

FOR COMMENT

**PROPOSED
2007-08 ACTION PLAN**

**HOUSING AND COMMUNITY
DEVELOPMENT
PROGRAM**

CITY OF FLINT, MICHIGAN

APRIL 2007

I. Executive Summary

The 2007-2008 Action Plan of the City of Flint's 2005 – 2010 Five year Consolidated plan will utilize formula grant funds of \$4,414,801 in Community Development Block Grant, \$1,027,709 in HOME Investment Partnership, and \$190,642 in Emergency Shelter Grant funds to meet the overall formula grant program goals of decent housing, suitable living environment and expanded economic opportunities. The City of Flint has identified the community's priorities through which it will pursue the overall formula grant program goals. These priorities are home ownership, economic development and improvement of the city's appearance.

The city will address housing needs needs by funding of handicap accessible ramps, emergency rehabilitation, owner-occupied rehabilitation, rental rehabilitation, and purchase/rehab/resale programs. Emergency repairs address emergency situations such as roof repairs/replacements, furnace repairs, plumbing and electrical problems, etc., citywide. Another type of rehab to be carried out involves owner occupied rehabs in the city's redevelopment areas. These rehabs will consist of addressing code violations, lead testing and mitigating the effects of lead when necessary. The city will partner with local non-profits to carry out these activities.

Activities to improve the appearance of the city will be carried out by the municipality. The Development Division will focus on demolition of the many open and abandoned homes throughout the city, while concentrating its efforts within the city's redevelopment areas. Sidewalk repair, street resurfacing, sewer relining, distribution valve repair/replacements, weed and trash abatement and neighborhood cleanups will all be done in-house.

A number of public service programs will be provided to directly benefit specific clientele. The depressed economic situation of the jurisdiction necessitates the offering of programs designed to provide basic needs such as food, shelter and clothing, life skills training, violence trauma intervention, youth programs, income tax preparation assistance, drop-in centers and domestic violence program assistance.

Program activities funded under the Emergency Shelter Grant program are designed as a first step in a continuum of care plan of assistance and strives to assist agencies in addressing the immediate needs of persons residing on the street and needing emergency shelter and transitional housing, as well as assisting the population's movement to independent living. These program activities consist of financial assistance for the operation of shelters, homeless prevention assistance to benefit the homeless or those at imminent risk of becoming homeless, and essential services or those activities concerned with employment health, drug abuse and education.

In addition to the activities pegged for implementation beginning with the 2007-08 year, program activities from previous years will be ongoing, including housing developments in Flint Park Lake, the federally designated Homeownership Zone, owner occupied rehab, repayment of section 108 loans, and a host of other program activities.

To enable the community and HUD to evidence the success of the programs funded using these federal dollars, performance measurements have been instituted for all of the programs funded. The performance measurement system will not only allow the jurisdiction to plan for future investment of federal dollars based on "what works", but the system also increases public accountability.

A. Basic Demographics of Flint

The city of Flint is located within the heart of Genesee County, approximately 60 miles northwest of Detroit, MI. According to the 2000 U.S. census, the city has a population of 124,943, down from the nearly 141,000 residents it had in 1990. Once known as a thriving auto town, Flint has faced hard economic times as General Motors' presence has steadily declined over the years as the auto giant attempts to reposition itself as the number one auto maker amid increasingly stiff competition from foreign auto makers in an ever changing global economy. The City Of Flint has had to look to diversify its economy while providing assistance to its residents in need.

According to the 1990 census information, twenty-four census tracts in the City of Flint were classified as low and moderate-income areas in which 51% or more of residents are at 80% or less of median family income. In 2000, census information was broken down to the block group level and allows a much more detailed analysis of low- and moderate income area status in the City of Flint. As predicted in the 2000 Consolidated Plan, several more low- and moderate- income areas were added. Out of 41 census tracts, all but four census tracts have at least one block group that contains a majority concentration of low- and moderate-income persons. Two of these, census tracts 21 and 41 are areas of no population (the former Buick City site, and Bishop Airport, respectively). Twenty-two census tracts, out of 41, are classified as low- and moderate-income census tracts, i.e., all block groups have at least 51% low- and moderate- income residents.

Flint has determined that in order to address the substantial need present in low- and moderate- income neighborhoods, the geographic priority will encompass all block grant targeted neighborhoods.

B. Basis For Allocating Investments Geographically Within The Jurisdiction

In an effort to focus dwindling resources and target areas in the most need, the City has approved three redevelopment areas. These three areas: Smith Village, Flint Park Lake, and the Third Avenue Corridor/Carriage Town, have been designated by the City of Flint as blighted in accordance with Michigan's Public Act 344 of 1945. The act defines a blighted area as "...a portion of a municipality...marked by a demonstrated pattern of deterioration in physical, economic, or social conditions, and characterized by such conditions as functional or economic obsolescence of building or the area as a whole..."

The boundaries of the three areas as shown on Map No. 2 are as follows:

Smith Village

Mary Street on the north; Saginaw Street on the east, Fifth Avenue on the south, and ML King on the west. The Smith Village area is part of a larger area that was federally designated as a Homeownership Zone by the U.S. Department of

Housing and Urban Development. Map No. 2 shows the boundaries of Homeownership Zone.

Flint Park Lake

Approximately 130 acres bounded by Fleming Road on the west, Pierson Road on the north, Dupont Street on the east, and Stewart Avenue on the south.

Third Avenue Corridor/Carriage Town

Flint River on the south; Chevrolet Avenue on the west, Mackin Road and Tenth Avenue on the north, and M.L. King and Saginaw Street on the east.

Among these three areas, two areas – Smith Village and Third Avenue Corridor/Carriage Town have been given priority for a high percentage of public investment utilizing CDBG, HOME and U.S. Economic Development Administration (EDA) funds over the next 4 years. These two priority areas have been selected for several reasons including:

- 1 These areas either contain or are in close proximity to major medical and educational institutions which will be the foundation of economic growth in the future. In addition, these institutions are committed to a physical presence in the areas which provides a stabilizing influence.
- 2 University Park, located to the east of Smith Village and within the Homeownership Zone has been the most significant successful investment in housing in the last 20 years. The area contains single-family homes sold at market rate in the range of \$120,000 to \$250,000. This development is both a physical and economic stabilizing influence.
- 3 The priority areas are adjacent to the Downtown where the pace of investment has been increasing. By way of example the 500 Block is a mixed-use rehabilitation project currently under development containing office, retail and loft housing components.
- 4 Carriage Town is a locally designated historic district with corresponding investment incentives.
- 5 In July 2005, a Flint River District Strategy prepared by Sasaki Associates commissioned by The Genesee County Land Bank, Kettering University and the Charles Stewart Mott Foundation was released. This study contains specific development initiatives for a range of uses including research and development, commercial, office, mixed-use and residential.
- 6 The Flint River provides a design and activity focus which is unique within the city.
- 7 The Genesee County Land Bank owns numerous parcels land in the area which are available for investment.
- 8 The majority of the area is located within the boundaries of the Flint Area Renewal Community which provides a range of investment incentives.

Throughout this strategy, housing and community development initiatives inclusive of economic development will be described in terms of these geographic areas. At the same time, some initiatives will be located outside these areas due to specific identified needs.

C. Obstacles to Meeting Underserved Needs

The primary obstacle to meeting underserved needs is the availability of resources. Funding from the Block Grant program for the City of Flint has decreased over the past several years. Targeting resources, leveraging funds, and measuring impact will become more and more important as resources continue to shrink. Some needs may not be met because of choices to fund one priority v. another.

D. Managing the Process

1. Lead Agency

The City of Flint Department of Community and Economic Development Division is the lead agency for the development of the Five-Year Consolidated Plan. Department of Community and Economic Development administers several federal programs, including the Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Shelter Grant (ESG), and American Dream Downpayment Initiative (ADDI) programs for the City of Flint.

E. Citizen Participation

The City of Flint follows an adopted Citizen Participation Plan in the development and implementation of its housing and community development programs. The primary citizen participation group central to the process is the City Wide Advisory Committee. This group has within its membership residents of each ward in the city. The committee meets on a monthly basis and is involved with the preparation of Five Year Strategies as well as the Annual Action Plan. The committee meets to consider amendments to either plan and receives reports on progress towards implementing activities under the various programs. The Consolidated Plan currently incorporates the federal Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Shelter Grant (ESG), Section 108 Loan Guarantee, and EDI/BEDI programs. Individual programs may have additional provisions and procedures for citizen participation. The public is provided with opportunity to comment on a variety of community development actions, including Consolidated Plan, substantial amendments to the Consolidated Plan, performance of incorporated programs (including, but not limited to CDBG, HOME, ESG, HOPWA, Section 108, and EDI/BEDI), and substantial amendments to the Citizen Participation Plan. Public comments are incorporated prior to required submissions to the U.S. Department of Housing and Urban Development (HUD). The Citizens' Participation Plan spells out the timelines for public comment opportunity.

City Wide Advisory Committee

The City-wide Advisory Committee (CWAC) serves a key function in providing continuing citizen input for CDBG programs. The citizens' advisory committee is a multiple-member body appointed by the Mayor. Representation is evenly distributed among the nine city wards. Appointments aim for substantial representation of minority communities, potential program beneficiaries and women.

The committee's role has been modified to concentrate on identification of needs and setting of priorities for use of CDBG and HOME funding. A Joint Review Committee was established which provided for more collaboration between the City and the advisory committee. This committee reviews proposals and makes funding recommendations to the City Administration on CDBG and HOME projects. An ESG subcommittee reviews ESG applications and makes recommendations to the City on allocations.

Citizen Representation on Organizational Boards

The representation of actual or potential program beneficiaries on boards of organizations implementing housing and community development programs serves to strengthen citizen input to housing and community development programs. Federal requirements for certain of the Consolidated incorporated programs ensure such representation in specific areas. In particular, the HOME program requires that low/moderate income persons serve on the boards of funded Community Housing Development Organizations (CHDO's). Additionally, the Emergency Shelter Grants program requires that homeless persons serve on the boards of funded provider organizations or in other decision-making capacities.

F. Institutional Structure

Several organizations work with the City of Flint on community development programs. National organizations include: HUD, Federal Home Loan Bank, and Local Initiatives Support Coalition.

The support of public, private and non-profit organizations is particularly important, and collaborating with them will be the focus of the institutional approach to meeting the needs identified in this plan. A list of such organizations is provided below (It should not be considered a complete listing).

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Public Institutions

- Detroit, Michigan HUD Field Office
- Departments and agencies within the City of Flint
- Flint Housing Commission
- Genesee County Metropolitan Planning Commission
- Genesee County Family Independence Agency
- Genesee County Community Mental Health Department
- Genesee County Health Department
- Genesee County Youth Corporation
- Genesee Area Focus Council

Private Institutions

- Citizens Bank

- Bank One
- Old Kent Bank
- Flint Area Association of Realtors
- Genesee Landlords Association
- Private developers, builders, appraisers and other real-estate professionals

Non-Profit Institutions

- Legal Services of Eastern Michigan
- Disability Network
- University of Michigan-Flint
- Metro Housing Partnership
- Flint Neighborhood Improvement and Preservations Project, Inc.
- Salem Housing Corporation
- Greater Eastside Community Association
- Metro Chamber of Commerce
- Shelter of Flint
- YWCA of Greater Flint
- Flint Area Enterprise/Renewal Community
- Hurley Foundation
- Community Foundation of Greater Flint
- VISTA Drop-in Center
- Transition House
- Flint North Central Weed and Seed
- Uptown Reinvestment Corporation
- Urban Community Youth Outreach
- Genesee County Habitat for Humanity
- Court Street Village Housing Corporation
- Catholic Outreach
- Mott Foundation
- Ruth Mott Foundation
- Food Bank of Eastern Michigan
- United Way
- Neighborhood Violence Prevention Collaborative
- Career Alliance, Inc.
- Neighborhood Roundtable
- Flint Growth Alliance
- Odyssey Housing Development

Local public institutions of special importance include the State of Michigan, particularly the Michigan State Housing Development Agency (MSHDA). MSHDA provides an important support vehicle through both funding and direct technical assistance.

Genesee County agencies and departments also will be key in the coordination of numerous programs and services. Flint will work with Genesee County on Emergency Shelter Grants to integrate a housing services delivery system through joint administration of the ESG program and the Continuum of Care process. MSHDA has also been a strong partner and collaborated with the City on several projects. Flint will continue to work with the Michigan State Housing Development Authority on new housing construction and housing rehabilitation proposals for sites and neighborhoods. In addition, the City will continue to foster new non-profit neighborhood organizations for housing and other community development initiatives. Over the course of the next five years, the

City intends to strengthen its relationship with all of our partners.

Local governments, service agencies, nonprofit housing organizations and public institutions are involved in providing affordable housing and supportive housing services for the homeless and other people with special needs. Many of the organizations are interrelated through local group, the Committee Concerned With Housing. The City of Flint supports these activities through grants, technical assistance and endorsements of applications. Representatives of these organizations have participated on the Consolidated Plan Committee.

Flint and other governments in the county, private foundations, educational and medical institutions, economic development organizations, human and job training agencies, housing development organizations and businesses have developed and continue implementing the targeted Enterprise Community Plan for community development of 14 census tracts in Flint and part of Mt. Morris Township. Priorities were established for community development needs in health, infra-structure, economic development, education, housing, parks and law enforcement. In 2003, the Enterprise Community was upgraded to a Renewal Community, and provides for a variety of tax incentives and credits for businesses located in the targeted area. The Flint Area Enterprise/Renewal Community is responsible for marketing and outreach activities for businesses and residents in the area.

G. Monitoring

In response to both a local desire to better monitor program outcomes and new CPMP requirements issued by HUD, the Department of Community and Economic Development is committed to a restructuring of its monitoring program. In addition to implementing the CPMP system, program outcomes will be integrated into a citywide budgeting and financial management system which includes all departments. Through such a system, the targeted investment plan discussed elsewhere in this Plan will be monitored in its totality to include CDBG, HOME and EDA resources in combination with local, state and federal resources available in Flint.

As part of the monitoring system, all sub recipient agreements will have measurable goals against which program outcomes will be measured. Also, as the City moves towards an RFP process, measurable outcomes will be included in the RFP and used as one criteria in the selection of implementing entities.

The CPMP; integration with City budgeting and financial management; and RFP process will be in place no later than the end of the federal fiscal year 07 (September 2007).

H. Lead Based Paint

In its nonprofit-implemented rehabilitation programs, the City of Flint Federal and State of Michigan regulations in testing for lead and mitigating its effects. All structures built prior to 1978 require that a risk assessment be performed in order to determine the presence and extent of lead-based paint hazards. Depending on the level of assistance provided using federal funds, hazards must be addressed through the implementation of interim controls or utilizing abatement procedures. Residents may be relocated during rehabilitation.

Some agencies utilize the Health Department to perform risk assessments and LBP inspections, and contract out for abatement services. For structures for which the rehabilitation cost is less than \$25,000, some contractors are certified in interim controls. Agencies verify that their contractor has the appropriate level of LBP-certified supervisors and workers on site for the level of rehabilitation needed.

One of our rehabilitation agencies retains a certified risk assessor/inspector. This individual performs the appropriate assessment, and coordinates the activities of the environmental review process, including LBP.

The Genesee County Health Department will continue to run a lead abatement program utilizing funding from the State of Michigan Lead Hazard Remediation Program over the next five years. The Health Department also participates in the Michigan Department of Community Health coordinated Childhood Lead Poisoning Prevention Program (CLPPP). This program's components are education and activities; policy development and program management; quality assurance; and evaluation. Priority is given to infants, children under six years and pregnant women.

II. HOUSING PRIORITIES AND OBJECTIVES

Flint has significant housing problems and needs. In fact, of the 48,663 households recorded as living in Flint in the 2000 census, 16,740 or 34.4% were categorized as having a housing problem. By far, the greatest problem was one of cost burden with 30.1% of the households paying over 30% of income for housing and 16.43% paying over 50%. When one considers the generally low cost housing market in Flint, these statistics point to the prevalence of low incomes in the community. This can be attributed to the economic decline which has gradually intensified over the last 30 years. While a variety of factors have contributed to this decline, the loss of automotive industry employment has been central to the issue. The recent round of GM early retirements and buyouts continues this trend.

An interesting aspect of housing needs is that elderly homeowners, often a heavily burdened group in communities, is by percentage one of the least burdened in Flint. The percentage of elderly homeowner households with a housing problem is 20.7% as compared to 23.2% for all owners and 39% for 5 or more member households. While there is no statistical analysis available, this may be attributable to the influence of automotive industry pensions on the marketplace. The substantial pension benefits in a low cost housing market reduces the percentage of cost burden for elderly households as found in other communities.

In terms of renter households, cost burden is higher than owner households with some 50.3% of the 20,014 renter households experiencing a housing problem. While this is a 2.2 to 1 ratio to the percentage for owner households experiencing a housing problem, the ratio of renters paying over 50% of income for housing as compared to owners in the same category is 2.9 to 1. Among large households (5 or more people), the disparity is ever greater with the ratio between renters paying over 50% of income and owners in the same category at 3.7 to 1. This is evidence that lack of employment and income among younger households increases the housing cost burden even in a market where Fair Market Rents for 2 and 3+ bedroom units are \$612 and \$758 respectively.

Based on this housing data, the priority is to address and reduce the cost burden for both homeowners and renters. Within this priority, the following priorities are established:

Homeownership Assistance – This priority is not solely to make more people homeowners and relieve cost burdens among current homeowners. It is also to increase investment for additional housing choices. For example, active adults over 55 years of age, of which many are considered elderly, might have a desire to sell their home and remain in Flint. A recent Associated Press story described an increase market for this type of housing in areas not previously thought to be popular with this group. Michigan was featured in the article as an emerging market. However, there are limited housing choices either rental or sales available in Flint. At the same time, their current homes represent a potential affordable, decent home for younger households.

New Construction – New construction investment should place a priority on increasing the supply of housing choices in Flint described above.

Rehabilitation – While Flint has many residential units in need of rehabilitation; it

must also address the reality that the quality and condition of many structures does not justify rehabilitation. This is particularly true when one considers the depressed value of the housing stock. Often rehabilitation costs exceed value. In addition, with a declining population there are many sound housing units on the market with a longer-term useful life than many units would be after rehabilitation.

Energy Efficient Improvements – The extent of lower-income households in Flint combined with constantly rising energy costs makes this a priority. Such improvements should be part of all rehabilitation and new construction programs. In addition, programs addressing energy efficiency in structurally sound, but older units should be a priority when assisting lower-income households.

2007-08 Allocations

CDBG Allocations

Ramps & Accessibility modifications - \$205,000.00

City-wide Emergency Repairs - \$750,000.00 (includes up to \$150,00 from program income)

HOME Allocations

Full Code Rehab - 300,000.00

Rental Rehab - \$200,000.00

Purchase/Rehab/Resale - \$399,385.00

CHDO Operating - \$25,000.00

Barriers to Affordable Housing

a. Actions to Remove Barriers to Affordable Housing

- * Allocate sufficient funds and resources to housing activities to demonstrate that City is committed to improving housing stock
- * Address housing delivery system issues such as: organizational structure (conflict resolution, staffing, communication, leadership, vision, chain of command and point of contact, number of agencies, political instability, administrative turnover and inexperience); Production system (scheduling, timelines, inspections, property standards, and linkages to, number and capacity of housing organizations); Finance system (resource acquisition, allocation, and payment).
- * Investment Strategy
- * Streamline City approvals time and processes
- * Target resources

1. Guidelines for Resale/Recapture

The HOME Investment Partnership Program (HOME) permits the use of funds to assist the City and housing developers to acquire property and rehabilitate/build homes for sale to income-eligible homebuyers, primarily households that meet the definition of a homebuyer. HOME funds used to support the costs of acquisition and rehabilitation/construction in excess of the appraised value is known as the development subsidy.

Funds may also be used to assist homebuyers by reducing the sales price below the appraised value and/or by providing down payment and closing cost assistance. A homebuyer project may include both a development subsidy and homebuyer assistance, or homebuyer assistance only.

a. Principle Residents/Period of Affordability

The HOME program requires that a property assisted under the homebuyer program be used as the owner's principal residence for a designated time period known as the period of affordability. The period of affordability is based on the amount of HOME assistance that enabled the homebuyer to purchase the house, regardless of source (i.e., City, MSHDA). The applicable periods of affordability are as follows:

<u>Amount of HOME Assistance</u>	<u>Minimum Period of Affordability</u>
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
More than \$40,000	15 years

b. Recapture Provisions

The HOME program requires that the assisted property be subject to resale restrictions or recapture provisions, as cited in 92.254(a)(5), for the period of affordability. The City of Flint intends to utilize the recapture option, which would secure the amount of HOME funds that remain the project (i.e., homebuyer assistance) by a silent second mortgage and note.

Therefore, if the assisted homebuyer sells the home during the applicable period of affordability, the City shall recover the HOME homebuyer assistance from the net proceeds of sale, as specified in 92.254(a)(5)(ii). The amount of funds to be recaptured is based on the following:

The HOME amount covered under the mortgage and note will be reduced pro-rata based on each complete month the homebuyer has owned and occupied the house, based on the following schedule:

<u>Affordability Period</u>	<u>Pro-Rated Amount</u>
5 years	1/5 per year
10 years	1/10 per year
15 years	1/15 per year

The down payment, principal payments, and costs of capital improvements made by the homebuyer since purchase would be calculated. If the sum of these investments, plus the prorated amount due the City exceeds the net proceeds of sale, the homebuyer would be allowed to recover his or her investment in the property first, with the remainder paid back to the City. Such an amount would be considered payment in full. The homebuyer would be allowed to keep any net proceeds left after recovery of their investment and repayment of HOME assistance to the City.

In those cases where a homebuyer violates the terms and conditions of the mortgage and/or note, (e.g. sells the property on a land contract without the approval of the City, or uses the property for rental purposes) the City reserves the right to require the full repayment of the pro-rated amount of HOME assistance.

2. Housing Developers Assistance From HOME Funds

Housing developers undertaking acquisition and/or rehabilitation/construction activities under a homebuyer program could be assisted with HOME funds for both development subsidies and homebuyer assistance. The total HOME assistance would be secured by a mortgage and note prior to the housing developer's use of HOME funds for acquisition and/or rehabilitation/construction. Upon sale to a homebuyer, this mortgage and note would be discharged, with the HOME funds to be distributed as follows:

- a. Development subsidy (forgiven by the City)
- b. Homebuyer assistance (covered under a new silent mortgage and note from the homebuyer to the City.
- c. Repayable to the City's HOME program.

The exact distribution of funds would be dictated by the terms of the Agreement between the City and the housing developer, although the homebuyer assistance would be a minimum of \$1,000.

The homebuyer assistance may be in the form of a reduced sale price, down payment/closing cost assistance, or another eligible form of assistance, and would be described in the agreement between the City and the housing developer. The homebuyer assistance would be secured by a silent second mortgage from the homebuyer to the City for a five-year period of affordability (see above). The silent second mortgage would self-amortize based on the schedule above.

3. City Programs

The City of Flint may utilize HOME funds for the acquisition and/or rehabilitation of state tax-reverted and FHA repossessed (or other abandoned) houses for resale. The HOME funds in the project would be assigned as:

- a. Development subsidy (forgiven by the City)
- b. Homebuyer assistance (covered under a new silent mortgage and note from the homebuyer to the City), and
- c. Repayable to the City's HOME Program

The City reserves the right to lower the sales price by increasing the level of homebuyer assistance. A silent second mortgage and note would secure the full amount of the homebuyer assistance; to be reduced pro-rata for each complete year of compliance with the affordability period. The recapture provisions apply if the assisted homebuyer sells the home or otherwise does not continue to occupy the home as his/her principal residence during the applicable period of affordability.

4. Homebuyer Assistance

Homebuyer assistance provided directly to an income eligible homebuyer in the form of down payment and/or closing cost assistance (for a property which has not received a HOME development subsidy), would be secured by a silent second mortgage and note from the homebuyer to the City or local non-profit in the full amount of the HOME assistance. The period of affordability would be based on the schedule in Section A above. The recapture provisions would apply to this program as well.

HOMELESS

1. Homeless Needs

The estimated total chronic homeless population in Flint/Genesee County is 1751, with approximately 383 in emergency shelter, transition, or permanent housing at any point in time. Approximately 1468 unsheltered chronically homeless persons remain at any point in time.

2. Strategy to Address Homelessness

The Continuum of Care has developed a detailed strategy for addressing the needs of the chronically homeless. This strategy, imbued with the values of the Safe Havens model, including acceptance, tolerance and patient engagement, was developed through the collaboration of over 20 community groups and agency, thirteen of which specifically committed to sponsoring activities. This strategy responds to the specific needs and assets of our community in working out an approach to end chronic homelessness. Specifically this strategy is a collection of integrated services referred to as Homeless Information Place (HIP), which would:

- * Provide a store front drop-in site (HIP site) specifically for the chronically homeless that would provide showers, bathrooms, laundry, phones, message services, email, storage lockers, snacks and other amenities designed to be useful to persons living on the street.
- * The drop-in site would be supported by an aggressive outreach effort including the use of Consumer Support Tech Teams (persons who recently have experience homelessness) who would approach persons on the streets and in public places where they may appear chronically homeless and provide direction to the drop-in site.
- * The HIP would act as "one stop shopping" of medical, social support and housing resources for chronically homeless persons. Regularly scheduled services by an array of agencies and providers would be available, including medical assessments, mental health services, substance abuse assessment, veterans services, case management, legal services and intake into the Permanent Housing component of the HIP project.
- * An array of substance abuse related services would also be provided including assessment and placement into appropriate treatment.

In addition to the development of the HIP project, the Continuum recognizes the following areas as critical in eliminating chronic homelessness:

- a. Developing community framework and increasing capacity of the service and homeless providers.
- b. Increasing the methods of financing that will make permanent supportive housing the central vehicle for addressing long-term homelessness, and particularly homelessness among those with persistent or chronic health challenges and multiple barriers to housing stability.
- c. Increase the coordination among various service systems into real prevention efforts that will diminish the future flow of people into homelessness.
- d. Enhance efforts to educate the community about homelessness, thereby building public capital.
- e. Increase the effectiveness and impact of community planning for programming, both new and existing that works towards ending chronic homelessness.
- f. Designate a service agency to provide core services to supportive housing.

3. Homelessness Prevention

Fundamental components in the Continuum of Care system include the following:
Prevention

- * Landlord/tenant education
- * Rent/mortgage assistance
- * Counseling/conflict resolution education

Outreach

- * Veterans
- * Seriously mentally ill
- * Substance abuse
- * HIV/AIDS
- * Domestic Violence
- * Youth

Supportive Services

- * Case managements
- * Life skills
- * Alcohol and drug abuse treatment
- * AIDS related treatment
- * Education
- * Employment assistance
- * Child care
- * Transportation

4. Institutional Structure

The Flint/Genesee County Continuum of Care process is developed with the cooperation of the Flint/Genesee Committee Concerned with Housing. The Committee Concerned with Housing is an overarching umbrella for all housing and non-housing agencies to discuss and develop solutions with a collaborative effort on affordable housing and support service issues. The Continuum of Care is a subcommittee of Committee Concerned with housing. Combined, the committees address the following elements:

- * Identify existing resources in the community
- * Eliminate the duplication and develop seamless housing/homeless related services
- * Ensure leveraging of mainstream and private sector resources
- * Maximum development of community partnerships
- * Increase the capacity of community support services
- * Conduct annual Housing Summit in partnership with United Way, Metro Housing Partnerships and other community agencies involving consumers and agencies to identify developments, gaps and needs
- * Address barriers to affordable housing
- * Increase permanent supportive housing stock
- * Develop data base by planning and implementing the HMIS

The subcommittees meet on an as-needed basis to facilitate the ongoing Continuum of Care planning process to meet the stated objectives. Members of the subcommittee include: The Resource Center, University of Michigan, State of Michigan Family Independence Agency, CWAC, Metro Housing Partnership, United Way, Mott Community College, and Michigan State University Outreach and Engagement Partnerships. These groups are recognized in the community for their knowledge of community need, and strengthen the institutional structure.

5. Discharge Coordination Policy

The Continuum of Care faces the challenge of discharge of persons from publicly funded institutions or systems of care. The most common ones are release of prisoners from State prisons and individuals with mental and substance abuse release by health institutions. This population is discharged without a proper plan and the burden of assisting them falls with the agencies providing shelter or supportive services for homeless. This adds a tremendous amount of responsibility and stretching limited resources.

In order to address the concern that corrections institutions and systems of care do not disrupt services and dissipate resources available to address homelessness in our community, the Flint/Genesee County Continuum of Care has adopted the following practices:

- * The Continuum is making efforts in having the representatives of Corrections, the Sheriff's Department and health institutions (Hurley Medical Center, McLaren Regional Medical Center) participate in Continuum meetings.
- * The Continuum is working with the Committee Concerned with Housing and has formed a subcommittee to address this issue in accordance with the Governor of Michigan's taskforce initiative to address post correctional release of previously incarcerated individuals.

The Continuum will provide advice, guidance and membership to any committee, task force, or other body developing strategies relating to providing quality discharge planning by these respective institution and systems of care.

2007-08 Program Expenditures

Dollars to be allocated in addition to Continuum of Care funds include Emergency Shelter Grant funds. Funding is proposed for the following activities:

PLANNING/ADMINISTRATION	
City of Flint - Administration	<u>\$9,532.00</u>
TOTAL PLANNING/ADMINISTRATION	\$9,532.00
ESSENTIAL SERVICES	
REACH	\$33,829.00
YWCA	\$20,244.00
TOTAL ESSENTIAL SERVICES	\$54,073.00
HOMELESS PREVENTION	
GCCMH	\$21,643.00
Shelter of Flint	\$5,392.00
YWCA	\$5,392.00
Legal Services	<u>\$21,643.00</u>
TOTAL HOMELESS PREVENTION	\$54,073.00
OPERATIONS	
Catholic Charities	\$10,964.00
REACH	\$31,000.00
YWCA	<u>\$31,000.00</u>
TOTAL HOMELESS PREVENTION	\$72,964.00
TOTAL ESG USES	\$190,642.00

III COMMUNITY DEVELOPMENT

A. Priority Non-Housing Community Development Needs

1. Economic Development
 - a. Business development, business attraction, business retention
 - b. Educational, training, and technical assistance programs to increase living wage.
 - c. Support programs to increase economic self-sufficiency of low- and moderate-income population
2. Improve appearance of the City
 - a. Public Improvements
 - b. Demolition (emergency and as part of larger housing planning)

B. Basis for Assigning the Priority Given to Each Category of Priority Needs

The plan was developed through an open process of community input sessions, public hearings, and steering group meetings. Department of Community and Economic Development staff attended a variety of community meetings to discuss the Consolidated Plan and citizens' role in the preparation of the documents. Staff distributed surveys: information contained therein was compiled and analyzed in conjunction with demographic data and census information to help determine priorities for the City. Priorities for each category of priority needs were assigned based on citizen input, survey, steering group recommendations, and analysis of 2000 census and demographic data. Continuing housing and economic trends for the City were the primary factor in determining priorities for the City. The Steering Group felt that the City needs to be more specific in its priorities to eliminate the catchall nature of assigning priorities. The trends clearly indicated by census and demographic information over time are: continuing population decline; decreasing high-paid manufacturing jobs; continuing increase in poverty-level families relative to overall population in the City of Flint and especially Genesee County (resulting in increasingly apparent disparities between low- and moderate income households in the City of Flint v. households at and above median family income in Genesee County); increasingly older and more dilapidated housing stock; increasing number of rental households. Several survey respondents and steering group members identify that the City needs to focus its resources to reverse these trends. Rationales underlying the City's priorities are as follows:

- *City's population continues to decline
- *Increasing percentage of population is low- and moderate-income
- *Continued disinvestment of automaker - leading to continuing decrease in median income and increase in disparities between City and out-county
- *Increasingly older and dilapidated housing stock
- *City needs to diversify economy
- *City needs to support population efforts to increase living wage
- *City needs to be attractive for potential economic opportunities
- *City needs to assist the very lowest income population

These underlying themes form the basis for the priorities. In its 5-year Consolidated Plan, the City's goal is to focus attention on these priorities. While the City recognizes that other activities, projects, and priorities are important, resources are limited. The general consensus of the survey respondents, community participants, steering group members, public hearing speakers, and city staff is that the entitlement grants need to target specific priorities that ultimately positively and demonstrably impact the City.

C. Identity Obstacles to Meeting Underserved Needs

The primary obstacle to meeting underserved needs is the availability of resources. Funding from the Block Grant program for the City of Flint has decreased over the past several years. Targeting resources, leveraging funds, and measuring impact will become more and more important as resources continue to shrink. Some needs may not be met because of choices to fund one priority v. another.

D. Community Development Objectives and Community Development Block Grant Expenditures for 2007-08

The attached TABLE 1 contains a list of proposed CDBG expenditures for the 2007-08 program year as well as a brief description of each activity.

TABLE 1

ADMINISTRATION/PLANNING

City of Flint - Administration	\$682,960.00
Enterprise Community – EC/RC Strategic Management	<u>\$200,000.00</u>
TOTAL PLANNING/ADMINISTRATION	\$882,960.00

SECTION 108 LOAN REPAYMENT

Manhattan Place	<u>\$281,000.00</u>
TOTAL 108 REPAYMENT	\$281,000.00

ECONOMIC DEVELOPMENT

Vet Biz Central	<u>\$25,000.00</u>
TOTAL ECONOMIC DEVELOPMENT	\$25,000.00

HOUSING

Disability Network – Ramps & Accessibility	\$205,000.00
Flint NIPP - City-wide Emergency Repairs (includes up to \$150,000 in program income)	<u>\$750,000.00</u>
TOTAL HOUSING REHABILITATION	\$955,000.00

PUBLIC/FACILITY IMPROVEMENTS

City of Flint Development Division – Demo/Boarding	\$897,041.00
City of Flint for Smith Village Neighb. Improvements	\$300,000.00
City of Flint Sanitation – Neighborhood Cleanups	\$100,000.00
City of Flint Transportation – Sidewalks	\$200,000.00
City of Flint Parks – Weed/Trash Abatement	\$250,000.00
Catholic Charities – NESK Improvements	<u>\$11,800.00</u>
TOTAL PUBLIC/FACILITY IMPROVEMENTS	\$1,758,841.00

PUBLIC SERVICES – ECONOMIC DEVELOPMENT

Flint Area Enterprise Community – C.O.L.T.	\$45,000.00
St. Luke – N.E.W. Life Center	\$45,000.00
Flint Area Enterprise Community – EITC Marketing	\$40,000.00
Metro Housing Partnership – Housing Counseling	\$36,000.00
Community Recovery Services – Project Independence	\$35,000.00
New Paths – Employment Skills Enrichment Program	\$35,000.00

PUBLIC SERVICES - GENERAL	
Boys and Girls Club – Youth Recreation	\$27,500.00
City of Flint Human Relations – Fair Housing Specialist	\$80,000.00
City of Flint Law Dept. – Victim Advocacy	\$25,000.00
City of Flint Parks – Senior Centers	\$40,000.00
Genesee Co. Youth Corp. – REACH	\$45,000.00
Genesee Co. Youth Corp. – Traverse Place	\$40,000.00
Girl Scouts – Urban Outreach	\$20,000.00
Hurley Foundation – Violence/Trauma Intervention	\$25,000.00
Legal Services of E. MI – Fair Housing Center	\$22,500.00
St. Agnes Church – Food Pantry	\$10,000.00
Shelter of Flint – Program Staffing	\$45,000.00
YWCA of Greater Flint – Domestic Violence	\$46,000.00
TOTAL PUBLIC SERVICE	<u>\$662,000.00</u>
TOTAL CDBG USES	\$4,414,801.00

HOME Investment Partnership

PLANNING/ADMINISTRATION	
City of Flint – Administration	\$102,709.00
TOTAL PLANNING/ADMINISTRATION	<u>\$102,709.00</u>

CHDO OPERATING	
Flint NIPP	\$25,000.00
TOTAL CHDO OPERATING	<u>\$25,000.00</u>

REHABILITATION	
Flint NIPP – Full Code Rehab	\$300,000.00
Flint NIPP – Rental Rehab	\$200,000.00
Flint NIPP – Purchase/Rehab/Resale	\$399,385.00
TOTAL REHABILITATION	<u>\$900,000.00</u>
TOTAL HOME USES:	\$1,027,709.00