

# Action Plan

**Grantee:** Flint, MI

**Grant:** B-11-MN-26-0005

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**LOCCS Authorized Amount:** \$ 3,076,522.00  
**Grant Award Amount:** \$ 3,076,522.00  
**Status:** Reviewed and Approved

**Estimated PI/RL Funds:**

**Total Budget:** \$ 3,076,522.00

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## Funding Sources

**No Funding Sources Found**

## Narratives

### Summary of Distribution and Uses of NSP Funds:

NSP3 funds are proposed for the following uses:

Demolition - \$1,959,739 (63%)

Foreclosed and abandoned properties are creating a blighting influence on surrounding properties with a destabilizing impact on many neighborhoods in the City of Flint. NSP3 funding will support the completion of major demolition in the selected target areas. The City proposes to demolish approximately 250 units. The City has received a waiver from HUD to exceed the demolition cap and use 65% of its funds for demolition.

Demolition for Redevelopment - \$40,000 (2%)

Oak School is a currently unoccupied two-story historic school building. The building will be redeveloped as Oak Street Senior Apartments, a 24-unit low-income senior housing development.

The City intends to abate and demolish the gymnasium portion of the building. Other funds will be used to preserve the historic exterior features of the classroom building and convert the 12 classrooms to 24 one-bedroom senior apartments.

Redevelopment (to meet 25% Set-Aside) - \$769,131 (25%)

The City intends to acquire demolished or vacant units and construct approximately 17 housing units in census tract 14. 15 of these units will be made available to households at or below 50% AMI.

Administration - \$307,652 (10%)

Administration funds are used for oversight and management of the NSP3 program, including administration of related systems, preparation of required reports, and monitoring and evaluation of program components, contractors and subrecipients.

### How Fund Use Addresses Market Conditions:

Determining the areas of greatest need was based on a review of historical and current projects where funds could be leveraged to complete or make a significant impact in an area. Consideration was also given to the manner in which the project would benefit the community and any partnerships that would further its development. Project criteria included direct benefit to the specific area and overall benefit to the larger community. Projects that were determined to combat blight and stabilize a neighborhood were selected. The data sources referenced above were then utilized to substantiate the need in these areas. The Areas of Greatest Need maps were created by drawing the exact location of the target neighborhoods. Data was returned, for the area, that calculated the number of housing units, Neighborhood NSP3 Score, and State Minimum threshold NSP3 score for the area drawn. The HUD Neighborhood Scores were the first element examined. Pursuant to HUD guidance, the neighborhood or neighborhoods identified as the areas of greatest need must have an individual score that is not less than the lesser of seventeen (17) or the twentieth percentile most needy score in the state.



Selected projects had neighborhood scores of 19.78 and 19 respectively. Foreclosure estimates were identified and analyzed along with neighborhood characteristics. The percent of persons by AMI was used to examine potential income eligibility and area benefit. Unemployment statistics helped to understand the reasons contributing to the foreclosure and delinquency information for the neighborhood. Information on the number of "high cost" mortgages suggested the likelihood of subprime and/or predatory practices in the area. Vacancy estimates, provided by the USPS, were utilized to project the number of demolitions, rehabilitations and new construction needed to improve, complete or stabilize the selected geographic area. These numbers were calculated using total addresses in the area to determine the percentage or significance of the potential impact. Finally, the size of the area was factored in so that the chosen areas would be small enough to have a visible and immediate improvement.

### **Ensuring Continued Affordability:**

"Continued affordability" or "long-term affordability" for both rental and homeowner households is established through the use of the maximum of thirty percent (30%) of income for housing costs and made a part of all agreements for a minimum of five (5) years and with a maximum of twenty (20) years. All agreements contain covenants which ensure continued affordability. These covenants are currently used by the City of Flint in the administration of the HOME program. Because the 17 NSP3-invested units all had over \$45,000 of NSP3 funds per the HUD-approved allocation plan (technical assistance from TDA), all 17 houses have a 15 year period of affordability.

### **Definition of Blighted Structure:**

This program component defines "blighted structure" in accordance with Michigan Law under P. A. 27 of 2002. A blighted structure is a property that meets any one of the following criteria:

- ,
- ,
- Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire or other related code or ordinance.
- ,
- Is an attractive nuisance because of physical condition or use.
- ,
- Is a fire hazard or otherwise dangerous to the safety of people or property.
- ,
- Has the utilities, heating, plumbing or sewage disconnected, destroyed, removed or rendered ineffective for at least one year so that the property is unfit for its intended use.
- ,
- Is improved real property that has remained vacant for five (5) consecutive years and is not maintained in accordance with applicable local housing or property maintenance codes or ordinances.
- ,
- Has code violations that pose an immediate and severe health or safety threat and has not been substantially rehabilitated within one (1) year after the receipt of notice to rehabilitate from the appropriate code enforcement agency or final determination of any appeal, whichever is later.
- ,
- Is tax reverted property owned by a municipality, a county or the State.
- ,
- Is owned or under the control of a Land Bank fast track authority under the Land Bank FastTrack Act.
- ,

### **Definition of Affordable Rents:**

This program component defines "affordable rents" in accordance with HOME regulations set forth at 24 CFR 92.252.

### **Housing Rehabilitation/New Construction Standards:**

The City of Flint has adopted the 2015 International Property Maintenance Code (IPMC) through ordinance and also utilizes the most current Housing Quality Standards (HQS) in carrying out its housing programs. The 2015 IPMC is available in the City's Building Inspections Division. These requirements are included in the policies and procedures of the department, as well as in contract language. Energy Star Standards are contained in the body of contracts/agreements that are let to sub-recipients, developers and contractors.

### **Vicinity Hiring:**

The local workforce development agency (Career Alliance) and the local community college (Mott Community College) have designed a program that provides certification, education and support for individuals and businesses seeking Section 3 designation. The City currently has a policy that requires contractors to adhere to HUD's Section 3 hiring standards and requirements for individuals and businesses. This policy is articulated, through a clause, contained in the contract language, used by the City. As has been the requirement for NSP1 and NSP2, the policy will continue to be used and will be amended to include "vicinity hiring to the maximum extent possible". The City will modify the current forms and procedures used to gather information for residents interested in Section 3 certification, to include a process for preference based on the vicinity proximity to the NSP3 project. This requirement will be passed along to all contractors and sub-contractors working on projects funded by the City. Adherence to this policy by contractors and sub-recipients will be monitored by designated City of Flint staff.



## Procedures for Preferences for Affordable Rental Dev.:

The project is designed for homeownership which may be achieved through the use of a “purchase money mortgage”, lease-purchase” or “lender-driven financing”. Homes will be marketed to all income-qualified residents of the Flint community. If no income-qualified buyers can be identified, in accordance with HOME regulations at 24 CFR 92.252 units will be made available as rental properties.

### Grantee Contact Information:

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## Project Summary

Project #	Project Title	Grantee Activity #	Activity Title	Grantee Program
9999	Restricted Balance		<i>No activities in this project</i>	
NSP3-01	Demolition	NSP3 1-1	Demolition	
NSP3-02	Redevelopment	NSP3 2-1	Redevelopment	
NSP3-03	Administration	NSP3 3-1	Administration	
NSP3-04	Redevelopment	NSP3 4-1	Demolition of Oak School for Redevelopment	



# Activities

**Project # / NSP3-01 / Demolition**

**Grantee Activity Number:** NSP3 1-1  
**Activity Title:** Demolition

**Activity Type:**  
 Clearance and Demolition

**Project Number:**  
 NSP3-01

**Projected Start Date:**  
 11/01/2012

**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

**Benefit Report Type:**  
 Area Benefit (Census)

**Activity Status:**  
 Under Way

**Project Title:**  
 Demolition

**Projected End Date:**  
 03/14/2014

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 1,974,739.00

**Most Impacted and Distressed Budget:** \$ 0.00

**Other Funds:** \$ 0.00

**Total Funds:** \$ 1,974,739.00

**Proposed Accomplishments**

	<b>Total</b>
<b># of Singlefamily Units</b>	250
<b># of Housing Units</b>	250
<b>Activity funds eligible for DREF (Ike Only)</b>	
<b># of Non-business Organizations benefitting</b>	
<b># of Businesses</b>	
<b># of public facilities</b>	
<b># of buildings (non-residential)</b>	
<b># of Properties</b>	250

**LMI%:**

**Proposed budgets for organizations carrying out Activity:**

<b>Responsible Organization</b>	<b>Organization Type</b>	<b>Proposed Budget</b>
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**Location Description:**

This amendment proposes the addition of three census tracts to the NSP3 target areas: 7, 8, and 18. These target census tracts are identified in the attached map, along with the NSP3 planning data. Demolition will then occur in census tracts 2, 3, 4, 5, 6, 7, 8, 10, 11, 14, 17, 18, 20, and 28.

**Activity Description:**

Foreclosed and abandoned properties are creating a blighting influence on surrounding properties with a destabilizing impact on many neighborhoods in the City of Flint. This is particularly true for the chosen census tracts which contain over 200 such properties that have been identified as blighted and suitable for demolition. NSP3 funding will support the completion of major demolition in the selected target areas. The City proposes to demolish approximately 250 units, but depending on final costs, may be able to demolish more. There is no plan to demolish or convert any low- and moderate-income dwelling units. Redevelopment may occur in the future and interest rates will be determined at that time.

**Environmental Assessment:** COMPLETED

**Environmental Reviews:** None

**Activity Attributes:** None

**Activity Supporting Documents:**

**Document** Target census tract 14.pdf

**Document** Target3.pdf

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**Project # / NSP3-02 / Redevelopment**



**Grantee Activity Number: NSP3 2-1**  
**Activity Title: Redevelopment**

**Activity Type:**

Construction of new housing

**Project Number:**

NSP3-02

**Projected Start Date:**

02/28/2013

**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.

**Benefit Report Type:**

Direct (Households)

**Proposed Beneficiaries**

# Owner Households

Total	Low	Mod	Low/Mod%
17	15	2	100.00
17	15	2	100.00

# of Households

**Proposed Accomplishments**

# of Singlefamily Units

# of Housing Units

# ELI Households (0-30% AMI)

#Sites re-used

#Units with bus/rail access

**Total**

17

17

7

17

17

**Proposed budgets for organizations carrying out Activity:**

**Responsible Organization**

City of Flint - Department of Community and Economic Development

**Organization Type**

Local Government

**Proposed Budget**

\$ 769,131.00

**Location Description:**

Census tract 14 is directly north of downtown Flint. New construction in this area will augment other activities currently underway, including rehabilitation by Habitat for Humanity, the Metawanenee Hills new construction project, and the City of Flint's NSP2 Smith Village mixed income development.



**Activity Description:**

The City intends to acquire vacant land and construct approximately 17 housing units in census tract 14. 15 of the units with NSP3 funds will be marketed and made available as homeownership opportunities for households at or below 50% AMI.

**Environmental Assessment:** COMPLETED

**Environmental Reviews:** None

**Activity Attributes:** None

**Activity Supporting Documents:**

**Document** Smith Village NSP3 Beneficiary Data for 17 households - updated 2.1.18.pdf

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**Project # / NSP3-03 / Administration**



**Grantee Activity Number:** NSP3 3-1  
**Activity Title:** Administration

**Activity Type:**

Administration

**Project Number:**

NSP3-03

**Projected Start Date:**

04/01/2012

**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

**Benefit Report Type:**

NA

**Activity Status:**

Under Way

**Project Title:**

Administration

**Projected End Date:**

03/09/2014

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 307,652.00

**Most Impacted and Distressed Budget:** \$ 0.00

**Other Funds:** \$ 0.00

**Total Funds:** \$ 307,652.00

**Proposed budgets for organizations carrying out Activity:**

**Responsible Organization**

City of Flint - Department of Community and Economic Development

**Organization Type**

Local Government

**Proposed Budget**

\$ 307,652.00

**Location Description:**

Program Administration will take place at the City of Flint administrative complex located at 1101 S. Saginaw St. in Flint, Michigan.

**Activity Description:**

Implementation of program and management of program components including administration of all related fiscal systems and production of required reports and monitoring and evaluation of program components, related contractors and subrecipients.

**Environmental Assessment:** EXEMPT

**Environmental Reviews:** None

**Activity Attributes:** None

**Activity Supporting Documents:** None





Environmental Reviews: None

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**Project # / NSP3-04 / Redevelopment**



**Grantee Activity Number:** NSP3 4-1  
**Activity Title:** Demolition of Oak School for Redevelopment

**Activity Type:**  
Construction of new housing

**Project Number:**  
NSP3-04

**Projected Start Date:**  
05/10/2013

**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:**  
Under Way

**Project Title:**  
Redevelopment

**Projected End Date:**  
03/14/2014

**Project Draw Block Date by HUD:**

**Activity Draw Block Date by HUD:**

**Total Budget:** \$ 25,000.00

**Most Impacted and Distressed Budget:** \$ 0.00

**Other Funds:** \$ 0.00

**Total Funds:** \$ 25,000.00

**Benefit Report Type:**  
Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# of Households	24			0.00
<b>Proposed Accomplishments</b>				
# of Multifamily Units	24			
# of Housing Units	24			
# ELI Households (0-30% AMI)	24			
#Units with bus/rail access	24			

**Proposed budgets for organizations carrying out Activity:**

Responsible Organization	Organization Type	Proposed Budget
City of Flint Development Division	Local Government	\$ 40,000.00

**Location Description:**

Oak School is located in a mixed commercial and residential area within the City of Flint, Michigan, in census tract 28. The site is located at 1000 Oak Street on the west side of Oak Street between West 5th Street and Carrill Court, in downtown Flint. The school is owned by the Genesee County Land Bank and is situated on M-21, just 4 blocks from Saginaw Street.



### Activity Description:

Oak School is a currently unoccupied two-story historic school building. The building will be redeveloped as Oak Street Senior Apartments, a 24-unit low-income senior housing development.

The City intends to abate and demolish the gymnasium portion of the building. Other funds will be used to preserve the historic exterior features of the classroom building and convert the 12 classrooms to 24 one-bedroom senior apartments.

**Environmental Assessment:** COMPLETED

**Environmental Reviews:** None

**Activity Attributes:** None

### Activity Supporting Documents:

- Document** Census Tract 18 (partial).pdf
- Document** Census Tract 8 (partial).pdf
- Document** Census tract 7.pdf
- Document** NSP3 Substantial AmendmentAd4-9-13.doc
- Document** Targets for S.A.doc

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### Action Plan Comments:

- Reviewer - Grantee was allocated funds for demolition and administration only. This was a stipulation of their special contract conditions for NSP3. Plan rejected in order for grantee to redesign the plan as provided in the agreement. kjph 10/29/2011
- Reviewer - Grantee must submit written Substantial Amendment to the Detroit Field Office prior to making modifications to the plan in DRGR. This does not meet the public comment or publication requirements of the Plan. Rejected in order for grantee to comply. kjpn 5/17/2012
- Reviewer - Approved the City of Flint's Action Plan in order for the QPR to be resubmitted in DRGR. Flint is still working with the HUD DRGR Help Desk staff to determine if there is a problem with the Demolition activity performance measure set-ups. As the grantee continues to work with the HUD staff and the HUD NSP TA consultants, there will be more revisions made to the DRGR action plan.
- Reviewer - The corrected beneficiary data is what the Field Office has been waiting on.
- Reviewer - I do not approve the plan as submitted because of a budget miss-match, and beneficiary goal for an LH25 activity that is missing.  
  
Below are other comments regarding this Action Plan:  
  
On page 2 of the action plan, under ¿Ensuring Continued Affordability:¿  
The charts and tables do not work well in DRGR.  
  
On page 2 of the action plan, under ¿Definition of Affordable Rents:¿  
The grantee may want to reconsider the statement it provided. The 30% of income rule is NOT the affordable rent but rather the qualifier for occupancy of a unit with a particular rent. If a



project has rents set at 30% of income instead of a fixed rent (low HOME rent for example), it cannot be properly underwritten or really know if it is feasible because rents will be all over the place.

On page 4 of Flint's action plan, under "Projected End Date:"  
A date of 03/14/2014 was listed. This date has passed.

On page 4 of Flint's action plan, under "LMI%:"  
The box was left blank. The set-up is incomplete " we need census tract block group data entered.

On page 5 of the action plan, under "Proposed budgets for organizations carrying out Activity:" and "Proposed Budget"  
The proposed budget should not be less than the total budget.

On page 5 of the action plan, under "Activity Description:"  
The grantee should consider adding in here that there is an approved demo waiver and they can upload a copy of HUD's approval letter.

On page 6 of the action plan, under "Projected End Date:"  
The grantee listed a date of 03/01/2014. Same comment as before " they need to change it to a future date.

On page 6 of the action plan, under "Proposed Beneficiaries" and "moderate owner households,"  
The grantee cannot have moderate income beneficiaries in a LH25 activity. These must be moved with any associated expenses to either a new LMMI Redevelopment activity or to another activity that would cover this.

On page 7 of the action plan, under "Activity Description:"  
The grantee stated that "The City intends to acquire vacant land and construct approximately 17 housing units in census tract 14. 15 of the units with NSP3 funds will be marketed and made available as homeownership opportunities for households at or below 50% AMI." The activity description will also need to be revised to say that the other 2 moderate income homes are counted in activity xyz.

On page 8 of the action plan, under "Grantee Activity Number: NSP3 3-1, Activity Title: Administration" and "Projected End Date"  
The grantee listed a date of 03/09/2014. Same as before, this date has passed, and needs to be changed to a date in the future.

Also, on page 8 under "National Objective:" listed a couple of lines below the date listed above,  
The grantee listed "LMMI: Low, Moderate and Middle Income National Objective for NSP Only." This is Not Applicable for administrative activities.

Also, on page 8 under "Activity is being carried out by Grantee:"  
The grantee listed No. This needs to be changed to yes.

On page 9 under "Grantee Activity Number: NSP3 4-1, Activity Title: Demolition of Oak School for Redevelopment," and "Projected End Date:"  
The grantee listed a date of 03/14/2014. Same as before, this date has passed.

Also on page 9 under "Proposed Beneficiaries,"  
The grantee left the number of low and moderate households blank. This is a LH25 activity and must have 24 low income beneficiaries as a goal. Without that, the goal is for any income level up to 120% AMI.

On page 10 under "Activity is being carried out by Grantee:"  
The grantee listed No. This should be changed to yes.

Also on page 10 under "Proposed budgets for organizations carrying out Activity:" and "Proposed Budget"  
The grantee listed \$40,000.00. The proposed budget exceeds the total budget.

Finally, I have a question about the fact that Flint will not be receiving any Program Income (PI), or at least Flint has not entered an estimated amount.

## Action Plan History

Version	Date
B-11-MN-26-0005 AP#6	12/22/2020
B-11-MN-26-0005 AP#5	03/02/2018
B-11-MN-26-0005 AP#4	11/05/2014
B-11-MN-26-0005 AP#3	05/22/2013
B-11-MN-26-0005 AP#2	02/21/2013
B-11-MN-26-0005 AP#1	10/30/2012

