

Grantee: Dearborn, MI

Grant: B-11-MN-26-0003

July 1, 2020 thru June 30, 2021 Performance Report

Grant Number: B-11-MN-26-0003	Obligation Date:	Award Date:
Grantee Name: Dearborn, MI	Contract End Date:	Review by HUD: Reviewed and Approved
Grant Award Amount: \$1,027,354.00	Grant Status: Closed with Ongoing Reporting	QPR Contact: No QPR Contact Found
LOCCS Authorized Amount: \$1,027,354.00	Estimated PI/RL Funds: \$260,840.00	
Total Budget: \$1,288,194.00		

Disasters:

Declaration Number

NSP

Narratives

Summary of Distribution and Uses of NSP Funds:

The City of Dearborn has identified three target areas, each with an NSP3 Needs Score at or exceeding the State of Michigan minimum threshold of 17: NSP3-East. Census Tracts 573300-574100 and 574300. Needs Score 18.30. EDDDA (East Dearborn Downtown Development Authority). A downtown redevelopment area which is a subset of the NSP3-East target area. Needs Score 18. NSP3-West. Census Tracts 575100-575500. Needs Score 17. Geographically, census tracts 573300 through 574300 are located east of the Southfield Freeway (M39); and census tracts 574400 through 575600 are located west of the Southfield Freeway. All east Dearborn census tracts have an NSP3 Needs Score at or exceeding the Michigan minimum threshold of 17, excluding census tract 574200 (Springwells) which has a score of 15. Five census tracts in west Dearborn, 575100 through 575500, have an NSP3 Needs score of 17. All three of the identified NSP3 target areas have concentrations (≥ 51%) of middle-income persons (income at or below 120% of the Area Median Income). Both East Dearborn target areas also have a concentration of moderate-income persons (income at or below 80% AMI). The NSP3-East target area experiences high cost (subprime) mortgages at a rate of 32.67% and has housing units in foreclosure or 90+ days delinquent at a rate of 15.64%. 55.6% of the foreclosure starts in the past year are located in this target area. Low Income Targeting: Not less than 25% of NSP3 grant funding (\$256,838.50) shall be used to provide housing for individuals or families whose income does not exceed 50% of area median income. The original substantial amendment proposed to achieve this goal through a multi-family rental housing development activity in the EDDDA target area (Redico-Senior Living, multi-family housing development). After considering program requirements, the project developer, while still committed to construction of this multi-family development, decided to decline NSP3 financial assistance (June 2011). This Substantial Amendment Revision No. 1 proposes to achieve the NSP3 low-income targeting requirement through target area new housing construction and/or acquisition and rehabilitation for resale to low-income homebuyers. The City of Dearborn may engage its Public Housing Authority (PHA), members of the Out-Wayne County Homeless Services Coalition (the continuum of care agency for our area), and other local housing and social service providers to identify special needs populations that may be underserved by current availability of affordable housing. Demolition or Conversion of Low-Moderate Income Units A housing unit is considered to be a low-moderate income unit if it is: a. In standard condition suitable for occupancy, with an affordable rental or mortgage value; or b. Legally occupied by a low-moderate income household. NSP3 financed demolition activities will be limited to vacant, blighted/substandard structures. Therefore, the demolition of low-moderate income units is not contemplated. [Demolition activity is expected to be of 7-25 blighted properties.] The City of Dearborn is a built-out community with an aging housing stock. More significantly, NSP3 target areas have a higher incidence of pre-1940 housing construction and it is very common for that housing to be situated on lots that are just 30 feet or 3

Summary of Distribution and Uses of NSP Funds:

5 feet wide. These narrow lot widths do not meet modern housing, zoning, or fire safety standards. Removal of any such blighted structures provides the opportunity for wider lot widths, greater open space, reduced fire hazards, decreased number of parked vehicles and congestion on neighborhood streets, and may inspire private investment in the remaining housing stock. The City of Dearborn requests a waiver of the 10% limitation on demolition funding and requests an increased limit not t

How Fund Use Addresses Market Conditions:

Real estate professional members of the Dearborn Area Board of Realtors (DABOR) provide residential home sale services throughout Dearborn and Dearborn Heights. DABOR residential sales data, as provided through Realcomp II Ltd, reflect a positive but leveling trend in the number of homes sales over the period from January 2008 to December 2010. The spikes in the number of home sales in mid-2010 may be attributed to the homebuyer tax credit that was authorized by the "Homebuyers Assistance and Improvement Act of 2010." The improving number of sales is only one indicator of the health of the housing market. The trend in housing sale prices (see chart in online version, available at www.cityofdearborn.org) is

of equal or greater importance. The chart depicts a continuing decline in median home sale prices, from a high of \$106,800 in January 2008 to \$47,600 in December 2010. The most significant declines occurred in 2008. Median sales figures for 2009 and 2010, while declining, appear to be leveling out. Although the charts display improvement (housing sales) and stabilization (sale price), there is still much work to be done. Without continued effort, the market improvements realized through the homebuyer tax credit program will not be sustained. DABOR data does not track sales data by transaction type (investor-owner vs. owner-occupant). Declining median sale prices are attracting significant investment from rental housing developers/managers. The increasing numbers of rental housing units in our already stressed, single-family housing neighborhoods is reducing the appeal and demand for owner-occupied housing in those same neighborhoods. To address the trend toward rental housing, NSP3 funding in our single-family neighborhoods will be limited to demolition activities, acquisition and renovation for resale to owner-occupants, or new single-family housing construction for resale to owner-occupants. Blighted properties have a considerable negative impact on adjacent property values. Demolition activities will not only help to stabilize property values, but will also keep those substandard properties out of investor hands. Homebuyer activities will help to increase the number of owner-occupied units, while ensuring that those renovated or newly constructed units set a new, higher standard for neighborhood housing conditions. Rental housing preference activities (as previously described in the “Definitions and Descriptions” section) will be limited to multi-family housing projects in the downtown target area. The estimated number of properties to make an impact in the NSP3-East target area is 111. The City of Dearborn has already made significant efforts in this area through its Operation Eyesore and Neighborhood Stabilization Programs, including 58 properties assisted or in progress through HUD-NSP1. NSP3 funding will enable the City to continue its efforts in this area. Activities in this target area may include: new housing development, acquisition and renovation of foreclosed properties for resale to low-middle income homebuyers and/or the demolition of blighted properties. The estimated number of properties to make an impact in the NSP3-West target area is 38. The City of Dearborn has also made significant locally funded efforts in this area. The needs (vacancy, foreclosures/delinquencies, concentration of low-middle income perso

How Fund Use Addresses Market Conditions:

ns) for this target area are not as significant as those in NSP-East. Therefore, NSP3 assistance in this target area will be limited to the demolition of blighted properties. Blight removal provides the greatest positive impact to surrounding properties; while, the failure to address blight would contribute to further decline. The estimated number of properties to make an impact in the EDDDA target area is three. The East Dearborn Downtown Development Authority utilizes tax incre

Vicinity Hiring:

NSP3 regulations require that grantees “shall, to the maximum extent feasible, provide for the hiring of employees who reside in the vicinity ... or contract with small businesses that are owned and operated by persons residing in the vicinity of” assisted projects.

If a new hire opportunity shall occur among the City of Dearborn Economic and Community Development Department staff assigned to administer any portion of this NSP3 grant, the posting for that position shall be outreached/forwarded to non-profit agencies serving area residents, such as ACCESS, SEMCA-Michigan Works!, JVS Detroit, Henry Ford Community College, the University of Michigan-Dearborn, and Dearborn Section 8 Voucher holders. The application, testing, interview and ranking process shall be dictated by current Dearborn Civil Service procedures. Once ranked, the names of the top-rated candidates (top three) are forwarded to the hiring department. Vicinity applicants appearing on this listing of top-rated applicants may be given extra consideration by the hiring authority.

Similarly, any subrecipient engaged to administer NSP3 activities or any developer receiving more than \$100,000 in NSP3 assistance, shall be expected to outreach and “provide for the hiring of employees who reside in the vicinity” whenever a new hire opportunity arises within the performance of their subrecipient or developer agreement.

For contract opportunities with an estimated cost of \$25,000 or greater, the City of Dearborn (and NSP3 subrecipients, if any) shall follow its Purchasing Ordinance, City Code of Ordinances Section 2-568A “Preference for local bidders / Dearborn-based businesses.”

In part, this section provides that:

“The person or business submitting the lowest responsive, responsible bid, according to the requirements of the bidding documents, shall be deemed the lowest bidder. If the lowest bidder is not a Dearborn-based business, a Dearborn-based business with a bid within five percent of the lowest bid shall be deemed the lowest bidder if it agrees to reduce its bid to match the bid of the lowest bidder. A lowered bid by a Dearborn-based business which is premised upon, in whole or in part, changes to or variances to the bid specifications, contract requirements, or scope of work shall be considered nonresponsive and will not be considered.” [Sec 2-568A (d) (1)]

Vicinity preferences shall not apply to:

1. Purchases resulting from exigent emergency conditions;
2. Purchases from sole source vendors;
3. Purchases made through the state’s extended program or other cooperative agreement;
4. The procurement of goods or services utilizing an award process that is based upon criteria other than lowest cost.

Following the monitoring visit from the Detroit Field Office, this provision has been REMOVED.

Ensuring Continued Affordability:

a. Homebuyer purchase transactions, regarding the sale of city-owned and renovated residential properties will be subject to the City of Dearborn’s First-Time Homebuyer Program Guidelines adopted by Council Resolution #2-108-12, as may be amended. Homebuyer transactions will be secured by a recorded document that will require either: i. Resale of the property to LI or LMMI-income homebuyers at a purchase price that does not exceed current market value (certified appraisal provided by lender or Department of Assessment value) or the FHA 203 B mortgage limit, whichever is lower, during an established affordability period. Resale transaction must include all appliances that were provided by the program. Subsequent LI or LMMI-income homebuyers must agree to program terms and conditions for the remainder of the affordability period. OR, ii. If the home is resold to an unqualified purchaser during the affordability period, repayment of certain proceeds will be required. After repayment, there will be no further obligations to the program. The Affordability Period for homebuyer purchase transactions shall be: iii. 10 years for purchase transactions with total homebuyer assistance of \$15,000 or less. iv. 15 years for purchase transactions with total homebuyer assistance of \$15,000-\$40,000. Or, v. 20 years for purchase transactions with total homebuyer assistance greater than \$40,000. b. Homebuyer purchase transactions, regarding the sale of new housing constructed by a developer, shall at a minimum comply with HUD-HOME Improvement Partnerships Program (HOME) affordability standards, which shall be documented in any agreement between the City of Dearborn and the developer. c. Assisted Rental Property transactions will be subject to terms and conditions enumerated in an executed development agreement. The NSP3 rental subsidy will be secured by a recorded document that requires either: i. Rental of assisted units to LI or LMMI-income qualified tenants at affordable rents throughout the affordability period. · Rents must not exceed “affordable rents” for the full term of the affordability period. · Tenants must be income qualified at the time they move in, but do not have to be re-certified annually. A tenant’s income may increase over time without displacement from the project, but any new tenant moving into an assisted unit must be income qualified. ii. Or, repayment of certain assistance amounts. The Affordability Period for rental property transactions shall be: iii. 5 years if per unit rental subsidy is \$15,000 or less. iv. 10 years if per unit rental subsidy exceeds \$15,000 but does not exceed \$40,000. v. 15 years if per unit rental subsidy exceeds \$40,000. vi. 20 years if project is new construction. If the City of Dearborn or its Housing Commission acquires or retains ownership of an assisted rental property, a recorded document shall n

Ensuring Continued Affordability:

ot be required. Default and recapture payments shall be limited to the amount of net resale proceeds. All other applicable terms and conditions of this section shall befully enforced. d. Resale or transfer of vacant land (as side yard) to income eligible (120% AMI) owner-occupant households of adjacent property at less than market rate shall be secured by a recorded document that will require repayment of certain assistance amounts during a ten-year period followi

Definition of Blighted Structure:

- Blighted structure, a property that is either:
- a. Condemnable and “unfit for human habitation” as defined at Section 11-227 of the Housing Chapter (Chapter 11) of the Dearborn Code of Ordinances; and, measured as a property for which the estimated cost of improvements exceeds
 - i. The State Equalized Value (SEV) of the property or
 - ii. The current appraised value of the property, whichever is less.
 - OR
 - b. A property for which the estimated cost of improvements exceeds 50% of the State Equalized Value (SEV) of the property or 50% of the current appraised value of the property, whichever is less; and exhibits one or more of the following substantial deviations from code:
 - i. Structure is located less than 10 feet from structures on adjacent properties;
 - ii. Structure has an inadequate or temporary foundation;
 - iii. Structure provides less than 750 square feet of usable floor space;
 - iv. Structure is not connected to the public water and/or sewer system;
 - v. Property does not provide the required front or rear yard setback and the front setback provided is not compatible with that of adjacent properties.
 - vi. Lot is less than 40 feet in width does not provide all of the required individual and combined side yard setbacks.
 - vii. Structural integrity compromised (examples: supporting wall removed, ceiling/floor joist severed).
 - viii. Structure damaged by fire.
 - ix. Structure damaged by water or mold.

Revision #1: The City of Dearborn is a built-out community with an aging housing stock. More significantly, NSP3 target areas have a higher incidence of pre-1940 housing construction and it is very common for that housing to be situated on lots that are just 30 feet or 35 feet wide. These narrow lot widths do not meet modern housing, zoning, or fire safety standards. Removal of any such blighted structures provides the opportunity for wider lot widths, greater open space, reduced fire hazards, decreased number of parked vehicles and congestion on neighborhood streets, and may inspire private investment in the remaining housing stock. The City of Dearborn requests a waiver of the 10% limitation on demolition funding and requests an increased limit not to exceed 25%.

Definition of Affordable Rents:

The City of Dearborn utilizes the Detroit Metropolitan Area Fair Market Rent Schedule (DET-FMR) and HOME Program Rent Schedules as published by the US Department of Housing and Urban Development (HUD) in its Community Development Block Grant (CDBG) and HOME Program funded housing rehabilitation assistance programs. The DET-FMR is a gross rent figure that includes utilities. Any utilities that are required to be paid by the tenant must be subtracted from the FMR to determine the maximum “affordable rent” rate. MSHDA’s Region I Utility Schedule may be used for this calculation. The City of Dearborn will continue to rely on these same published rates for its Neighborhood Stabilization Program projects. Affordable Rent shall be defined as:

- a. For assisted households with income at or below 120% of the area median income—the Detroit Metropolitan Area Fair Market Rent (DET-FMR).
- b. For households receiving assistance under activities targeting individuals and families with income at or below 50% of the area median income—the Low HOME Rent, defined as the rent affordable at 50% AMI or DET-FMR, whichever is less.
- c. Affordable rents may change over the life of a project, but shall not be reduced below the affordable rent established at the time of project commitment.

Housing Rehabilitation/New Construction Standards:

Whenever City of Dearborn NSP3 funds are utilized for housing rehabilitation the following standards will apply:

- a. Local Code. Upon completion, housing units will meet local Residential Certificate of Occupancy (C of O) requirements.
- b. Lead Paint Hazard Reduction requirements (HUD 24 CFR Part 35 and Michigan Public Act 368 of 1978, as amended).
- c. Energy Efficiency.
 - i. All gut rehabilitation or new construction projects of residential structures up to three stories will be designed to meet the standard for Energy Star Qualified New Homes.
 - ii. Mid-high rise new construction of multi-family housing will be designed to meet the Energy Star standard for multi-family building piloted by the Environmental Protection Agency and the Department of Energy.
 - iii. Other rehabilitation projects will meet these standards to the extent applicable to the rehabilitation undertaken (example, replace older/obsolete products and appliances with Energy Star labeled products).
 - d. Exterior improvements (siding, trim, landscaping, etc.) to address aged or “eyesore” conditions and designed to enhance the desirability and property values of the surrounding neighborhood. (Optional)
 - e. Barrier-Free Access or Visitability Improvements when requested by a developer or an identified eligible homebuyer or in 20% of the assisted-units in a multi-unit structure with more than four units.

Revision #1: Energy Efficiency standards updated to include new single-family construction.

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Procedures for Preferences for Affordable Rental Dev.:

The NSP3-East target area (which includes the Fordson-East, Fordson-West, Salina and eastern half of the Fairlane Master Plan Communities) is predominantly zoned for single-family housing. According to the City of Dearborn’s 2010-2015 Consolidated Plan (which relied upon 2000 US Census data and 2009 CHAS data), 26.5% of Dearborn’s occupied housing is rental-occupied. This concentration is disproportionately higher in the

NSP3-East target area: Fordson-East, 36.5%, Fordson-West, 37.6%, Salina, 62.4%, and Fairlane, 48.2%. 2010 US Census data is expected to reveal a sharp increase in the percentage of rental-occupied housing. Due to recent economic conditions, homes that are unable to resell to owner-occupants are converted to investment properties or remain vacant. Therefore, the City of Dearborn’s rental housing preference will be limited to multi-family projects in the mixed-use zoning, downtown EDDDA target area. More specifically, the City of Dearborn plans to provide NSP3 resources to support the Redico-Senior Living multi-family housing development at the site of the former Montgomery Ward department store. The senior housing project is phase two of a planned mixed-use project at the southeast corner of Michigan Avenue and Schaefer. Redico (owner/developer) purchased the vacant property from the City of Dearborn after an extensive Request for Development Partner (RFDP) process that commenced in February 2006. The planned mixed-use redevelopment project includes three phases. Phase one included the development of a medical office building and a public parking structure. Oakwood Hospital (the long-term tenant of the medical facility) began its operations at this site on January 3, 2011. Phase two will provide the residential component of the mixed-use project along the eastern edge of the site (abutting and providing a buffer for the adjacent single-family neighborhood). Phase three plans a two-story retail/office structure to be located to the west of the public parking structure, with Schaefer road frontage. The new activity and disposable income resulting from the completion of phase one and phase two is expected to provide the economic synergy necessary to obtain financing for this final development phase. If a viable rental housing project cannot be initiated in compliance with NSP3 expenditure requirements (50% within two-years and 100% within four-years), NSP3 funding will be reallocated to eligible homeownership and/or demolition projects.

Revision #1: Note added--After considering program requirements, the project developer, while still committed to construction of this multi-family development, has decided to decline NSP3 financial assistance (June 2011).

Overall	This Report Period	To Date
Total Projected Budget from All Sources	\$0.00	\$1,288,194.00
Total Budget	\$0.00	\$1,288,194.00
Total Obligated	\$0.00	\$1,254,977.53
Total Funds Drawdown	\$0.00	\$1,225,890.33
Program Funds Drawdown	\$0.00	\$1,027,354.00
Program Income Drawdown	\$0.00	\$198,536.33
Program Income Received	\$0.00	\$198,536.33
Total Funds Expended	\$0.00	\$1,225,890.33
HUD Identified Most Impacted and Distressed	\$0.00	\$0.00
Other Funds	\$ 0.00	\$ 0.00
Match Funds	\$ 0.00	\$ 0.00
Non-Match Funds	\$ 0.00	\$ 0.00

Funds Expended

Overall	This Period	To Date
City of Dearborn, Economic & Community Development	\$ 0.00	\$ 1,225,890.33

Progress Toward Required Numeric Targets

Requirement	Target	Projected	Actual
Overall Benefit Percentage	99.99%	.00%	.00%
Minimum Non Federal Match	\$.00	\$.00	\$.00
Overall Benefit Amount	\$1,222,491.74	\$.00	\$.00
Limit on Public Services	\$154,103.10	\$.00	\$.00
Limit on Admin/Planning	\$102,735.40	\$65,580.00	\$55,697.48
Limit on Admin	\$.00	\$65,580.00	\$55,697.48
Most Impacted and Distressed	\$.00	\$.00	\$.00
Progress towards LH25 Requirement	\$322,048.50		\$654,385.20

Overall Progress Narrative:
2020 NSP3 Overall Progress Narrative

This is the City of Dearborn’s 2020 Annual NSP3 Progress Report for period July 1, 2020 to June 30, 2021. All funds have been expended from the line of credit in DRGR in the amount of \$1,207,354.00 (grant budget). All projects are at 100% Completion. Program Income was received in the amount of \$264,695.14. Program income disbursed in the amount of \$198,536.33. The remaining program income in the amount of \$60,605.39 was transferred to Dearborn’s CDBG line of credit balance in IDIS in March 2017.

This grant will likely generate additional program income from the resale of the 7 vacant lots remaining under the demolition activity. There were no resale of the 7 remaining vacant lots this annual report period. There is no additional program income this annual report period.

2 city-owned homes (one county tax foreclosure and one vacant estate) and 1 NSP1 acquisition have been identified as candidates for rehabilitation. (NSP3-East target area.) All 3 renovation projects are completed and sold to 1 LI and 2 LMMI homebuyers. 44 blighted properties reviewed for potential demolition cost assistance. 14 properties approved for assistance. 1 project was cancelled. 13 demolitions are complete. (NSP3-East and NSP3-West target areas.) Habitat for Humanity, in partnership with ACCESS (the Arab Community Center for Economic & Social Services) and the City of Dearborn submitted a successful proposal to Wayne County under its NSP3 program. Habitat will provide the development expertise, ACCESS will provide services to the intended homebuyers (targeting victims of domestic violence), and the City of Dearborn will provide the vacant property. The project requires a substantial commitment from Dearborn NSP3 funding, including funds for land acquisition and to support additional code and neighborhood compatibility costs.

NSP3 Grant Budget: \$1,027,354.00
NSP3 Estimated Progm Incme: \$259,141.72
NSP3 Total Program Budget: \$1,288,194.00
Program obligations: \$1,225,890.33 (\$1,970.64 this quarter)
Activity expenditures: \$1,225,890.33 (\$1,970.64 this quarter)

Completed LI housing units: 7
Completed LMMI housing units: 8
Completed Demolition units: 13
Completed LI housing units: 7
Completed LMMI housing units: 8
Completed Demolition units: 13

ADMINISTRATION Progress Narrative
General program planning and administration.
NSP3 Grant budget: \$65,580.00
Program obligations: \$55,697.48
Activity expenditures: \$55,697.48

ACQ-Rehab LI Progress Narratives

There were 3 homes in our NSP3 inventory intended for renovation. 1 property was sold to a (LI) homebuyer(s); 2 were sold to a LMMI homebuyer(s). These properties were acquired with other resources, so there were no NSP3 expenditures for purchase.

The 1 renovation contract for LI homebuyer has been awarded and all 1 is completely renovated.

After renovation, the Acq-Rehab LI property was offered for sale through our First-Time Homebuyer Program. To meet program low-income targeting requirements, this property was sold in a prior quarter to low-income (LI) homebuyers.

Acq-Rehab LI statistics--

Activity budget: \$157,216.00

Budget set-aside for identified projects: \$157,216.00

Activity obligations: \$153,672,40 (\$0 this quarter)

Activity expenditures: \$153,672.40 (\$0 this quarter)

Expected housing units: 1

Housing units identified: 1

Inspections complete: 1

Specifications and cost estimates complete: 1

Renovation contracts complete: 1

Homes sold 1: 0 this quarter

Other multi-racial: 1 household

ACQ-Rehab LMMI Progress Narrative

There were 3 homes in our NSP3 inventory intended for renovation. 2 will be offered to LMMI homebuyer(s). These properties were acquired with other resources, so there were no NSP3 expenditures for purchase.

The renovation contracts for the 2 LMMI properties have been awarded and all 2 are completely renovated.

After renovation, the Acq-Rehab LMMI properties were offered for sale through our First-Time Homebuyer Program. One 1 property was sold in a prior period to middle-income homebuyers and one 1 property was sold this quarter to middle-income homebuyers. 0 homes remaining for resale.

Acq-Rehab LMMI statistics--

Activity budget: \$374,500.00

Budget set-aside for identified projects: \$374,500.00

Activity obligations: \$355,622.92 (\$63.22 this quarter)

Activity expenditures: \$355,622.92 (\$63.22 this quarter)

Expected hosin units: 2

Housing units identified: 2

Inspections complete: 2

Specifications and cost estimates complete: 2

Renovation contracts in progress: 0

Renovation contracts complete: 2

Resale Pending: 0 this quarter

Homes sold 2: 0 sold this quarter



Other multi-racial: 1 household
Black/African American: 1 household

DEMO ONLY Progress Narrative

The City of Dearborn requested and received a waiver from the 10% regulatory limit on demolition activities. The waiver will allow up to 25% (\$256,839) of NSP3 grant funding to be budgeted and expended for this activity. As additional blighted target area properties are identified, funding may be reallocated from other categories. Demolition activities may take place in the NSP3-East or NSP3-West target areas. 44 blighted properties have been reviewed for potential demolition cost assistance.
14 properties approved for assistance.
1 project cancelled.
13 demolitions are complete

Activity budget: \$134,016.28
Budget set-aside for identified projects: \$104,015.81
Activity obligations: \$104,015.81 (\$0 this quarter)
Activity expenditures: \$104,015.81 (\$0 this quarter)

LMMI Area Benefit Statistics. All households located in the same census tract/block group (neighborhood) as a cleared property are presumed to benefit from the activity.
Total Households in area: 2,873
Total LMMI Households in area: 2,329 (81.1%)
Total Low-Mod Households in area: 1,845 (64.2%)

Lot sold (Lot Split): 3
Lot sold (Investor/Owner): 1
Lot sold (Lot Combine): 2
Lots remaining for resale: 7

Vacant Lots Remaining

5539 Bingham
8547 Gary
2734 Hubbard
5256 Hartwell
5307 Hartwell
5408 Reuter
5504 Reuter
Vacant Lots Sold As (Lot-Split)/pan>
4922 Curtis
6605 Steadman
5911 Hartwell
Vacant Lots Sold for Redevelopment
4587 Curtis
Vacant Lots Sold As (Lot-Combine)
5230 Maple
4715 Walwit

HABITAT LI Progress Narrative

Habitat will construct a total of (12) homes, in two phases. Phase 1 homes will be constructed on Maple and Neckel Streets utilizing a combination of County NSP3 and Dearborn NSP3 funding. Phase two homes will be constructed on Hartwell Street and will utilize a combination of County HOME (2a) and Dearborn NSP3 (2b) funding. To eliminate potential conflicts, Dearborn patterned its supplemental development agreement after the document prepared the County. The County agreement did not include appropriate provisions for cost limitations (affordable housing), disposition of completed units, sale price, homebuyer financial assistance (continued affordability, lien subject to recapture), construction materials and storage costs, lobbying restrictions, adequate insurance provisions, and several essential definitions. Once updated, the drafted development agreement was reviewed by Dearborn Corporation Counsel and by Habitat. The revised final NSP3 Development Agreement between Dearborn and Habitat was executed in January 2013.

The County document did not include provisions for homebuyer financial assistance (continued affordability, lien subject to recapture). To address this gap, Dearborn modified its FTHB guidelines to authorize homebuyer counseling and closing cost assistance for Dearborn-Habitat homebuyers. (Addendum #2, December 2012.) In March 2013, Dearborn completed the sale of (6) phase 1 building sites to Habitat located on Maple and Neckel Streets (sale price \$1 per building site). New home construction commenced in April 2013 and were completed and dedicated in July 2014.

The phase 2b NSP3 Development Agreement between Dearborn and Habitat was executed in June 2013. The phase 2b Development Agreement was amended in January 2014 to extend the contract term and the third and final amendment was executed January 2015 to extend contract term in order to complete final exterior fencing work around six (6) of the Hartwell properties. The (2) new construction Hartwell Street homes for the phase 2b project were completed in April 2015.

Habitat targeting will benefit low-income homebuyers (LI). However, since moderate-income homebuyers may also be considered, two (2) units have been budgeted under the low-mod-middle income (LMMI) category. Budgets and expenditures may be moved to/from these income categories as specific homebuyers are identified.

Habitat-LI Statistics (phase 1 and 2b)

Activity budget: \$500,712.80

Budget set-aside for identified projects: \$500,712.80

Activity obligations: \$500,712.80 (\$310.00 this quarter)

Activity expenditures: \$500,712.80 (\$310.00 this quarter)

Anticipated LI housing units: 8

Actual LI housing units: 8

Identified housing sites: 8

Homes under construction: 0

Homes completed: 8
Homes sold 8:

Other multi-racial (Arab American): 2 households
Black/African American: 3 households
Asian and White: 1 household
White: 2 households
Female Headed: 3 households

HABITAT LMMI Progress Narrative

Habitat will construct a total of (12) homes, in two phases. Phase 1 homes will be constructed on Maple and Neckel Streets utilizing a combination of County NSP3 and Dearborn NSP3 funding. Phase two homes will be constructed on Hartwell Street and will utilize a combination of County HOME (2a) and Dearborn NSP3 (2b) funding. In May 2013, Dearborn completed an NSP3 funded acquisition of vacant land for phase 2 building sites. This land will be combined with other city-owned parcels to form (6) buildable home sites on Hartwell Street. The building sites were sold to Habitat for \$1 each in August 2013. The four (4) new construction Hartwell Street homes for phase 2a were completed in August 2014.

Habitat targeting will benefit low-income homebuyers (LI). However, since moderate-income homebuyers may also be considered, two (2) units have been budgeted under the low-mod-middle income (LMMI) category. Budgets and expenditures may be moved to/from these income categories as specific homebuyers are identified.

Â¿Habitat-LMMI Statistics (phase 2a)

Activity budget: \$56,168.92
Budget set-aside for identified projects: \$56,168.92
Activity obligations: \$56,168.92 (\$0 this quarter)
Activity expenditures: \$56,168.92 (\$0 this quarter)

Anticipated LMMI housing units: 4
Identified housing sites: 4
Homes under construction: 0
Homes completed: 4
Homes sold 4:

Other multi-racial (Arab American): 2 households
Black/African American: 1 household
White: 1 household
Female Headed: 1 household

Project Summary

Project #, Project Title	This Report	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
DBN-NSP3, Dearborn HUD-NSP3	\$0.00	\$1,288,194.00	\$1,027,354.00