

Action Plan

Grantee: Muskegon County, MI

Grant: B-11-UN-26-0008

LOCCS Authorized Amount:	\$ 1,071,900.00
Grant Award Amount:	\$ 1,071,900.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 499,502.56
Total Budget:	\$ 1,571,402.56

Funding Sources

Funding Source	Funding Type
County of Muskegon	County Funds

Narratives

Summary of Distribution and Uses of NSP Funds:

NPS 3 funding will be used to acquire and rehabilitate eight (8) homes in both target areas with the primary focus on the Oakview School area. Both areas of concentrations of middle income and low to moderate income persons. The Oakview area experiences high cost (subprime) mortgages at a rate of 46.41% with Muskegon North experiencing 59.09% and both have housing units in foreclosure at 90+ days delinquent at rates of 16.85 and 18.2% respectively.

How Fund Use Addresses Market Conditions:

The fund addresses market conditions by:
The Oakview neighborhood that is on the brink and is a lynch pin in the community stabilizing the Oakview Neighborhood will positively impact adjoining neighborhoods;
The Oakview Neighborhood is of sufficient size that a small NSP project will have an immediate positive impact on the neighborhood. Both the Muskegon North and Muskegon Heights areas were much larger. As a result some of the homes that would be rehabilitated would be spread out throughout the area. The rehabilitation of homes in the Oakview School will show a more immediate impact; and
Data from area realtors for all areas considered indicated that there was greater number of homes being re-sold and purchased in the Oakview area.

Ensuring Continued Affordability:

Homebuyer Purchase Transactions will be subject to the County of Muskegon HUD-NSP Assisted Acquisition and Rehabilitation Homebuyer Assistance Guidelines, as may be amended.
The County of Muskegon will ensure long term affordability through the use of a second mortgage that will be recorded against the property. If an owner who has been assisted through this program transfers title to the property before the affordability period expires, the assistance provided by the County of Muskegon will be subject to recapture. The County of Muskegon will mirror the minimum affordability period of the federal HOME Investment Partnership Program, 24 CFR 92.252(a), (c) (e) and (f), and 92.254. The long-term affordability period is based on the dollar amount of final direct subsidy (i.e., the amount of the NSP assistance that enabled the homebuyer to purchase the dwelling unit) in the project and specific regulations for addressing the issues of the sale of a property prior to the end of the long-term affordability period, known as recapture apply.
The minimum affordability period is listed below:
Up to \$15,000 = 5 years



- ζ \$15,001 - \$40,000 = 10 Years
- ζ Over \$40,000 = 15 Years

Definition of Blighted Structure:

ζ Blighted property ζ is defined under the Blighted Area Rehabilitation Act 344 of 1944, at MCL 125.72 as follows:

- (b) ζ Blighted property ζ means property that meets any of the following criteria:
 - (i) The property has been declared a public nuisance in accordance with local housing, building, plumbing, fire, or other code or ordinance.
 - (ii) The property is an attractive nuisance because of physical condition or use.
 - (iii) The property has had the utilities, plumbing, heating, or sewerage disconnected, destroyed, removed or rendered ineffective for a period of one year or more so that the property is unfit for its intended use.
 - (iv) The property is a tax-reverted property owned by a municipality, by a county, or by this state. The sale, lease or transfer of tax reverted property by a municipality, a county, or this state shall not result in the loss to the property of eligibility for any project authorized under this act for the rehabilitation of a blighted area, platting authorized under this act, or tax relief or assistance, including financial assistance, authorized under this act or any other act.
 - (vi) The property is owned or is under the control of a land bank fast track authority under the Land Bank Fast Track Act, 2003 PA 258, 124.751 to 124.774. The sale, lease, or transfer of the property by a land bank fast track authority shall not result in the loss to the property of eligibility for any project authorized under this Act for the rehabilitation of a blighted area, platting authorized under this Act, or tax relief or assistance, including financial assistance, authorized under this Act or any other Act.
 - (vii) The property is improved real property that has remained vacant for five consecutive years and that is not maintained in accordance with applicable local housing or property maintenance codes or ordinances.
 - (viii) The property has code violations posing a severe and immediate health or safety threat and has not been substantially rehabilitated within one year after the receipt of notice to rehabilitate from the appropriate code enforcement agency or final determination of any appeal, whichever is later. ζ

Definition of Affordable Rents:

The County of Muskegon does not intend to use its NSP 3 Program funds for rental properties. If it were to do so, it would use the Fair Market Rent Schedules as published by the U.S. Department of --Housing and Urban Development. The County of Muskegon - FMR is a gross rent that includes utilities. Any utilities that are required to be paid by the tenant must be subtracted from the FMR to determine the maximum ζ affordable rentζ rate. The County of Muskegon utilizes the regional Utility Schedule that is published by the Michigan State Housing Development Authority on an annual basis.

Fair Market Rent

1 Bedroom	\$470
2 Bedroom	\$611
3 bedroom	\$808
4 bedroom	\$831

Housing Rehabilitation/New Construction Standards:

The County of Muskegon approved Housing Rehabilitation Standards for the NPS 3 Program and included them as part of the work plan requirements for the Requests for Proposals for developers to ensure that the potential respondents were well aware of the Housing Standards. The Housing Rehabilitation Standards follow the Certifications as an attachment to the Abbreviated Plan can be found on the County of Muskegon, Office of Grant Coordination website. The standards ar 30 pages and length and therefore, do not meet the space requirements in this Action Plan.

Vicinity Hiring:

The County of Muskegon has an approved a Section 3 Plan. In addition the County of Muskegon has several policies and procedures in place to help ensure that residents of Muskegon County are able to successfully bid and participate in projects funded by the County.

The County of Muskegon through its workforce board, the Muskegon/Oceana Consortium, Michigan Works utilizes the One-Stop Centers to recruit and train Muskegon County residents to work for local employers to encourage the use of local residents on County projects. These training efforts have been successful in ensuring that residents of the affected areas



are hired to do the work in their neighborhood.

The County of Muskegon will require through its contracts with the developer or other vendors that the developer/vendor will be required to provide for the hiring of the employees living within the vicinity of the Oakview and Muskegon North area. Given that the Muskegon/Oceana Consortium, Michigan Works has been actively providing construction training, including lead abatement training to residents in the two areas, there will be a sufficient number of trained residents that can be hired to perform the work. The County of Muskegon will monitor the hiring of employees by the developer and other vendors to assure that the Section 3 requirements are met.

Procedures for Preferences for Affordable Rental Dev.:

The County of Muskegon is not using NSP 3 funds for affordable rental development. If the County were to change the program, it would need to request permission from HUD, the Citizens Review Committee and the Muskegon County Board of Commissioners.

Grantee Contact Information:

NSP Contact Person: Michael Baauw
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Muskegon, MI 49442
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Email: baauwmi@co.muskegon.mi.us

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
1282 Fleming	1282 Fleming	1282 Fleming	1282 Fleming
9999	Restricted Balance	<i>No activities in this project</i>	
Administration	Administration	Administration	Administration
ARR	Acquisition, rehab and resale	AR-LH25	Acquisition, rehab and resale-LH25
		AR-LMMI	Acquisition, rehab and resale-LMMI



Activities

Project # / 1282 Fleming / 1282 Fleming

Grantee Activity Number: 1282 Fleming
Activity Title: 1282 Fleming

Activity Type:

Disposition

Project Number:

1282 Fleming

Projected Start Date:

12/31/2012

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

Activity Status:

Under Way

Project Title:

1282 Fleming

Projected End Date:

09/16/2014

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 62,326.43

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 62,326.43

Benefit Report Type:

Area Benefit (Census)

LMI%:	54.67
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Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

County of Muskegon

Proposed budgets for organizations carrying out Activity:

Responsible Organization

County of Muskegon

Muskegon County

Organization Type

Local Government

Local Government

Proposed Budget

\$ 62,326.43

\$ 0.00



Location Description:

Purchase home in the NSP3 target area known as the Oakview Neighborhood.

Activity Description:

Purchased home in the NSP3 Target Area and during the rehab process, the home was determined to be blighted property. Received approval from NSP3 project officer at that time to demolish the property under blighted conditions.

Environmental Assessment: COMPLETED

Environmental None

Project # / Administration / Administration

Grantee Activity Number: Administration
Activity Title: Administration

Activity Type:

Administration

Project Number:

Administration

Projected Start Date:

03/15/2012

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)

Benefit Report Type:

NA

Activity Status:

Completed

Project Title:

Administration

Projected End Date:

03/14/2015

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 102,348.38

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 102,348.38



Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

County of Muskegon

Proposed budgets for organizations carrying out Activity:

Responsible Organization

County of Muskegon

Organization Type

Local Government

Proposed Budget

\$ 102,348.38

Funding Source Name

County of Muskegon

Matching Funds

No

Funding Amount

\$ 0.00

Location Description:

Activity Description:

Environmental Assessment: COMPLETED

Environmental None

Project # / ARR / Acquisition, rehab and resale

Grantee Activity Number: AR-LH25

Activity Title: Acquisition, rehab and resale-LH25

Activity Type:

Rehabilitation/reconstruction of residential structures

Activity Status:

Completed

Project Number:

ARR

Project Title:

Acquisition, rehab and resale

Projected Start Date:

03/15/2011

Projected End Date:

03/14/2015

Project Draw Block by HUD:

Project Draw Block Date 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 Draw Block Date by HUD:

Total Budget:	\$ 1,038,967.09
Most Impacted and Distressed Budget:	\$ 0.00
Other Funds:	\$ 0.00
Total Funds:	\$ 1,038,967.09

Benefit Report Type:

Direct (Households)

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Owner Households	7	7		100.00
# of Households	7	7		100.00

Proposed Accomplishments

	Total
# of Singlefamily Units	7
# of Housing Units	7
Activity funds eligible for DREF (Ike Only)	
#Units ζ other green	
#Units deconstructed	
#Sites re-used	6
#Units exceeding Energy Star	6
#Units with bus/rail access	6
#Low flow showerheads	6
#Low flow toilets	12
#Units with solar panels	
#Dishwashers replaced	1
#Clothes washers replaced	1
#Refrigerators replaced	2
#Light fixtures (outdoors) replaced	8
#Light Fixtures (indoors) replaced	96
#Replaced hot water heaters	6
#Replaced thermostats	6
#Efficient AC added/replaced	6
#High efficiency heating plants	6
#Additional Attic/Roof Insulation	6
#Energy Star Replacement Windows	36
# of Properties	6



Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

County of Muskegon

Proposed budgets for organizations carrying out Activity:

Responsible Organization

County of Muskegon

Organization Type

Local Government

Proposed Budget

\$ 1,038,967.09

Location Description:

The housing units are located in the Oakview School neighborhood.

Activity Description:

put in description from action plan

Environmental Assessment: COMPLETED

Environmental None



Grantee Activity Number: AR-LMMI
Activity Title: Acquisition, rehab and resale-LMMI

Activity Type:
 Rehabilitation/reconstruction of residential structures

Project Number:
 ARR

Projected Start Date:
 03/15/2012

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

Activity Status:
 Completed

Project Title:
 Acquisition, rehab and resale

Projected End Date:
 03/14/2015

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 362,908.04

Most Impacted and Distressed Budget: \$ 0.00

Other Funds: \$ 0.00

Total Funds: \$ 362,908.04

Benefit Report Type:
 Direct (Households)

Proposed Beneficiaries	Total	Low	Mod	Low/Mod%
# Owner Households	2	2		100.00
# of Households	2	2		100.00

Proposed Accomplishments	Total
# of Singlefamily Units	2
# of Housing Units	2
# ELI Households (0-30% AMI)	
Activity funds eligible for DREF (Ike Only)	
#Units 2 other green	
#Units deconstructed	
#Sites re-used	2
#Units exceeding Energy Star	2
#Units with bus/rail access	2
#Low flow showerheads	1
#Low flow toilets	4
#Units with solar panels	
#Dishwashers replaced	
#Clothes washers replaced	



#Refrigerators replaced	
#Light fixtures (outdoors) replaced	4
#Light Fixtures (indoors) replaced	60
#Replaced hot water heaters	2
#Replaced thermostats	2
#Efficient AC added/replaced	2
#High efficiency heating plants	2
#Additional Attic/Roof Insulation	2
#Energy Star Replacement Windows	12
# of Properties	2

Activity is being carried out by

No

Activity is being carried out through:

Organization carrying out Activity:

County of Muskegon

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed Budget
County of Muskegon	Local Government	\$ 362,908.04

Location Description:

cut and paste from action plan

Activity Description:

cut and paste from action plan

Environmental Assessment: COMPLETED

Environmental None

Action Plan Comments:

Reviewer - Action Plan submitted as required. kjph 4/26/2011

Reviewer - Grantee is waiting for HUD approval of Environmental Review Waiver Request; In addition, grantee has requested DRGR assistance from the NSP Resource Exchange to make improvements



to Action Plan and to report properly in QPRs. Recommend approval kjph; OK'd by Keith Hernandez. kjph 4/30/2012

Reviewer - Environmental Review Waiver Request is at HQ - Corporate Counsel as of 6/12/2012; still waiting on response. kjph 6/12/2012

Reviewer - Approved 8/23/2012 kjph

Reviewer - 11/13/2019, according to Michael Baauw, MPA, Muskegon County Department of Veterans Affairs CPO, USN Ret, changes were made to the action plan to correct for previous errors in activity set-up and preparation for closeout data to be entered. Cindy Vails, Sr. Financial Analyst

Reviewer - 02/25/2020, Changes were made to the action plan by Michael Baauw, MPA, Muskegon County Department of Veterans Affairs CPO, USN Ret with guidance from HUD Technical Adviser, Aida Andujar, to correct for previous errors and prepare for the grant's closeout. Cindy Vails, Sr. Financial Analyst

Action Plan History

Version	Date
B-11-UN-26-0008 AP#1	04/26/2011
B-11-UN-26-0008 AP#2	04/30/2012
B-11-UN-26-0008 AP#3	06/12/2012
B-11-UN-26-0008 AP#4	08/23/2012
B-11-UN-26-0008 AP#5	04/26/2013
B-11-UN-26-0008 AP#6	10/24/2013
B-11-UN-26-0008 AP#7	11/13/2019
B-11-UN-26-0008 AP#8	02/25/2020

