

Action Plan

Grantee: Pontiac, MI

Grant: B-08-MN-26-0009

| | |
|---------------------------------|-----------------------|
| LOCCS Authorized Amount: | \$ 3,526,585.62 |
| Grant Award Amount: | \$ 3,526,585.62 |
| Status: | Reviewed and Approved |
| Estimated PI/RL Funds: | \$ 0.00 |
| Total Budget: | \$ 3,526,585.62 |

Funding Sources

No Funding Sources Found

Narratives

Areas of Greatest Need:

Based on the 2000 Census Data, the City of Pontiac has over 63% households which qualify under 80% or below of Area Median Income. The City has consistently had a much higher rate of unemployment than surrounding communities and a lower housing value. Pontiac currently has an unemployment rate of 20.5% while the surrounding communities in Oakland County have an unemployment rate of 8%. Based on the data provided by HUD, Pontiac has a higher unemployment than either Detroit (17.7%) or Flint (17%) In 2000, the median household income in Pontiac was \$31,207 while the State of Michigan's per capita income was \$44,467 and Oakland County's was \$61,907. At \$15,842, the per capita income is 48% of the per capita income of Oakland County. Using data from the Mortgage Bankers Association National Delinquency Survey as of June 2008, HUD has calculated the approximate number of foreclosure starts for all of 2007 and the first six months of 2008. In Pontiac, this number is estimated at 1,616 giving Pontiac a foreclosure rate of 12.6%. This rate is third in Michigan only behind Detroit and Flint. In reviewing the foreclosure and abandonment risk score, of which 1 is the lowest and 10 is the highest, there are six Block Groups in the City that have a risk score of 9. These are clustered on the north side of the City in Census Tracts 1410, 1411 and 1412 and one other Census Tract 1419 which is located on the west side of the City. The remaining 63 Block Groups in the City have a risk score of 10, the highest and these cover the entire community. In addition, over 50% of persons who have a mortgage have what is considered to be a high cost, high risk sub prime mortgage. This represents over 3,200 potential foreclosures due to the nature of these mortgages. In addition, there are over 2,100 vacant housing units currently in the City and these are also located throughout the City. The average vacancy rate in the City is 8.6% with several Census Tracts having vacancy rates over 19%. Due to the economic conditions in the City and the large number of foreclosures (over 1,600 in 18 months), the City has a large number of vacant, foreclosed upon properties in the City. While many of these homes are standard homes that can be rehabilitated up to current code, there are approximately 150 foreclosed homes that need to be demolished based on current conditions. The City, through its regular CDBG program, has focused a portion of our funding toward the demolition of condemned, blighting single family homes. Currently, the City has a list of approximately 600 homes that are in some part of the Substandard Process. With the large number of foreclosures in our community, the City has seen an increase in the number of properties that go through the City's Substandard Housing that are bank-owned foreclosed upon properties. As the inventories of the banks increase, the properties in Pontiac are not being maintained properly and the houses are not being secured against trespass. As properties sit vacant in the City, the houses are broken in to and the salvageable materials are removed. This sometimes includes the doors and the windows as well as the furnace, hot water heaters, the plumbing, wiring and fixtures. The houses are then left completely open to the elements and fast become an attractive nuisance and a threat to health and safety. The use of these NSP funds will also help the City to start to build back its tax base which has severely eroded by dropping home values (-13.3% since 2000), tax foreclosures and loss of housing stock to abandonment and demolition. In an article from the Oakland Press dated November 20, 2008, it stated that the property values in Pontiac had declined even further, 20.11 % during the previous year (October 1, 2007 through September 20, 2008). This information was from a study of sales through the Oakland County Equalization Department.



Distribution and Uses of Funds:

The City is proposing to address the issue of vacant, blighting foreclosed upon properties in the City of Pontiac with the following activities: 1. Demolition of blighting vacant foreclosed upon homes: The City will target approximately 50 or more blighting vacant foreclosed upon structures. The properties must be designated and documented as blighting through the City's Substandard process. The properties must be bank owned properties at the time of demolition. Priority will be given to those properties that are located within the seven designated Target Areas of the Cities of Promise. 2. Redevelopment of Abandoned or Vacant Property: The City Council will allocate \$400,000 for the construction of at least eight new single family homes that will be constructed to Michigan Green Build or LEED Certification. The City will bid out the construction of the new homes to eligible companies to construct these homes using the funds as a subsidy to make the homes more affordable to persons at 50% or below of area median income. The City will partner with a contractor with green building experience to construct at least two single family homes that meet Michigan Green Build or LEED Certification while providing job training opportunities. The City will partner with our local job training agency to provide individuals interested in learning green building skills and technology. The two single family homes will be constructed on vacant, city-owned land and after completion, the homes will be used as rental properties for two households at 50% or below of area median income. If the households are interested and able, the City will work with them on a lease purchase program to eventually acquire the homes. 3. Acquisition/Rehab and Resale for Affordable Housing: The City will purchase vacant, foreclosed upon bank-owned properties at a discount (5 to 15%) of appraised value (required by regulations). The City will complete a team inspection and energy audit on each home and make necessary repairs to bring up to code and improve energy efficiency. The homes will then be made available for sale to income eligible households up to 120% of Area Median Income for the amount of NSP assistance invested in the home (required by regulations). 4. Downpayment and Rehab Assistance: The City will provide up to \$20,000 in downpayment assistance to eligible homebuyers up to 120% of Area Median Income. Potential homebuyers will find a home to purchase. The home must be foreclosed upon, bank owned and vacant. The City will complete an appraisal (required), a team inspection and energy audit on the home. The funds can be used for any combination of downpayment (mortgage buy down), reasonable closing costs and rehabilitation costs. Assistance will be provided in the form of a soft second, deferred loan in the amount of NSP assistance. The loan will be a no interest deferred loan payable at the time that the home is sold or title is transferred. Overall the proposed activities would assist a minimum of 69 households with new housing opportunities. This includes both rental and homeownership opportunities. The program will focus on bringing these housing units up to current building codes and to Energy Star standards to promote long term affordability and sustainability to help stabilize our neighborhoods. Any program income generated by homeowner activities will be reinvested back to the same activity generating the program income allowing the City to complete additional homeownership units. Program income may generate an additional 16 units of homeownership on the first generation of these funds. The program will also allow the demolition of an additional 50 or more substandard, blighting, vacant, bank owned properties in our communities with the added possibility of matching funds from the Cities of Promise Blight Elimination Grant which could address another 15 properties for demolition.

Definitions and Descriptions:

A blighted property is a blighted/abandoned/uninhabitable property that meets any of the following criteria:

Declared a public nuisance in accordance with local housing, building, plumbing, fire or other related code or ordinance.

Attractive nuisance because of the physical condition or use.

Fire hazard or is otherwise dangerous to the safety of persons or property.

Has had utilities, plumbing, heating, or sewerage disconnected, destroyed, removed or rendered ineffective for a period of 1 year or more so that the property is unfit for its intended use.

The City will use the HOME definition of "affordable rents" at 24 CFR 92.252(a), (c) and (f). For those families at 66 to 120% of area median income, the City will use the recently issued final FY2009 (updated as needed) Fair Market Rents for the Detroit-Warren-Livonia, MI HUD Metro FMR Area of which included the City of Pontiac (24 CFR 92.252 (a)1). For those families at 65% or below of area median income, the City will target rents that do not exceed 30% of the income eligible household's adjusted income to insure affordability.

Low Income Targeting:

The City of Pontiac is allocating \$1,037,201 or 29% of the total NSP allocation to housing will benefits persons at 50 percent or below of area median income. The City will allocate \$400,000 to Habitat for Humanity of Oakland for the redevelopment of seven vacant lots for the development of six single family homes. Upon completion, the homes will be sold to families with incomes at 50 percent or below area median income. The new homes will meet Michigan Green Build or LEED Certification to ensure the long term affordability of the homes. The City is also working with a nonprofit housing developer for the development of an additional six rental units for families at 50 percent or below of area median income. The nonprofit will purchase tax foreclosed properties and rehabilitate them to current City of Pontiac Code. The developer will make energy efficient upgrades to the units as part of the rehabilitation. This contract amount is \$637,200.

Acquisition and Relocation:

As part of the Neighborhood Stabilization Program, the City of Pontiac will only acquire vacant, foreclosed and abandoned properties. The City will not purchase any occupied properties or cause any persons or families to be relocated from their housing. As part of the demolition program, all structures that go through the Substandard process or that are condemned are required to be vacant. No one can legally reside in a condemned housing unit. None of the houses targeted for demolition would qualify as standard housing and would have been vacant for over 180 days. Based on the locations of the houses and the assessed value of the properties, The City is estimating that approximately 60% or higher of the units being demolished would be considered to low-mod housing.



Public Comment:

As part of the City's Citizen Participation Plan, the Federal Programs Division consults with members of the Coordinating Council on all matters which pertain to the Federal Programs. The Coordinating Council is a 28-member body consisting of four (4) citizens from each of the seven (7) Citizen District Councils. At the October 20, 2008 meeting of the Coordinating Council, staff provided an overview of the Neighborhood Stabilization Program to those members in attendance. Staff went through the funding announcement and eligible NSP uses. Staff asked that each of the members take back an overview of the program to the members of their Citizens District Council to prepare the citizens for the development of the plan.

Staff also made a special presentation to the Pontiac City Council on Thursday, October 30, 2008. this presentation was made as part of the regular City Council meeting which is televised on the City's public access cable channel. Staff met again on Thursday, November 6, 2008 as part of the City Council's Community Development Subcommittee to discuss the proposed activities of the NSP program. The meeting was also televised on the City's cable access channel. Staff continued to meet with the Pontiac City Council in the preparation of this plan. Information was also provided on the City's website www.pontiac.mi.us The City also opened a 15-day public comment period on the draft of the plan after a public hearing on the proposed substantial amendment. During the public comment period, the City received 15 written comments. 14 of the letters supported providing Habitat for Humanity of Oakland County with funding to create additional affordable housing opportunities. One comment was from a family that wanted the City to identify specific target areas because they wanted the City to purchase their foreclosed home. Copies of the comments were provided to HUD.

Project Summary

| Project # | Project Title | Grantee Activity # | Activity Title |
|-----------|------------------------------------|--------------------|--------------------------------------|
| 77N05 | Construction of New Housing | 77M05 | Redevelopment of New Housing |
| 77N16 | NSP Administration | 77M16 | NSP Program Administration |
| 77N17 | Acquisition/Rehab 25% Set Aside | 77M17 | Acquisition/Rehabilitation - 50% AMI |
| 77N18 | Acquisition/Rehab/Resale LMMI | 77M18 | Acquisition/Rehabilitation - LMMI |
| 77N19 | Downpayment Assistance | | <i>No activities in this project</i> |
| 77N31 | Demolition of Blighting Structures | 77M31 | Demolition of Blighted Structures |
| 9999 | Restricted Balance | | <i>No activities in this project</i> |
| BCKT | Bucket Project | 77N05 | 77N05 |
| | | 77n16 | 77n16 |
| | | 77N17 | 77N17 |
| | | 77N18 | 77N18 |
| | | 77N19 | 77N19 |
| | | 77N31 | 77N31 |



Activities

Project # / Title: 77N05 / Construction of New Housing

Grantee Activity Number: 77M05
Activity Title: Redevelopment of New Housing

Activity Type:

Construction of new housing

Project Number:

77N05

Projected Start Date:

04/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Completed

Project Title:

Construction of New Housing

Projected End Date:

08/01/2010

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 400,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 400,000.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Owner Households

| | Total | Low | Mod | Low/Mod% |
|--------------------|-------|-----|-----|----------|
| # Owner Households | 6 | 6 | | 100.00 |
| # of Households | 6 | 6 | | 100.00 |

Proposed Accomplishments

of Singlefamily Units

of Housing Units

ELI Households (0-30% AMI)

#Units & other green

#Sites re-used

#Units exceeding Energy Star

#Low flow showerheads

#Low flow toilets

Total

6

6

6

6

6

6

6



Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

City of Pontiac Federal Programs Division
47450 Woodward Avenue, Pontiac, MI 48342

Proposed budgets for organizations carrying out Activity:

| Responsible Organization | Organization Type | Proposed Budget |
|---|-------------------|-----------------|
| City of Pontiac Federal Programs Division | Unknown | \$ 400,000.00 |

Location Description:

The project will be located on vacant, City Owned properties in Census Tracts 1416, 1417, 1421, 1422, 1424 and 1425. These are areas of the City have the greatest concentration of vacant lots and currently targeted for revitalization activities.

Activity Description:

The City has contracted with Habitat for Humanity as a developer to construct six (6) single family, Michigan Green Build homes. Upon completion, the homes will be sold to households at 50% or below of AMI.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Project # / Title: 77N16 / NSP Administration

Grantee Activity Number: 77M16
Activity Title: NSP Program Administration

Activity Type:

Administration

Project Number:

77N16

Projected Start Date:

02/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Activity Status:

Completed

Project Title:

NSP Administration

Projected End Date:

09/01/2010

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:



Not Blocked

National Objective:

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

Total Budget: \$ 338,783.82

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 338,783.82

Benefit Report Type:

NA

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

City of Pontiac Federal Programs Division
47450 Woodward Avenue, Pontiac, MI 48342
248-758-3780 - Patricia Lile, Block Grant Administrator

Proposed budgets for organizations carrying out Activity:

| Responsible Organization | Organization Type | Proposed Budget |
|---|-------------------|-----------------|
| City of Pontiac Federal Programs Division | Unknown | \$ 354,200.20 |

Location Description:

The NSP program will be administered out of the office of the Federal Programs Division of the City of Pontiac. The city offices are located at 47450 Woodward Avenue, Pontiac, MI 48342.

Activity Description:

This the general administration of the NSP program for the City of Pontiac utilizing the 10% of the NSP grant allocation. The funds will be used to administer and carry out the activities of the NSP program.

Environmental Assessment:

Environmental Reviews: None

Project # / Title: 77N17 / Acquisition/Rehab 25% Set Aside

Grantee Activity Number: 77M17

Activity Title: Acquisition/Rehabilitation - 50% AMI



Activity Type:

Acquisition - general

Project Number:

77N17

Projected Start Date:

04/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Completed

Project Title:

Acquisition/Rehab 25% Set Aside

Projected End Date:

08/01/2011

Project Draw Block Date by HUD:**Activity Draw Block Date by HUD:****Total Budget:** \$ 637,200.52**Most Impacted and Distressed Budget:** \$ 0.00**Other Funds:** \$ 0.00**Total Funds:** \$ 637,200.52**Benefit Report Type:**

Direct (Households)

Proposed Beneficiaries

Renter Households

of Households

| | Total | Low | Mod | Low/Mod% |
|---------------------|-------|-----|-----|----------|
| # Renter Households | 6 | 4 | 2 | 100.00 |
| # of Households | 6 | 4 | 2 | 100.00 |

Proposed Accomplishments

of Singlefamily Units

of Housing Units

of Parcels acquired voluntarily

of Properties

Total

6

6

6

6

Activity is being carried out by Grantee:

No

Activity is being carried out through:**Organization carrying out Activity:**City of Pontiac Federal Programs Division
47450 Woodward Avenue
Pontiac, MI 48342**Proposed budgets for organizations carrying out Activity:****Responsible Organization**

City of Pontiac Federal Programs Division

Organization Type

Unknown

Proposed Budget

\$ 637,200.52



Location Description:

The City will focus on those areas of the City where Revitalization is not currently underway. These are the neighborhoods that previously had higher assessed values and had higher concentrations of homeownership. These areas included Census Tracts 1410, BG2; CT1411; CT1413; CT1414 exc. BG1; CT1415; CT1416 exc. BG4; CT1417; CT1418; CT1419; CT 1420; CT1421; CT1425; CT1426 and CT1427.

Activity Description:

The City will contract out services to acquire vacant, foreclosed properties in these neighborhoods. The homes will be brought up to code and made Energy Star compliant to insure long term affordability. The homes will then to made available for sale or rent to families with incomes up to 50% of AMI.
Two with incomes up to 120%.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Project # / Title: 77N18 / Acquisition/Rehab/Resale LMMI

Grantee Activity Number: 77M18
Activity Title: Acquisition/Rehabilitation - LMMI

Activity Type:

Acquisition - general

Project Number:

77N18

Projected Start Date:

04/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:

Completed

Project Title:

Acquisition/Rehab/Resale LMMI

Projected End Date:

08/01/2010

Project Draw Block Date by HUD:**Activity Draw Block Date by HUD:**

Total Budget: \$ 1,380,601.28

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 1,380,601.28

Benefit Report Type:

Direct (Households)

| Proposed Beneficiaries | Total | Low | Mod | Low/Mod% |
|-------------------------------|--------------|------------|------------|-----------------|
| # Owner Households | 13 | | | 0.00 |
| # of Households | 13 | | | 0.00 |

| Proposed Accomplishments | Total |
|--|--------------|
| # of Singlefamily Units | 13 |
| # of Housing Units | 13 |
| # of Parcels acquired voluntarily | 13 |
| # of Properties | 13 |

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

City of Pontiac Federal Programs Division
47450 Woodward Avenue, Pontiac, MI 48342

Proposed budgets for organizations carrying out Activity:

| Responsible Organization | Organization Type | Proposed Budget |
|---|--------------------------|------------------------|
| City of Pontiac Federal Programs Division | Unknown | \$ 1,380,601.28 |

Location Description:

The City will purchase vacant, foreclosed properties in the more stable neighborhoods of the City. These areas traditionally had higher assessed values and higher rates of homeownership. The funds will be used to stabilize these areas. These areas include CT1410, BG2; CT1411, CT 1413; CT1414 exc. BG1; CT1415; CT1416 exc. BG4; CT1417; CT1418; CT1419; CT1420; CT1421; CT1425; CT1426 and CT1427.

Activity Description:

The City will purchase vacant, foreclosed properties for resale to families with incomes up to 120% of AMI. The City will contract with an organization to oversee the acquisition, the rehabilitation which includes bringing the home up to code and making the home Energy Star compliant, and marketing and selling the homes.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Project # / Title: 77N31 / Demolition of Blighting Structures



Grantee Activity Number: 77M31
Activity Title: Demolition of Blighted Structures

Activity Type:

Clearance and Demolition

Project Number:

77N31

Projected Start Date:

04/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:

Completed

Project Title:

Demolition of Blighting Structures

Projected End Date:

08/01/2011

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 770,000.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 770,000.00

Benefit Report Type:

Area Benefit (Census)

Proposed Beneficiaries

of Persons

Total

43174

Low

20032

Mod

9107

Low/Mod%

67.49

Proposed Accomplishments

of Housing Units

Total

66

of Properties

66

| | |
|--------------|-------|
| LMI%: | 67.49 |
|--------------|-------|

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

City of Pontiac Federal Programs Division
 47450 Woodward Avenue, Pontiac, MI 48342

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Pontiac Federal Programs Division

Organization Type

Unknown

Proposed Budget

\$ 770,000.00

Location Description:

The City will demolish vacant, blighting foreclosed upon properties that are located within nine (9) locally



designated target areas. These target areas are in NSP eligible areas of the City (greater than 51% of LMMI). These areas include all of or portions of the following Census Tracts: 1416, 1417, 1421, 1422, 1424, 1425 and 1427.

Activity Description:

The City will demolish approximately 50 or more blighting or condemned vacant, foreclosed upon properties in NSP eligible areas of the City. These homes will be vacant, foreclosed upon properties that have been determined by the City's Substandard Housing process to be dangerous and blighting to the community. The City will target those properties considered to no longer be economically feasible to rehabilitate into standard housing.

Environmental Assessment: COMPLETED

Environmental Reviews: None

Project # / Title: BCKT / Bucket Project

Grantee Activity Number: 77N05
Activity Title: 77N05

Activity Type:

Construction of new housing

Project Number:

BCKT

Projected Start Date:

02/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Cancelled

Project Title:

Bucket Project

Projected End Date:

08/01/2010

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 0.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 0.00

Benefit Report Type:

Direct (Households)

| | | | | |
|-------------------------------|--------------|------------|------------|-----------------|
| Proposed Beneficiaries | Total | Low | Mod | Low/Mod% |
|-------------------------------|--------------|------------|------------|-----------------|



| | | | |
|-----------------|----|----|--------|
| # of Households | 10 | 10 | 100.00 |
|-----------------|----|----|--------|

Proposed Accomplishments

Total

of Housing Units

10

ELI Households (0-30% AMI)

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

City of Pontiac Federal Programs Division
47450 Woodward Avenue, Pontiac, MI 48342

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Pontiac Federal Programs Division

Organization Type

Unknown

Proposed Budget

\$ 0.00

Location Description:

The City of Pontiac will up to ten vacant lots for the construction of up to ten new single family homes. The City will prioritize the construction of these single family homes in the identified target areas of the Cities of Promise program and the targeted neighborhoods of the HOME program to build on existing new development created by our nonprofit housing organizations.

Activity Description:

The City of Pontiac will up to ten vacants for the construction of up to ten new single family homes. The City will work with a community partner to construct two single family, energy efficient homes that will be used for job training purposes. The City has set aside \$250,000 for this activity where by the City will be working with our workforce development to identify individuals to receive job training on energy efficient/LEED Certified/or Michigan Green Build construction techniques. Upon completion, these homes will be marketed to households at 50% or below of area median income. The City target the remaining \$400,000 toward the construction of eight additional energy efficient homes. The City will bid out the project and use the NSP funds to buy the cost of the new homes so that they are affordable to households at 50% or below of area median income

Environmental Assessment:

Environmental Reviews: None



Grantee Activity Number: 77n16
Activity Title: 77n16

Activity Type:

Administration

Project Number:

BCKT

Projected Start Date:

02/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

Not Applicable - (for Planning/Administration or Unprogrammed Funds only)

Activity Status:

Planned

Project Title:

Bucket Project

Projected End Date:

07/31/2010

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 0.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 0.00

Benefit Report Type:

NA

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

City of Pontiac Federal Programs Division
 47450 Woodward Avenue, Pontiac, MI 48342
 248-758-3780 - Patricia Lile, Block Grant Administrator

Proposed budgets for organizations carrying out Activity:

| Responsible Organization | Organization Type | Proposed Budget |
|---|-------------------|-----------------|
| City of Pontiac Federal Programs Division | Unknown | \$ 0.00 |

Location Description:

The Neighborhood Stabilization Program will be administered out of the Federal Programs Division Office located at Pontiac City Hall, 47450 Woodward Avenue, Pontiac, MI 48342.

Activity Description:

The City will use the allowable 10% of the grant funds for the administration and oversight of the Neighborhood Stabilization Program. The funds will be used to pay salaries, fringes, supplies and other standard operating



expenses for the Neighborhood Stabilization Program activities.

Environmental Assessment:

Environmental Reviews: None



Grantee Activity Number: 77N17
Activity Title: 77N17

Activity Type:

Acquisition - general

Project Number:

BCKT

Projected Start Date:

02/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Activity Status:

Planned

Project Title:

Bucket Project

Projected End Date:

08/01/2010

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 0.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 0.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

of Households

| Total | Low | Mod | Low/Mod% |
|-------|-----|-----|----------|
| 7 | 7 | | 100.00 |

Proposed Accomplishments

of Housing Units

Total

7

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

City of Pontiac Federal Programs Division
 47450 Woodward Avenue
 Pontiac, MI 48342

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Pontiac Federal Programs Division

Organization Type

Unknown

Proposed Budget

\$ 0.00

Location Description:

The City will acquire seven vacant homes that will be rehabilitated and sold to eligible households with incomes at 50% or below of area median income. The City has not identified specific locations of properties at this time but



there vacant, foreclosed upon homes located throughout the community. With the exception of five block groups which have a foreclosure risk score of 9, the remainder of the City has been designated with a foreclosure risk score of 10.

Activity Description:

The City will acquire vacant, foreclosed upon bank owned properties at a negotiated discount and the City will rehabilitate these homes bringing them back up to code and completing energy efficient upgrades on the homes. Upon completion of the rehabilitation, the homes will first be offered for sale to persons at 50% or below of AMI. If the City identifies a family that is interested in purchasing the home but can do so based on current credit issues, the City will work with them including providing a lease purchase option to make them credit worthy to purchase the home. If the home cannot be sold the homes will be rented to families at 50% or below of AMI at an affordable rent.

Environmental Assessment:

Environmental Reviews: None



Grantee Activity Number: 77N18
Activity Title: 77N18

Activity Type:

Acquisition - general

Project Number:

BCKT

Projected Start Date:

02/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:

Planned

Project Title:

Bucket Project

Projected End Date:

08/01/2010

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 0.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 0.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

of Households

| Total | Low | Mod | Low/Mod% |
|-------|-----|-----|----------|
| 50 | 15 | 20 | 70.00 |

Proposed Accomplishments

of Housing Units

Total

50

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

City of Pontiac Federal Programs Division
 47450 Woodward Avenue
 Pontiac, MI 48342

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Pontiac Federal Programs Division

Organization Type

Unknown

Proposed Budget

\$ 0.00

Location Description:

The City will acquire vacant, foreclosed upon bank owned properties located throughout the City. The City will give priority to those properties located in the targeted areas identified through the Cities of Promise program and



through the neighborhood revitalization areas of the HOME program. The City will only acquire properties that are economically feasible to rehabilitate into standard housing at an affordable rate. The City will work with Federal Agencies to identify their housing inventory in the City and work to purchase homes at a deep discount. These homes are located throughout the community.

Activity Description:

The City will acquire vacant, foreclosed upon bank-owned housing units in the City. The City will rehabilitate these units up to current code with an emphasis on bringing the homes into compliance with Energy Star standards to make them more energy efficient. Upon completion, the housing will be sold to income eligible homebuyer households with incomes up to 120% of AMI. If the home cannot be sold, the property will be rented to income eligible households at an affordable rent for their household type. The City will work with individual families to provide a lease/purchase option for those families who can prepare themselves for homeownership within a 36 month or less time frame.

Environmental Assessment:

Environmental Reviews: None



Grantee Activity Number: 77N19
Activity Title: 77N19

Activity Type:

Homeownership Assistance to low- and moderate-income

Project Number:

BCKT

Projected Start Date:

02/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:

Planned

Project Title:

Bucket Project

Projected End Date:

06/30/2010

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 0.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 0.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

Owner Households

| Total | Low | Mod | Low/Mod% |
|-------|-----|-----|----------|
| 20 | 5 | 15 | 100.00 |
| 20 | 5 | 15 | 100.00 |

of Households

Proposed Accomplishments

of Housing Units

Total

20

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

City of Pontiac Federal Programs Division
 47450 Woodward Avenue
 Pontiac, MI 48342

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Pontiac Federal Programs Division

Organization Type

Unknown

Proposed Budget

\$ 0.00

Location Description:



The program will be operated out of the Federal Programs Division Office located at 47450 Woodward Avenue, Pontiac. This program is a homebuyer drive activity so the program participants will choose their own homes to acquire. The homes can be located throughout the entire community.

Activity Description:

The City of Pontiac will up to \$20,000 in downpayment assistance, reasonable closing costs and housing rehabilitation to income-eligible, homebuyer households who purchase a vacant, foreclosed upon home in the City of Pontiac. The homebuyer must apply to the City prior to the purchase of the home and must negotiate a discounted purchase price from the owner. The homebuyer must be able to obtain a conventional first mortgage and the NSP funds will fund the gap to make the homes more affordable. The City will assist at a minimum, 20 households under this program.

Environmental Assessment:

Environmental Reviews: None



Grantee Activity Number: 77N31
Activity Title: 77N31

Activity Type:

Clearance and Demolition

Project Number:

BCKT

Projected Start Date:

02/01/2009

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Activity Status:

Planned

Project Title:

Bucket Project

Projected End Date:

08/01/2010

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 0.00

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 0.00

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

of Households

| Total | Low | Mod | Low/Mod% |
|-------|-----|-----|----------|
| 50 | 22 | 17 | 78.00 |

Proposed Accomplishments

of Housing Units

Total

50

of Non-business Organizations benefitting

of Businesses

of public facilities

of buildings (non-residential)

of Properties

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

City of Pontiac Federal Programs Division and Building and Safety Engineering Division, 47450 Woodward Avenue, Pontiac, MI 48342

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Pontiac Federal Programs Division and Building and Safety Engineering

Organization Type

Unknown

Proposed Budget

\$ 0.00



Location Description:

The City will prioritize the demolition of blighting, substandard, vacant foreclosed upon properties located within the City designated Cities of Promise Targeted Areas. These locally designated areas have a high percentage of abandoned, condemned homes and include all of or portions of the following Census Tracts: 1416, 1417, 1421, 1422, 1424, 1425, and 1427. Although these areas are targeted, the City will demolish structures throughout the City in NSP eligible areas of the City (block groups with greater than 51% of households at 120% or below).

Activity Description:

The City will demolish approximately 50 or more blighting condemned structures located in NSP eligible areas of the City. These homes will be vacant, foreclosed upon bank owned properties that have been determined by the City's Substandard Housing Process to be dangerous and blighting to the community. The City will target those properties considered to no longer be economically feasible to rehabilitate into standard housing.

Environmental Assessment:

Environmental Reviews: None

Action Plan Comments:

- Reviewer - Reviewed for modifications - \$200,000 transferred from Homebuyer Assistance to Acquisition Rehabilitation and Resale; homeowner subsidies will be gleaned from purchase discounts. kjph 9/14/2010

- Reviewer - Approved. kjph 7/20/2012

- Reviewer - Grantee made cosmetic modifications. 8/8/2012 kjph

- Reviewer - Reviewer: M.A. Momon - Grantee accidentally opened file. No changes were made. Action Plan approved. MAM 4/25/2013

Action Plan History

| Version | Date |
|----------------------|-------------|
| B-08-MN-26-0009 AP#1 | 07/06/2010 |
| B-08-MN-26-0009 AP#2 | 02/09/2011 |
| B-08-MN-26-0009 AP#3 | 07/20/2012 |
| B-08-MN-26-0009 AP#4 | 08/08/2012 |



B-08-MN-26-0009 AP#5

04/25/2013

B-08-MN-26-0009 AP#6

11/05/2014

B-08-MN-26-0009 AP#7

08/08/2018

