in the community, the building had been vacant for approximately 30 years. The deterioration of the former Briggs Dairy had gotten to the point where it was a serious potential nuisance to the local residents. The CNS office acquired the shell of a building from the State of Michigan, and then totally demolished the structure. After the demolition was complete, the City contracted with an environmental consult to do both a phase-I and Phase-II environmental study. Once the environmental study was completed the construction began on the two townhouses at the site. The construction has transformed the look of the area significantly, and also increased the availability of quality affordable housing in the area. So again, an area that just a few years ago was

severely blighted and of no real financial value, is now a redeveloped site with an exponentially increased tax value to the community.

One additional recently completed project that shows the Community and Neighborhood Services office creativity is a project that the CNS office completed under the Operation R&R initiative the name of the project was "And Two Shall Become One". The City of Muskegon was donated an extremely blighted structure that had been originally built as a single family home. But over the years an over zealous landlord had converted it into a two unit structure illegally in a single family zoned area. The City of Muskegon CNS office totally rehabilitated the structure back into an attractive one unit home. While on the market the house caught the eye single mother who worked at one of our local nursing homes. The single mother purchase the home and since her purchase has married. So where once a severe eye sore once stood now a happy family lives enjoying the ups and not so ups of homeownership.

With the opportunities which this program will bring for general contractors, and the restriction of at least two local residents being required for hire to work on each project, the local residents will be recruited by using one of the local workforce development centers. In addition to the afore-mentioned economic opportunities, the Consortium understands that to make this initiative successful and impactful in a timely fashion it will require additional staff persons who worked specifically with the NSP2 projects. Two positions will be designed for this initiative. The NSP inspector will have significant experience in building construction, neighborhood redevelopment and management. The NSP Inspector will be responsible for the daily monitoring of field projects, approving material purchase, communicating with sub recipients and contractors. The second position will be a NSP manager and their responsibilities will include program management, property research, bid analysis, contract development and the ability to interact with contractors, architects and the submitting of required reports.

As mentioned earlier, the City of Muskegon has been hit hard by the recent economic downturn. As of May 2009 according to the Michigan department of labor and economic growth, the City of Muskegon's unemployment rate was 20% (www.michigan.gov/dleg). Consequently, the Muskegon NSP2 program will be a welcome economic injection to our community physically with the removal of blighted structures, the rehabilitation of ugly and obsolescent housing and the development of new housing in the targeted areas, as well as being an economic stimulus for those in the construction industry (not just the selected contractors and their workers, but also the local suppliers and others). In addition to these economic opportunities, additional employment will be created. A total of two full-time positions will be developed by the Muskegon NSP2 initiative, and an estimated 250 temporary jobs in the area of demolition, housing rehabilitation and new construction will be created as well.

The NSP2 activities are in compliance with the following local plans:

City of Muskegon 2005 – 2010 Consolidated Plan

www.muskegon-mi.gov/cityservices/departments/department.asp?ID=10

City of Muskegon Master Land Use Plan

www.muskegon-mi.gov/cityservices/departments/department.asp?ID=14

Muskegon County Area Wide Plan (MAP)

www.muskegon-mi.gov/community/Plans/default.asp

Downtown/Lakeshore Redevelopment Plan

www.muskegon-mi.gov/community/Plans/default.asp

Imagine Muskegon

www.muskegon-mi.gov/cityservices/departments/planning/imagine/default.asp

Neighborhood Stabilization Program

AFFIRMATIVE FAIR HOUSING MARKETING PLAN

Muskegon County Partnership

City of Muskegon
Community enCompass
Community Mental Health Services of Muskegon County
Habitat for Humanity
Muskegon County Land Bank Authority
Neighborhood Investment Corporation

1. Target Population

Market Boundaries of the Development

The corporate limits of the City of Muskegon cover twelve square miles, five of which are water. The City is built with comparative compactness for four miles along the southwestern shore of Muskegon Lake, and extending back an average of a mile or more. Lakeside, Bluffton and Port Sherman, although in the corporation, are less compact. At the last named place the outlet of Muskegon Lake joins Lake Michigan. Muskegon Heights on the south, and North Muskegon across an arm of the lake are considered a part of the City's surrounding developments, though not at present included in the corporate limits.

The City of Muskegon is an entitlement community and was designated as a Federal Enterprise Community. The City of Muskegon Census Tracts are designated as a Health Professional Shortage Area (HPSA) and has Medically Underserved Populations (MUP). Two federally qualified health clinics serve residents in both the cities of Muskegon and Muskegon Heights as well as individuals qualifying for services throughout Muskegon County.

Demographics of the Target Population

As of the 2000 Census, there were 40,105 people, 4,507 households, and 2,970 families residing in the City of Muskegon. The racial makeup of the City was 57.9% White, 31.7% African American, 2.3% Native American, 2.7% were from other races, and 3.5% from two or more races. Hispanic or Latino of any race were 6.4% of the population.

Target Population

The target population are individuals at 50% or more of the area median income in the City of Muskegon targeting the six census tracts or neighborhoods, Census Tract 1-

Marquette, Census Tract 2 - Jackson Hill, Census Tract 3 - Angell, Census Tract 4 - East Muskegon, Census Tract 6.01 - Nelson, Census Tract 6.02 – Nelson and Census Tract 8 – Nims.

2. Outreach Efforts

Target population and handicapped groups to be contacted:

City of Muskegon

933 Terrace Street, Muskegon, MI 49440; Telephone: (231) 724-6702

Neighborhood Investment Corporation

1115 Third Street, Muskegon, MI 49442; Telephone: (231) 727-6090

City of Muskegon Heights

2724 Peck Street, Muskegon Heights, MI 49444; Telephone: (231) 733-8830

Habitat for Humanity

280 Ottawa Street, Muskegon, MI 49442; Telephone: (231) 727-6020

Community en-Compass

1105 Terrace Street, Muskegon, MI 49442; Telephone: (231) 728-3118

Community Mental Health Services of Muskegon County

376 Apple Avenue, Muskegon, MI 49442; Telephone: (231) 724-6053

West Michigan Veterans, Inc.

165 E. Apple Avenue, Muskegon, MI 49442; Telephone: (231) 722-3499

Family Services Center Workforce Development Center Michigan Works!

1516 Peck Street, Muskegon, MI 49442; Telephone: (231) 726-2626

Every Woman's Place

1221 W. Laketon Avenue, Muskegon, MI 49442; Telephone: (231) 759-7909

Muskegon Housing Commission

1080 Terrace Street, Muskegon, MI 49442; Telephone: (231) 722-2647

Muskegon Heights Housing Commission

615 E. Hovey Street, Muskegon Heights, MI 49444; Telephone: (231) 733-2035

Love INC

2525 Hall Road, Muskegon, MI 49442; Telephone: (231) 777-3905

Disability Connections

1871 Peck Street, Muskegon, MI 49442; Telephone: (231) 722-0088

NAMI (National Association of the Mentally Ill)

376 Apple Avenue, Muskegon, MI 49442; Telephone: (231) 724-1104

Muskegon Community Health Project

565 W. Western Avenue, Muskegon, MI 49440; Telephone: (231) 672-3201

Mission for Area People

2500 Jefferson Street, Muskegon Heights, MI 49444; Telephone: (231) 733-9672

Department of Human Services (will also send out information to the Family Resource Centers in the neighborhood schools)

2700 Baker Street, Muskegon Heights, MI 49444; Telephone: (231) 733-3870

Christian Community Center

540 E. Hackley Avenue, Muskegon Heights, MI 49444; Telephone: (231) 725-7579

Catholic Charities of West Michigan

1095 Third Street, Muskegon, MI 49442; Telephone: (231) 726-4735

Westshore Dispute Resolution Center

1200 Ransom Street, Muskegon, MI 49442; Telephone: (231) 727-6001

Goodwill Industries

271 E. Apple Avenue, Muskegon, MI 49442; Telephone: (231) 277-2871

Muskegon County Department of Employment and Training (will send out information through all of its Work Force Development Centers)

1161 Oak Avenue, Muskegon, MI 49442; Telephone: (231) 724-6808

Community Coordinating Council of Muskegon County (will send information out to all of its 45 member agencies)

425 W Western Ave, Suite 200, Muskegon MI 49440; Telephone: (231) 732-4108

United Way of the Lakeshore (will send information out to all of its 45 member agencies)

313 W. Webster Ave., P.O. Box 207, Muskegon, MI 49443-0207; Telephone: (231) 722-3134

Muskegon County Homeless Continuum of Care Network (will send information out to all of its 45 member agencies)

1611 Oak Avenue, Muskegon, MI 49442; Telephone: (231) 724-6809

Senior Resources

560 W. Seminole Road, Muskegon, MI 49444; Telephone: (231) 739-5858

Call 211 (will place information on the web and over the telephone)

Outreach Plan

Prospective purchasers will be solicited from successful participants in the Homeowner Purchasing programs held by NIC and the City of Muskegon. Prospective purchasers will also be solicited from LOVE INC through their budget and mentoring programs. Prospective purchasers will also be solicited via home purchasing classes to be held by NIC in the various rental properties such as the Rainbow Forest and Creekside in Ravenna, Little Blue Lake Cooperative, Oakwood and Carriage House apartments and Channel View and Whitehall apartments. Finally, the partners will solicit potential purchasers through the 43 member Muskegon County Homeless Continuum of Care Network. Additional strategies will include the use of the various media targeted to the Hispanic and African American communities.

Target Markets:

- Families
- Young Professionals
- Neighborhood renters
- Realtors
- School district staff and teachers
- Government employees
- Chamber of Commerce selected mailing list for employers
- Community groups such as Lions, Optimist Clubs
- Local Hospital staff
- Female headed households
- Section 8 voucher holders

Marketing Strategies

- MAILINGS
 - ❖ Full color brochure featuring photographs of homes and neighbors;
 - ❖ Develop a quarterly insert that lists properties for sale in the various news media, including shoppers guides and local papers;
 - ❖ Develop master mailing list from target markets identified. Mail the brochure quarterly; and
 - ❖ Create a mailing list of all rental properties in the neighborhoods and mail the same information quarterly. Provide information regarding the homebuyer education programs that NIC provides to those renting in the area to encourage them to become homebuyers.

- **EVENTS**

- ❖ Partner with the Realtors Association to show NSP 2 properties during their annual open house;
- ❖ On-going media events as homes are rehabilitated; and
- ❖ Partner with the local governmental units in which the properties are located to assist in the marketing and sales of the homes;
- ❖ Partner with the hospitals, nursing homes and utility companies to provide information to their employees about the NSP2 properties;
- ❖ Partner with local service groups in areas in which the homes are located and generate interest and enthusiasm.
- ❖ Provide information about NSP2 properties at the various festivals and events held throughout the community.

- **OTHER STRAGETIES**

- ❖ Partner with the Chamber of Commerce and Employers Association to provide;
- ❖ Partner with the local banks and credit unions to provide information about the homes available for purchase through the NSP2 program;
- ❖ Partner with local businesses and institutions to post listings of properties for sale in the neighborhood/area;
- ❖ Develop a small, diverse group that realtors can contact if a potential buyer wants to meet someone in the neighborhood/area
- ❖ Send regular emails about new homebuyers and incentives to realtors interested in the area in which the homes are located.

Prospective Purchaser

Customers will be encouraged to apply for MSHDA single-family mortgages. The partners will request funds from the Federal Home Loan Bank down payment assistance funds to be available to the NSP customers. The partners will also work with the Community Foundation for Muskegon County to provide funding for down payment assistance.

3. Methods

Responsible Party

Each partner has a designated party that will be the responsible part for the outreach program.

Media

A variety of media will be used from the Muskegon Chronicle, newsletters of agencies, TENANT VOICE, the White Lake Beacon, the Norton Shores Examiner, M-Tec's radio station, local minority radio stations, and the Comcast Public Access Channel.

Printed Material

Printed material will be left at all local religious organizations, all local schools, all community organizations and health human service agencies, larger area employers, community gathering places such as libraries and grocery stores.

4. Previous Experience

Previous Experience in writing and achieving affirmative marketing goals

The partners have marketed a variety of HUD and MSHDA programs. They have met and exceeded the affirmative fair housing marketing goals given the diversity of the tenants and homeowners and home purchasers.

5. Further Agreements

In addition, the partners agree to the following:

- a. The partners will continue the outreach program to ensure that there is a well-balanced waiting list to ensure the meeting of the affirmative marketing goals;
- b. A housing discrimination disclaimer clause shall be included in any preliminary and/or full application;
- c. The handicap logo will be in all advertisements;
- d. The MSHDA/HUD approved equal opportunity housing slogan or logo will be included in the advertising;
- e. A log of community contacts, daily traffic records, and any other record keeping materials will be maintained for inspection and the Affirmative Fair Housing Marketing Plan will be kept on site;
- f. All fair housing required signs will be posted in designated locations;
- g. Any prospective residential preferences will be identified and made known.