



# PY 2012 Annual Plan

The CPMP Annual Action Plan includes the [SF 424](#) and Narrative Responses to Action Plan questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

## Narrative Responses

### GENERAL

#### Executive Summary

The Executive Summary is required. Include the objectives and outcomes identified in the plan and an evaluation of past performance.

Program Year 2 Action Plan Executive Summary:

Macomb County is an Urban County serving 21 municipalities. Inaugurated in 1982 (CDBG), the County became a HOME PJ in 1992, and formed the Macomb HOME Consortium (MHC) in 2006, together with Roseville, Sterling Heights, and Clinton Township. **Attachments 1 and 2** show the MHC and Urban County jurisdictions. Based on estimates from HUD, the Urban County will receive \$1,583,935 in CDBG funds, and the MHC will receive \$1,080,490 in HOME funding. We expect to earn \$0.00 in CDBG and \$20,000 in HOME program income. Detail is found on the Projects spreadsheet.

This Annual Plan implements the MHC Consolidated Plan, effective from July 1, 2009 through June 30, 2014, and details the CDBG program for the Urban County, and the HOME program for the Consortium. The CDBG Annual Plans prepared by the other Consortium members will be submitted separately. The following narrative details how the County and the MHC will implement the priorities, objectives and activities of the Consolidated Plan. The CDBG and HOME Programs have clearly defined objectives developed through the consolidated planning process, as follows. Detail is found in the Consolidated Plan.

**Priority Objective #1 – Address the Foreclosure Crisis**

**Priority Objective #2 – Housing**

**Priority Objective #3 – Public Facilities and Infrastructure**

**Priority Objective #4 – Address the Needs of the Homeless and At-Risk Families**

**Priority Objective #5 – Provide and Expand Human Services**

**Priority Objective #6 – Expand Comprehensive Planning & Management & Capacity Development**

**Priority Objective #7 – Encourage Business Retention & Attraction**

The CDBG Program requires that at least 70% of all expenditures during a one, two, or three year period (selected by the Grantee) primarily benefit lower income people. Macomb County expects that slightly less than 70% of its 2012 expenditures will meet this objective and has therefore elected to submit a two-year certification demonstrating compliance with the Program's primary

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objective, as permitted under Program rules and regulations. Detail is found in Tab 4 (Program Reconciliation) of the 2012 Projects File of this Plan.

## General Questions

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.

Macomb County is diverse, with older development and population centers generally, but not always, found in the south. The frequency and intensity of development generally diminishes to the north, particularly in the northeast and north central areas where, except for several smaller communities, rural conditions predominate.

Income levels also vary by area. Incomes tend to be lower in the older suburbs and in the older cities and villages, and higher in more recently developed areas. Even there, however, one finds small concentrations of lower income (LI) people. The decade of the 1990's was a time of marked prosperity, and the census data from 2000 reflects this fact. 2010 Census Data show a general and substantial lessening of incomes from 2000 to 2010. This is due to the "one-state recession" that marked 2000 to 2010, and which was exacerbated by the economic collapse of 2008. **Attachment 3** identifies LI areas in 2006.

The Urban County of Macomb is governed by "home rule" and therefore allocates as much CDBG funding as possible to its 21 member communities. They, in turn, have identified activities and assistance areas, based on citizen input informed by law and regulation, to address local needs and priorities. This task is made difficult, however, by the delay in obtaining current income levels by census tract and block group. Macomb County, as a result, now relies on income data from the year 2000 (which reflects the affluence of the 1990's) to identify project areas. Many formerly middle-income neighborhoods would now, were data available, be eligible. As a result, the County's ability to wisely invest its funds is limited and human need goes unmet.

Other activities that target specific LMI populations, or directly assist LMI people may be undertaken throughout the Urban County. These primarily include services provided by non-profit organizations and housing repair. The list and description of non-profit activities and the contributing communities is found in tab two of the 2012 Projects file.

Consideration must also be given to the needs of the County's LMI minority residents, the number and proportion of which is growing as shown in the following tables, with 1990 data used as a baseline.

| Year              | White | African-American | Asian | Hispanic (any Race) |
|-------------------|-------|------------------|-------|---------------------|
| 1990 <sup>1</sup> | 95.8% | 1.4%             | 1.2%  | 1.1%                |
| 2000              | 93.0% | <3%              | 2.5%  | 1.5%                |
| 2006 <sup>2</sup> | 88.3% | 6%               | 3.3%  | 2.0%                |
| 2009 <sup>3</sup> | 87.8% | 6.7%             | 3.1%  | 3.1%                |
| 2010 <sup>4</sup> | 85.4% | 8.6%             | 3.0%  | 2.3%                |

<sup>1</sup> Source: 1990 and 2000 U.S. Census

<sup>2</sup> Source: 2006 American Community Survey, U.S. Census

<sup>3</sup> Source: 2006-2009 American Community Survey, U.S. Census

<sup>4</sup> SEMCOG Community Profile Data, from American Community Survey, U. S. Census

The table shows a steady decrease in the non-minority population and a concomitant increase in the of minority population, primarily African-Americans and Hispanics, but also Asian, and Hispanic populations; a trend throughout the County.

The following table provides more detail on specific communities. Given the large number of communities in the Urban County, we identified those having large minority populations, as well as several others to provide representative data showing current minority distributions. Specific community profile data for any Macomb County community are available on SEMCOG's website.

| 2010 Data        | White | African-American | Asian | Hispanic (any Race) | Multi-Race |
|------------------|-------|------------------|-------|---------------------|------------|
| Armada           | 95.9% | 0.3%             | 0.1%  | 2.6%                | 0.9%       |
| Center Line      | 81.3% | 11.9%            | 2.4%  | 1.7%                | 2.3%       |
| Chesterfield Twp | 89.5% | 5.2%             | 0.9%  | 1.6%                | 2.3%       |
| Eastpointe       | 64.4% | 29.3%            | 1.1%  | 2.1%                | 2.6%       |
| Macomb Twp       | 89.1% | 3.9%             | 3.1%  | 2.3%                | 1.4%       |
| Mt. Clemens      | 68.3% | 24.5%            | 0.5%  | 2.9%                | 3.3%       |
| New Haven        | 73.4% | 16.7%            | 4.0%  | 4.8%                | 4.0%       |
| Romeo            | 87.6% | 3.7%             | 0.4%  | 5.7%                | 2.2%       |
| Shelby Twp.      | 89.4% | 3.1%             | 3.3%  | 2.4%                | 1.5%       |

In 2010 four communities, Center Line, Eastpointe, Mt. Clemens, and New Haven, had African-American populations  $\geq 10\%$  of the community total. No other community had a minority population in any one group over that threshold in 2010 but, as the data show, increases have occurred throughout the County and non-minorities now comprise less than 90% of the population total in many communities. Clearly, the trends indicate increasing racial and ethnic diversity from 1990, when non-minorities comprised 96% of the Macomb County population.

Race and income often, but not always, correlate, as racial minorities often have lower incomes than non-minorities do, a phenomenon reflected in Center Line, Mt. Clemens, New Haven, and Eastpointe. Macomb County, in conformance with law and regulation, places activities in LMI, and in minority-concentrated areas. Several communities (e.g. Center Line, Mt. Clemens and Eastpointe) with higher than average minority populations, moreover, receive higher CDBG funding allocations, and have received substantial infusions of NSP and HOME funding as well. The sheer number of activities prohibits identification on a map, and the reader is referred to the Projects file for a description and location (by census tract and block group).

2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) during the next year and the rationale for assigning the priorities.

Macomb County is not an EMSA and does not receive HOPWA funding.

3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs. The following actions will be undertaken to address underserved needs.
  - a) Chore Services, and Weatherization, through MCCSA and Romeo Parks, to provide home maintenance and minor home repairs to LI people who couldn't otherwise afford them.
  - b) Providing senior services and programs for elderly and disabled people who could not otherwise pay for them, through various communities and private organizations
  - c) Strategic planning by the CoC to end homelessness and obtain funding to address critical homeless needs.

- d) Working with housing providers and others to provide shelter and permanent housing for the homeless, and provide related services to address root cause of their problems.
  - e) We face resource constraints (insufficient funding to address all needs, lack of staff resources, and restrictive rules governing service implementation) that can hinder efforts to address under-served populations. The County is working hard to remove variables within its control, but it is unlikely that specific improvements will be ready within the coming program year.
  - f) Working with United Way and other agencies to identify critical gaps in service delivery and, if feasible, expand service offerings through effective enhanced coordination.
  - g) Working with other Macomb CDBG Grantees and others to explore mutual housing concerns and opportunities in order to provide affordable housing for underserved sub-populations.
  - h) Winding down the NSP1, implementing the NSP3, implementing the amended CDBG-R, and completing the HPRP, all of which addressed underserved needs.
4. Identify the federal, state, and local resources expected-to-be-made available to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.

Please see the Projects spreadsheet for a detailed project description. There is no there, however, pertaining to certain homeless and rental programs. These are detailed below. We are not aware of any LIHTC projects in Macomb County at this time.

| <b>Rental Assistance</b>    | <b>Budget</b>      | <b># Units</b> |
|-----------------------------|--------------------|----------------|
| LRPH/Section 8              | \$1,716,012        | 1,785          |
| HARP Vouchers (CoC)         | \$677,500          | 325            |
| MSHDA Vouchers              | \$1,900,000        | 1,001          |
| <b>Available Resources</b>  | <b>\$4,293,112</b> | <b>1,111</b>   |
| <b>Homeless Assistance</b>  | <b>\$899,694</b>   |                |
| MSHDA Homeless Grant        | \$123,454          |                |
| <b>Available Resources</b>  | <b>\$1,201,562</b> |                |
| <b>Available Resources:</b> | <b>\$5,494,674</b> |                |

### Managing the Process

1. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.

MCPED was the lead agency in developing this Plan, with substantial participation by (and input from) Clinton Township, Roseville, and Sterling Heights, the other MHC member communities.

2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.

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The Urban County has developed an extensive planning and input process that operates on several levels. It solicits extensive input from non-profits, from local communities, from Macomb HOME Consortium members (who also develop the strategies), and from the public. Planning begins in October with publication of an RFP soliciting non-profit applications. Information is disseminated the last Friday of the month, and applications are due the first Friday of December. The County reviews all non-profit proposals for eligibility during December and provides a listing and description of non-profit requests, including the amount by community, to each community as a funding aid. Communities then make their selection at public hearings, often with non-profit participation. This allows non-profits to affect plan development and ensures proposal eligibility.

Community input is solicited at a general planning meeting held the first Friday in December (the due date for non-profit applications). Communities receive application and other guidance at a workshop and then begin to develop their proposals, which are due at the end of February. Their public hearings are held generally between January 1 and February 28. Community proposals and non-profit decisions are submitted to the County for review (community proposals) and incorporation into the Annual Plan (non-profit funding decisions). Community public hearings are considered to be the first of two County public hearings held for Annual Plan development.

Consortium members are full partners in plan development, having also been an integral part of developing and implementing the Consolidated Plan. We discuss needs and how best to best address them. This is a comprehensive process that 1) ensures the identification of need across the MHC, 2) leads to the identification of new opportunities and, 3) results in best practice results, particularly in affordable housing but also in non-housing areas.

This has a practical basis as well as a regulatory one: in a time of severely diminished revenue, the MHC was able to extend limited resources through teamwork on common concerns. This approach, established with the MHC 5 years ago, has enabled each member to do far more than it could ever have accomplished as a stand-alone entity. It continues to strengthen and we expect even more effective results in the future as a result.

3. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.

The County will (with its MHC partners) evaluate, develop, and implement:

- a) the housing and service needs within its jurisdiction,
- b) the capability of housing and service delivery systems to develop and fund new programs,
- c) partnerships with public and private health and social service agencies to identify service delivery gaps and more effectively fund across agencies,
- d) partnerships to address the foreclosure crisis.

## **Citizen Participation**

1. Provide a summary of the citizen participation process.
  - The County requested proposals from non-profit providers on October 12, 2011 to start the planning cycle for the 2012 CDBG program.
  - The County held a workshop on October 28, 2011 for service agencies, to explain requirements. Agencies received paper and e-versions of all documents and support material required for completing applications.
  - The County held a workshop on December 2, 2011 for communities to explain requirements. Communities received paper and e-versions of all documents and support material required to complete applications.
  - Staff reviewed and qualified non-profit applications, and provided a summary of qualified non-profit activities to the 21 local communities in December 2011. Communities used the summaries to select non-profit projects.

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- Each community held a public hearing by February 28, 2012 to encourage citizen and stakeholder comments on community needs and activities.
  - Community applications were developed and submitted to the County by March 1, 2012. This action was completed at different times for each of the 21 communities involved.
  - Staff reviewed community applications, and developed narrative and support data for the Plan between February and March 2012.
  - A public notice announcing the availability of the proposed Annual Plan was published in the Macomb Daily on April 4, 2012. The plan was posted online and hard copy made available for public review and comment at the MCPED office.
  - The County's public hearing occurred on **May 11, 2012** to solicit citizen comment.
  - The County Board of Commissioners will consider and hopefully approve the Plan on **May 17, 2012**.
  - Formal submission to HUD immediately after signature by the Macomb County Executive.
2. Provide a summary of citizen comments or views on the plan.

A public hearing will be held on **May 11, 2012**, and we will report any comments received as a result of the hearing or of comments submitted by the public from reviewing the plan either in person or on line.

3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.

Please refer to the Consolidated Plan narrative, pp. 5-6.

4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

No comments were received.

\*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

## **Institutional Structure**

Describe actions that will take place during the next year to develop institutional structure.

Macomb County has excellent administrative capacity, with capable staff, excellent relationships with communities and non-governmental entities, and innovative programs. Capacity has, however, deteriorated in a harsh economy, stagnant funding levels, and increasing fixed costs. With diminished revenues, we must offset lost resources to maintain our edge. The following are therefore considered for the coming year:

### Management Capacity

- develop additional cost-effective ways to provide affordable housing. This process started with creation of the MHC and continues to evolve. We have, will continue to, seek additional ways to share resources and costs to maintain an acceptable level of program and management capacity.
- identify service gaps and improve efficiency and effectiveness in their delivery. As mentioned, the MHC will enhance program design and delivery as well. This is a continuing process and, although, no specific actions have been identified for implementation during the 2012 – 2013 program, measures will be taken.
- develop and implement new programs and initiatives, if necessary and in keeping with the priority objectives of this Plan. At this time, due to stagnant or deteriorating funding levels, we do not see much opportunity to develop and advance new programs. We will focus on

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increasing program efficiency and effectiveness. Any changes that occur will likely be based on lessons learned from other programs and activities.

#### Program Administration

HERA, ARRA, and now NSP3 have added to administrative burden. This was offset by palliative measures, including MHC joint administration of shared activities, the addition of consultants (where cost- and program-effective), and outsourcing administrative functions to other staff. As the number of programs wanes (NSP1 is winding down, the last HPRP expenditure in September 2011), and since CDBG-R and (probably) NSP3 will consist of one-project each, the County expects administrative burden to slowly ease. This is offset, however, by the following:

- continuing severe local finance issues which will cause additional staff reductions and an altered working environment. Working through 21 municipal and a dozen non-profit sub-recipients can be challenging, especially with sub-recipient staff turnover and with such staff absorbing CDBG as a minor adjunct to their main responsibilities. There is a constant need to painstakingly train new colleagues and hope that the lessons are absorbed.
- Complex and sometimes conflicting program requirements emanating from HUD, an example is HUD's proposed imposition of new HOME regulations which will significantly increase administrative complexity and burden, despite substantial decreases in funding levels.

On balance, despite streamlining and other efficiencies, the degree of difficulty is expected to continue growing over the next year.

CHDO Capacity Development – The MHC supports several non-profit housing organizations, and all of them are currently CHDO's. All are experienced and have the requisite capacity to succeed in their roles. No special development measures are therefore necessary. That said, MHC seeks additional opportunities to develop affordable housing and those could result in new CHDO recognition and support. The MHC is ready should that occur.

Expanding the Network of Partners – The Urban County (and the MHC) will continue efforts to strengthen existing and establish new relationships with service providers to expand and strengthen services in the community.

Sub-recipient Monitoring – The County and the MHC will continue to monitor and to assist sub-recipients and CHDO's in 2012. Monitoring will be performed through risk assessment and Technical Assistance will be provided based on the degree of need.

## **Monitoring**

Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

The County and the MHC identify monitoring and technical assistance workload based on an assessment of risk for each sub-recipient organization. It monitors for compliance with applicable Federal rules and regulations, and with state and local standards. Broken between the Urban County and MHC the following actions will be taken...

MCPED will monitor the Urban County's CDBG, NSP1 and 3, and CDBG-R programs by:

- a) tracking project implementation, quality, and accomplishments, reporting to citizens and other stakeholders.
- b) using draw-down and supporting documentation for internal monitoring purposes.
- c) assisting, and monitoring, communities and contractors to ensure procurement and labor compliance, primarily at the time of procurement, contract award, and during project implementation, but also to ensure compliance should problems arise.
- d) monitoring and assisting communities on a selective (risk) basis to help improve performance.

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- e) monitoring projects older than 2 years and obtaining corrective measures (either firm schedules for implementation or reprogramming to other, higher-priority items), ensuring that no community has excess funds (based on HUD's regulatory standard of 1.5 x most recent allocation), and otherwise acting to ensure timely program implementation.
  - f) monitoring accomplishments to determine the degree of success in implementing Consolidated Plan objectives.

The MHC will:

- a) meet with Consortium members to focus on program coordination and effectiveness.
- b) monitor overall grant progress from approval to closeout,
- c) monitor projects and sub-recipients, especially high-risk projects and activities, focusing on tenant eligibility and unit habitability (the overall objective is to monitor 25% of sub-recipients and developers annually based on perceived risk), and
- d) although rehabilitation compliance is ensured through rigorous construction management, it is possible that issues could arise. If so, monitoring will address any issues that arise.

## Lead-based Paint

Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.

Each member of the MHC complies with the Lead Safe Housing Rule (LSHR) and no actions are required to expand capacity. Each member also directs housing assistance exclusively to ELI, LI and MI households. All units comply with the LSHR, therefore the targeted population benefits.

## HOUSING

\*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.

Housing priorities, identified in the Consolidated Plan, are based on the following:

- a) The high number of home foreclosures has strained family and institutional systems. We will use vacant homes and properties to provide homeownership and rental opportunities for at-risk families. An abundance of foreclosed homes and probable additional foreclosures mean that there is little, if any, need for new single-family home construction at this time.
- b) Homeowners have historically outnumbered renters. There are few deep subsidy programs for LI homeowners. The level of assistance possible through NSP, HOME and CDBG indicates continuation of homeowner assistance for housing repair and maintenance, and for providing homebuyer assistance. Due to reduced staff and other financial obstacles, the County's traditional homeowner repair program has been suspended. If not revived, the focus could shift to programs of rental assistance.
- c) Renter assistance is available through Federal and State subsidy programs, including LRPH, Housing Choice Voucher, homeless, and the HPRP which, unfortunately, ended in 2011. These target households with incomes  $\leq$  50% of AMI, with a substantial set-aside for households  $\leq$  30% AMI. The County will continue to support those programs to the extent they are available. It is possible that HOME funds could be used for security deposits or tenant-based rental assistance.



- d) Investors are, to some extent, purchasing foreclosed homes, intending to sell or rent them, depending on market conditions. We expect that many will be rented, for the time being, and there is little, if any, need for new non-elderly rental construction.

The MHC's housing priorities follow:

- a. Homebuyer assistance (primarily CDBG homebuyer assistance and NSP, and the remaining ADDI – funding for all is extremely limited).
  - b. Substantial Housing rehabilitation (HOME), and single-purpose emergency repairs (CDBG). As mentioned, staff reductions and declining resources have resulted in the suspension of the County's housing repair program for the time being which may result in their non-implementation.
  - c. Home maintenance and chore services (primarily through CDBG).
  - d. Rental assistance, particularly for those recently made homeless and those with special needs, through housing acquisition with some repair, and possibly security deposits and rental assistance as needed (primarily through HOME and HPRP). Note: the potential use of HOME funds for security deposits and even tenant-based rental assistance is not certain, but is certainly new – not having been cited as a potential use of funds in past plans.
  - e. Rental rehabilitation, if appropriate and feasible (primarily through HOME).
  - f. New construction of elderly rental housing to allow long-time residents satisfactory housing options when they can no longer remain (or want to remain) in their homes. This will occur through the HOME and NSP Programs.
- e) Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

The Consortium's HOME allocation may be used for home repair, homebuyer assistance, rental (primarily special needs populations) assistance, and for security deposits and possibly even tenant-based rental assistance. The reviewer should also note that a major new rental housing construction project is being primarily financed through multiple sources of Federal funding. It is possible that unused 2011 and even 2012 HOME funds may be added to complete this project if necessary. Please refer to preceding Item 4, pp. 4-5 for a list of resources available for the County's and the Consortium's housing objectives.

The County, the Consortium, and other partners will pursue additional opportunities to provide affordable housing, provided that they are consistent with Consolidated Plan priorities.

### Needs of Public Housing

1. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.

Low cost rental housing will continue during the 2012 PY, through various means. The following agencies assist over 2,700 households in the MHC jurisdiction. There are few resources to expand the supply of public housing at this time, or even to help the various housing commissions maintain units or address management issues. Even so, the reader can see, from the following table, the large number of units available through two rental assistance programs:

| PHA              | Low Rent Public Housing | Section 8 |
|------------------|-------------------------|-----------|
| MSHDA            | 0                       | 1,001     |
| Clinton Township | 100                     | 21        |
| Eastpointe       | 164                     | 131       |

|                   |     |       |
|-------------------|-----|-------|
| Mt. Clemens       | 288 | 0     |
| New Haven         | 88  | 0     |
| Roseville         | 102 | 309   |
| Sterling Heights  | 153 | 41    |
| (Macomb CoC) HARP | 0   | 271   |
| Total             | 895 | 1,774 |

There are, moreover, an undetermined number of families with Vouchers issued by housing commissions outside the MHC, which may have opted to obtain housing within the Consortium's jurisdiction. Their Agency Plans emphasize preservation and maintenance of existing units. The County has also used its HPRP to provide additional rental assistance to mitigate the consequences of job loss and prevent homelessness.

The County lacks sufficient resources to help any of the Macomb County housing commissions to repair and modernize their units. It should be noted that no housing commission is undertaking a program of resident initiatives.

Although there is no County-wide housing commission, the existing network of public housing and privately-owned affordable rental developments, has made a dent in reducing renter needs by providing decent and affordable housing for LI renter households, most of whom are, by regulatory fiat, extremely- or very-low-income.

2. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.

The Clinton Township Housing Commission has open monitoring findings pertaining to its Section 8 Program, but not its Low Rent Public Housing Program. The CTHC is not within the Urban County's jurisdiction, however, and the Urban County cannot therefore help CTHC, which is working to resolve the findings made by HUD.

## Barriers to Affordable Housing

Describe the actions that will take place during the next year to remove barriers to affordable housing.

Macomb County has a variety of housing types in all price ranges. It does not control municipal decision-making, but advises communities about land use policies and controls, zoning ordinances, and other actions that can promote affordable housing. It also identifies trends and helps communities plan for them, e.g. a special report detailing the needs of a rapidly aging population, with results shared with municipalities so that they can factor design considerations into their ordinances. Other planned actions include:

- a) Macomb County and the City of Roseville have contracted to have a new Analysis of Impediments to Fair Housing created. This document should be completed by July 31, 2012. The report will be submitted to HUD upon completion.
- b) Implement its housing activities in a fair and equitable manner as required by law.
- c) Conduct fair housing seminar?
- d) Make its lauded study of elderly housing needs available to, and assist local municipalities which have expressed interest in implementing that study.
- e) Continue collaborative efforts with housing providers to promote both affordable home ownership and rental housing opportunities for LI households.
- f) The Consortium will continue to strengthen existing relationships, and build new relationships in its efforts to increase affordable housing opportunities in Macomb County. In the recent

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past, for example, Macomb County has worked with the City of Utica which wants to rehabilitate 54 units of senior housing. Other, yet unnamed, opportunities may arise during the coming year.

g) Support, if possible, other reasonable proposals for affordable housing.

## HOME

### General Background and Special Information

Macomb County (and now the MHC) has received HOME funding since 1992. A detailed cost breakdown of this year's allocation between member communities is found in the attached projects file. No specific commitments have been made yet by any Consortium member. There is, however, a shared objective which is identified in the HOME tab of the 2012 Projects File, which accompanies this narrative. No significant infusions of outside funding, apart from Match, are expected. The Program is expected to generate \$20,000 in program income this year.

The reviewer will note that 15% of the grant allocation has been set aside for CHDO projects, as required by law and regulation. This may be seen by reviewing Tab 6 (HOME Consortium), Column G of the Annual Plan which shows the set-aside number.

### *Program Administration*

The MHC will use \$108,000 (10% of the base 2012 grant) for program administration, most of which will be used by the County, and a small portion for member administration.).

### *Match*

The MHC has obtained significant levels of Match Credit through its housing partners. The MHC gives priority to proposals with the potential to generate significant levels of HOME Match. Match projections become performance requirements as a condition of funding. As a result, the MHC has significant levels of Match credit at its disposal.

### *Affirmative Marketing*

The County and the MHC affirmatively market the Program when applicable. Any owner using MHC HOME funds for more than 5 units of rental housing must certify to the following conditions regarding the solicitation of tenants.

- use the Equal Opportunity logo, slogan or statement regarding affirmative marketing policy in all advertising;
- as appropriate, advertise, use media, including minority outlets, likely to reach persons least likely to apply for the housing;
- where there is a project sign, display the Equal Housing Opportunity logo; and
- notify the MHC/County when vacant rehabilitated units become available.

The MHC monitors rental projects to assure compliance. In the event of non-compliance, MHC would remind the owner of fair housing laws, his contractual obligations, and would work to rectify the problem. The MHC can also obtain advice from fair housing organizations or HUD.

To date, one project is potentially subject to Affirmative Marketing requirements, Solid Ground's transitional housing facility, which contains 14 units for families. A transitional housing facility, is not designed to rent or sell on the open market, does not therefore use a traditional marketing model, and does not therefore affirmatively markets units as described above. It has, however, achieved a mix by race and ethnicity. Another, planned, project will be subject to affirmative marketing requirements once completed.

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### W/MBE Contracting

The County employs licensed, insured contractors in its rehabilitation program and has used female-owned businesses, in a significant number of contracts, and dollars. The County seeks to attract W/MBE's through an annual invitation for W/MBE firms to express interest on MITN, and outreach through the Macomb and several of the Chambers of Commerce serving Macomb County, plus, and the Michigan Minority Business Development Council.

WBE participation is solid, and MBE participation has increased, primarily in the area of professional services. The County continues to recruit W/MBE vendors and contractors.

1. Describe other forms of investment not described in § 92.205(b). **None.**
2. If the participating jurisdiction (PJ) will use HOME or ADDI funds for homebuyers, it must state the guidelines for resale or recapture, as required in § 92.254 of the HOME rule.

The MHC uses the "recapture" method to ensure affordability over time, usually 5 or 15 years, depending on the amount of assistance provided.

3. If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under § 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt. At a minimum these guidelines must:

The Consortium does not intend to refinance existing debt on multi-family properties.

- a. Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.
  - b. Require a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
  - c. State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
  - d. Specify the required period of affordability, whether it is the minimum 15 years or longer.
  - e. Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2) or a Federally designated Empowerment Zone or Enterprise Community.
  - f. State that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.
4. If the PJ is going to receive American Dream Down payment Initiative (ADDI) funds, please complete the following narratives: **ADDI ended in 2008 and this question is not applicable.**

## HOMELESS

### Specific Homeless Prevention Elements

\*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

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1. Sources of Funds—Identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction's plan for the investment and use of funds directed toward homelessness.

Macomb County will house those made homeless and provide assistance by or through the following:

- supportive housing and services through various programs funded by HUD and the State of Michigan, pursuant to the County's 10 Year Plan to End Homelessness. The Macomb Homeless Coalition then applies for Federal and State funding to implement its plan and hopes to receive ESG funding from both the Federal government and the State, plus housing vouchers to be used for homelessness prevention.
- CDBG funding 4 homeless providers. The amount invested varies from year-to-year depending on decisions made by our participating municipalities.
- CDBG funding to agencies who refer homeless and at-risk people for comprehensive needs assistance, and support (food, clothing, utility assistance, and household commodities). The amount invested varies from year-to-year depending on decisions made by our participating municipalities.
- CDBG funding to agencies serving at-risk youth (abused, drug dependent, and troubled), abused women and their dependent children. The amount invested varies from year-to-year depending on decisions made by our participating municipalities.
- CDBG and/or HOME assistance as appropriate and available, on an opportunistic basis, to support emergency, transitional, and permanent housing.
- HOME assistance for the development of rental properties through acquisition and repair, the development of new rental housing for elderly households, and possibly for security deposits and tenant-based rental assistance to households which need them.

Each initiative listed above would come through private non-profit partners working closely with the County and the Consortium. Detail concerning programs, the agencies funded, performance objectives, and the amount of funding anticipated can be found in **Tabs 1 and 2 of the Projects file** of this Plan.

2. Homelessness—In a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.

The MHC 2009-2013 Con Plan addresses homeless and homelessness prevention in three separate priorities: #1 (foreclosures), #2 (housing), #4 (homeless prevention and services), and #5 (expand human services). This Plan implements these objectives in the following manner...

Considerable detail as to how this Annual Plan will address the Strategic Con Plan Objectives can be found in the immediately preceding question #1. It should, however, be noted that homelessness is also addressed through the various housing, public housing and community development programs mentioned throughout this Annual Plan.

Obstacles have been identified, including:

- a dearth of funding for Macomb County which, despite a population of roughly 850,000 and growing homelessness, has sometimes received less support than other cities and counties with far fewer people and even identified need.

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- changing Federal priorities have hurt the ability of care providers to obtain financial support for their programs. Long-term decisions were made based on Federal priorities, e.g. definitions of homelessness and programs suited to meeting those needs, only to have them change and make obsolete carefully-crafted plans. This has occurred in transitional housing and has hindered the provider's ability to serve. The MHC had already substantially invested HOME funds in this facility and is working to overcome the obstacles resulting from philosophical shifts in Washington.
3. Chronic homelessness—The jurisdiction must describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness by 2012. Again, please identify barriers to achieving this.

As mentioned, the County, and the MHC, are served by the Macomb Homeless Coalition which, through its Coordinator and member agencies to assist temporarily and chronically homeless families and individuals. This will occur through:

- continuing strategic and tactical planning supported by the County and MHC
  - continued applications for assistance made available by HUD, the State of Michigan, and other appropriate agencies,
  - seeking ways to expand the reach and effectiveness of the Coalition through financial and other means of support, if at all possible.
  - considering the feasibility of applications made by agencies to provide affordable transitional and permanent housing to homeless and at-risk populations,
  - providing human services to address the root causes of homelessness.
4. Homelessness Prevention—The jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.

The Coalition will implement the goals and strategies contained in the County's 10 Year Plan to Eliminate Chronic Homelessness, and will implement, if approved, HUD, State of Michigan, foundation, and other appropriate sources of funding as they become available.

As described, Macomb County and the MHC will, through CDBG and HOME, collaborate with service agencies to provide emergency, transitional and, if possible, permanent shelter and assistance to homeless individuals and those at risk of becoming so. It will also financially support public services designed to address the root causes of homelessness and provide interim assistance to help those affected address their daily needs.

5. Discharge Coordination Policy—Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.

The County has systems in place that govern the discharge of people from Foster Care (using protocols developed by the State of Michigan), Health Care (using locally developed policies) and in Mental Health (using policies mandated under Michigan State law) to prevent their discharge into homelessness. The Coalition currently oversees the Michigan Prisoner Re-Entry Program (MPRI) and is using similar protocols to prevent discharge into homelessness.

**Emergency Shelter Grants (ESG)**

**NO ESG - section not applicable.**

## COMMUNITY DEVELOPMENT

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## Community Development

\*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), public facilities, public improvements, public services and economic development.

The Con Plan addressed homeless needs and non-housing community development needs in two separate priority objectives:

Priority Objective #3 (see p. 2) addresses the need to develop and maintain necessary public facilities and other infrastructure, specifically for LI and blighted areas of the County. The reader is referred to Table 2 B of the Con Plan for details.

Priority Objective #4 and 5 (p. 2) were addressed above (see Questions 1 and 2 immediately preceding page for detail).

Priority #7 (p.2) has not been discussed. The Consolidated Plan identifies economic development as a priority need. As a result, the County substantially increased resources for Economic Development staffing, by direction of the County Board of Commissioners in 2006, in 2007; and again, under the County Executive, in 2011. The most recent action will have added several new business development positions, to be filled by experienced professionals.

Macomb County has elected not to use CDBG funds to develop, attract and retain businesses at this time. This could change in the future.

2. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.

\*Note: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.

The following describes short-term (1-3 years) and long-term (3-5 years) objectives:

*Priority Objective #2 - Public Facilities and Infrastructure:* Seventeen projects will be undertaken in 2012, including streets, sidewalks, parking facilities, senior centers, parks, water, sewer and drainage facilities, and fire facilities. All comply with regulation 570.208. Long term, the County will complete an estimated 60 projects, improving life for thousands of County residents.

*Priority Objective's #3 and 6 - Homeless Prevention and Assistance, Maintain and Expand Essential Human Services:* Short-term, the County will financially support operations at 4 homeless facilities and 8 organizations that assist the homeless and those at-risk of becoming homeless. It will also assist senior and youth services, health care, special needs transportation, and other services to necessary alleviate distress for hundreds of Macomb County families. Such services can be enormously helpful for families living on the brink of homelessness. Long-term, the County intends to fill gaps in the human service safety net and enhance the level of services to be provided.

*Priority Objective #7 –* The County is implementing a multi-faceted economic development program to attract and/or retain businesses in select business development sectors. This will be

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accomplished through general and functional planning, and direct business counseling and assistance. The County does not intend to use CDBG funds for this purpose at this time.

## **Antipoverty Strategy**

Describe the actions that will take place during the next year to reduce the number of poverty level families.

The County, as just mentioned, and consistent with Priority Objectives 3 and 4, will promote human services for LI persons. These promote positive life-styles which, in turn, increase chances for long-term emotional, familial, and employment stability. Using its CDBG funds, it will work with the following agencies:

- CARE, Care House, and Turning Point, to help families and children resolve destructive relationship issues thereby fostering long-term growth. The County also invested its CDBG-R grant for development of a new domestic violence shelter to replace the current facility which is inadequate. The new facility will have almost 50% more capacity than currently available and will provide more security for residents and their dependent children.
- Community Housing Network, Lighthouse Outreach, Macomb Warming Shelter, MCREST, Samaritan House, Solid Ground, St. Vincent de Paul, and Turning Point to help special needs populations overcome emergencies and other challenges, offering them positive alternatives.
- The County Health Plan, moreover, provides medical coverage to people who might not otherwise receive it. These mitigate the effects of poverty and can help families escape it.
- The County will spend more than \$4m in NSP and HOME funds to create the Oakwood Manor Senior Living housing development, which will be affordable to VLI and LI households. This project is fast-tracked to
- Macomb County also supports an extensive services network that provides an array of human services to those in need. These include senior and veteran services; community mental health services; nutrition and childhood development programs; home weatherization, and hospital care to indigent persons. All serve those at the very lowest income level.

Although the County's CDBG program does not directly address unemployment, business development, or job training, for reasons already mentioned, the County, as mentioned, provides business development counseling to small business investors and owners, including LI individuals. This reduces poverty by promoting self-sufficiency and long-term employment.

Finally, the County works with the Michigan Works! Program to promote employment through matching job seekers with businesses in need of qualified workers; and with the CoC, which arranges for many services, including housing counseling for those in need.

## **NON-HOMELESS SPECIAL NEEDS HOUSING**

### **Non-homeless Special Needs (91.220 (c) and (e))**

\*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan.

The Urban County and the Macomb Homeless Coalition will address non-homeless special needs populations in accordance with Priority Objective #4, Providing and Expanding Essential Human Services and, to a lesser extent, in accordance with Priority Objective #1, Housing. See



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Section 1, Question 3, p.3, Homeless Prevention, Questions 1 and 4, pp. 12-13, and Antipoverty Strategy, pp. 15-16. All of these relate in various ways to actions to be taken to address the needs of non-homeless special needs populations.

Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

As mentioned, the County's Department of Community Mental Health receives considerable Federal and State funding and distributes those funds to partner organizations to provide essential supportive services. This arrangement has been successful and is expected to continue in the future.

The County's Health Plan provides basic service for those who lack and cannot afford private insurance, thereby improving health for those who obtain it.

Each of the non-profit activities is evaluated for impact on identified need and our non-profit partners have been highly successful in obtaining other forms of investment to implement their programs. Private funding is a substantial share of the total investment, and thereby enables the providers to serve many more people than would otherwise have been possible. A listing of the planned investment is available in Tab Two, PNP Activities, in the 2012 Projects File of this Plan.

### **Housing Opportunities for People with AIDS**

The Urban County, receives no HOPWA funding and this question is therefore not applicable.

### **Specific HOPWA Objectives**

Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the Action Plan.

The Urban County does not receive HOPWA and this question is therefore not applicable.

### **Other Narrative**

Include any Action Plan information that was not covered by a narrative in any other section.  
None.

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## Attachments 1 – 3

Attachment 1 – Macomb Urban County Jurisdiction

Attachment 2 – Macomb HOME Consortium Jurisdiction

Attachment 3 – 2006 LMI Areas