

Expected Resources

AP-15 Expected Resources - 91.220(c)(1,2)

Introduction

All of the City's Census Tracts (CTT) serve in being low-income which is indicative of having great need. The Annual Action Plan (AAP) outlines Community Development Block Grant (CDBG) funding the City anticipates receiving on an annual basis for the duration or remainder of its Regional Consolidated Plan (RCP) period. The City certifies that goals and objectives as well as priority needs support plan development.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	988,508	0	0	988,508	3,954,032	The City anticipates receiving funding over the next plan year not less than \$440,007. This is the first installment of the AAP involving the 2021 5-Year RCP. Implementation of projects and programs will benefit low-moderate income persons. The ERR is underway and required SF 424, 424D and CERTS have been included for HUD expedited funding release consideration.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	3,364,560	0	0	3,364,560	1,345,824	The City of Muskegon is a recipient of HOME funds.Home acquisition and rehab is specific to our Homebuyers Program. The PLUS Program will be an enhanced activity to provide additional investment in targeted households with lower income purchasing power.

Table 1 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City of Muskegon has access to land and or property by way of the County Land Bank. These properties and locations can be used to rebuild, remodel or develop new housing for low/ mderate income families. Families who qualify can also qualify to receive down payment assistance to secure appropriate housing.

The City has also partnered with the local Boys and girls club to sustain adequate building structure for youth programming which will also tie into the ability to create employment opportunities for our youth. The City has connected with other local agencies to engage youth and create new and impactful youth opportunities toward job creation.

Discussion

The City continues, however, to seek additional funding in support of this effort including MSHDA as a means of leveraging existing resources. This collaboration will allow the City to further its plan objectives and/or meet priority needs that include providing decent, safe and affordable housing for very-low and low-moderate income persons who desire becoming or remaining residents of the City of Muskegon.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator

Table 2 – Goals Summary

Goal Descriptions

AP-35 Projects - 91.220(d)

Introduction

To the greatest extent possible, CDBG funds are used to address priority needs identified in the RCP. CDBG funds are leveraged with other funding sources, when possible, to meet the needs of very-low, low and moderately-low income families throughout the City of Muskegon. The following projects referenced are reflective of the categories or programs to be administered involving CDBG funding. This table too includes administration for management and overall carry-out of programs/projects which may be administered during the plan year. Projects not funded as of plan submission may already have existing balances and/or be funded utilizing prior year funding or be funded using reprogrammed funds in accordance with the City's Citizen Participation Plan.

#	Project Name
1	Fire Station Bond
2	Administration
3	Priority Housing
4	Affordable Housing
5	Youth Recreation
6	Homebuyer Assistance Program
7	Rental Rehab Program
8	CHDO Reserve
9	Residential Facade
10	Service Delivery
11	Public Facility +CV

Table 3 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Housing repairs, Home ownership, appropriate housing options, youth programs, skilled trade job creation and demolition were amongst the highest priority needs identified in the RCP plan. The City will continue utilizing 100% of its funding to benefit very-low and low-mod income households within the City of Muskegon. Allocation priorities are based on priority needs identified in the CP and is a reflection of the AAP 2020 plan development.

Obstacles observed while meeting the needs of the underserves is funding. Housing for youth, people with ARP , homeless families and veterans continue to increase year after year. Also, increased cost of home purchases has reduced the availability of rentals.

Fortunately, we have additional annal and ARP fund to create new possibilities for our underserved.

AP-38 Project Summary
Project Summary Information

1	Project Name	Fire Station Bond
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Annual bond payment for the Fire Station
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
2	Project Name	Administration
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Staff wages, insurance and training, office supplies, certifications, or any other service costs.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
3	Project Name	Priority Housing
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Help citizens with necessary home repairs

	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
4	Project Name	Affordable Housing
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	NEw or existing housing for rehab
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
5	Project Name	Youth Recreation
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Support youth rec programs offered by Boys and Girls Club and the YMCA.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
	Project Name	Homebuyer Assistance Program

6	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Homebuyers who choose to purchase homes in the city of Muskegon who income qualify will be able to receive \$1000- \$5000 for closing costs.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
7	Project Name	Rental Rehab Program
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Assist landlords with the renovation of rental properties that need assistance at a 50% match.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
8	Project Name	CHDO Reserve
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Assistance with CHDO agency and affordable housing

	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
9	Project Name	Residential Facade
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Assist homeowners with exterior facade replacements.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
10	Project Name	Service Delivery
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	:
	Description	Cover the cost of Programs and Projects for CDBG
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
11	Project Name	Public Facility +CV
	Target Area	

Goals Supported	
Needs Addressed	
Funding	:
Description	Upgrade a park in the city limits.
Target Date	
Estimate the number and type of families that will benefit from the proposed activities	
Location Description	
Planned Activities	

AP-50 Geographic Distribution - 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

We may have a concentration of low-income households but our focus is city wide. Each program (CDBG and HOME) may cover certain census tract areas however, the city at-large is the geographical area of concern.

Geographic Distribution

Target Area	Percentage of Funds
Muskegon	100
Norton Shores	
Muskegon Heights	

Table 4 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The thought behind providing our services across the city helps us identify the necessary assistance based on household and not where we live. HOME funds do have a priority of production: currently the city is split up into 14 neighborhoods and to date our funds have not been invested in two specific neighborhoods- that is our rationale for working hard to get into these last 2 neighborhoods.

Discussion

HOME funds are more strategically used to allow income eligible households an opportunity to live in neighborhoods where they would not normally live.

Affordable Housing

AP-55 Affordable Housing - 91.220(g)

Introduction

Affordable housing units are produced by our Community Housing Development Organizations and through the oversight of our CNS department. Homeownership continues to be threatened by blighted and disrepair structures. Supply and demand market has created higher than normal prices for material and labor. The City continues to work with our local CHDO's to create affordable and appropriate housing for low income families. With this we hope to create more CHDO's in order to create more opportunities for our families. CDBG funds are used to assist occupants of affordable housing and prevent the loss of available affordable housing in Muskegon. The City is actively recruiting developers to produce more affordable housing units throughout the City of Muskegon. During the RCP process, stakeholders/residents and the City identified specific housing objectives and strategies as high importance. It is the City's hope to identify funding sources where CDBG funding may be applied and which will ultimately allow us to provide the following outcomes:

1. Improved conditions to existing housing;
2. Increased supply of affordable housing;
3. Improved access to and stabilized affordable housing; and,
4. Reduction in blight and code violations.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	20
Special-Needs	0
Total	20

Table 5 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	2
The Production of New Units	3
Rehab of Existing Units	2
Acquisition of Existing Units	1
Total	8

Table 6 - One Year Goals for Affordable Housing by Support Type

Discussion

HOME funds are used to produce these affordable housing units in our communities where families desire to thrive and live. At the center of all produced units are the households that have limited

income but would like to live throughout our city limits.

AP-60 Public Housing - 91.220(h)

Introduction

There is a housing authority in our city limits for which we are very involved and in partnership with- Muskegon Housing Commission, Hartford Terrace.

Actions planned during the next year to address the needs to public housing

The housing authority is in the process of upgrading the existing structure to create section 8 housing for those who qualify to live in the development. The process is known as RAD, which is an alternative to public or low income housing structure.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The MHC has a homeownership program, actually, the only program in the county of Muskegon. The city of Muskegon has spoken to the group of residents to explain the benefit of owning and the opportunity available to them if they choose to take advantage of the program. The Resident Advisory committee is functioning and meeting on a regular basis. The actions that the housing authority has taken have made a difference in the involvement of the tenants.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

No, the PHA in our city is not designated as troubled.

Discussion

The Muskegon Housing Commission is a partner for change in the city of Muskegon. Collaboratively, each of us are dedicated to assisting families at income levels below 80% AMI. However, the housing authority administers its policy and procedures to include not exclude, so we are committed to their success and as a result, the city manager has appointed three department liaisons to be Housing Commissioners.

AP-65 Homeless and Other Special Needs Activities - 91.220(i)

Introduction

Homelessness is an issue in Muskegon County but all of us have a responsibility to help if we can. The city of Muskegon is a partner agency with the Continuum of Care for Muskegon County.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Muskegon currently does not have current programs to assist with homelessness. One way that we assist with addressing homelessness is by serving on boards and committees focused on fighting these issues. We currently are participating in a Eviction Prevention Learning Lab that will allow us to partner with local agencies, community centers, and legal teams to address these needs. One of our goals is to support this underserved population by providing oversight, planning, and possible funding to create housing by partnering with local agencies who are serving this population.

Addressing the emergency shelter and transitional housing needs of homeless persons

Emergency shelters and transitional housing needs of homeless people require financial and directional support. Currently, no funds are budgeted from our resources but there is an opportunity to allocate funds to fill this gap.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

We currently fund an organization that designates their housing for transitional living situations. Our funding is not currently being used to stop the homeless from becoming homeless again. We do have a seat on the Executive Committee.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving

assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

We structure our programs to help families stay in their home by addressing housing repair needs. This effort helps to remedy families becoming homeless because they cannot make the necessary repairs to remain in their homes. Our commitment to this population is real and this need is being considered for future year allocations. We also offer landlords the opportunity to make rentals safer, cleaner, and affordable with our rental rehabilitation assistance.

Discussion

Special needs and Homelessness are areas that we are addressing as members of the COC. Future funding for initiatives may be available as the climate for Homelessness evolves into a community conversation of Affordable Housing activities.

AP-75 Action Plan Barriers to Affordable Housing - 91.220(j)

Introduction

During the pandemic a barrier to affordable, safe and decent housing has been presneted by the increase in pricing of labor and material. The area has seen and experienced an unstable market to create new homes or update existing structures because of the shortage of materials and then the boost once made available. Contractors are unable provide actual quotes with prices of goods to provide services rising from one week to the next.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City is planning to adopt an ordinance that will prevent landlords or Home owners the ability to rent or sell homes without lead remediation. At the present time, our city policies do not really address the lead unless it is peeling and chipping on the outside. Since, Muskegon has a very old housing stock, there are a lot of homes that are left in a very bad state. The ability to address the lead will help minimimize the exposure of lead to children as well as enhance the homes that are available to our residents.

There are plans that will include more robust inspections for registered rental properties becuae there are so less Landlord's that take pride in the homes they rent out and often leave tenants in harmful situations. Some of this is due to landlord's renting homes and they are not in the area or from the area. None the less, our goal to create a more harmonous living environment for our citizens.

Discussion

Barriers are issues that deter or eliminate opportunity to housing, choice, and ability to pay. There are also barriers presented to tenants to find decent homes to rent because what is considered affordable is not decent for low /moderate income families. As a community dedicated to supporting families' options to live comfortably within our community, we want to offer programs and services to reduce the cost of housing.

AP-85 Other Actions - 91.220(k)

Introduction

The City continues to establish relationships with community members, agencies, and stakeholders to meet the needs of low income families. It is with pride that we consider other partners/stakeholders and supports to help the underserved.

Actions planned to address obstacles to meeting underserved needs

Community engagement is very important to understand the needs that are plaguing our community. This is why it is important to ensure that the community's voice is welcomed in all aspects of the plan.

Actions planned to foster and maintain affordable housing

Our focus to produce affordable housing units has not changed, we are key players to rehabilitation , new construction, and supporting other (CHDO) agencies who perform the same duties that we do.

Actions planned to reduce lead-based paint hazards

Where HOME funds are used, we require that lead hazards be identified and addressed.

Actions planned to reduce the number of poverty-level families

It is frustrating to see households with little income struggle, but in all of our programs any fees associated to services are waived to families that meet income qualifications. Something new that we are planning is to require financial literacy to low income families who qualify for the HOME Plus funding.

Actions planned to develop institutional structure

We will continue to use the existing policy and procedures set to establish an institutional structure that protect citizens who are income limited.

Actions planned to enhance coordination between public and private housing and social service agencies

We are participating in a Eviction Prevention Learning lab, that we hope will help us bridge the gap between landlord and tenants as well as the legal processes that lead to eviction. The goal is to reduce poverty by building partnerships with our local landlords and introduce them to resources that the community has to offer to remodel and repair housing stock so that tenants have better living

conditions.

Discussion

Our policies are designed to assist families with low to moderate incomes thrive in our communities with their choice of Housing, Environment, Recreation, Youth Activities, Safety, business support, social assistance and job creation etc. The list may go on and on but we have learned that partnerships are critical to supporting these families. Through collaboration we can assist more households and stretch our resources to more individuals than if we do it on our own.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.220(l)(1,2,4)

Introduction

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

A new forms the of investment the City is committed to is the developments of Brownfields.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Recapture guidelines will be used if property is sold or foreclosed prior to the affordability period-our lien position will allow us to recapture what we are eligible to recapture against the balance reserve.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

With HOME investments, there is a requirement of 5 years for Homebuyers Program and rarely will the affordability reach 10 years but it has happened. For the Rental Rehabilitation Program a limit of 5 years is set and if the lien is challenged prior to the obligation period, all funds must be returned at sale. Only in the Homebuyers Assistance grant do we require the homebuyer to pay it back at sale if the property does not meet its affordability date.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

NON-APPLICABLE.

Discussion

Funding is always an issue when serving a population in need. Because our programs are necessary for the community, we authorize any remaining balances from other activities to be used for these key projects.