

Grantee: Genesee County, MI

Grant: B-11-UN-26-0001

January 1, 2020 thru March 31, 2020 Performance Report

| | | |
|---|---|--|
| Grant Number: B-11-UN-26-0001 | Obligation Date: | Award Date: |
| Grantee Name: Genesee County, MI | Contract End Date: | Review by HUD: Reviewed and Approved |
| Grant Award Amount: \$2,663,219.00 | Grant Status: Active | QPR Contact: Sheila Taylor |
| LOCCS Authorized Amount: \$2,663,219.00 | Estimated PI/RL Funds: \$2,000,000.00 | |
| Total Budget: \$4,663,219.00 | | |

Disasters:

Declaration Number

NSP

Narratives

Summary of Distribution and Uses of NSP Funds:

Genesee County Neighborhood Stabilization Program 3 (NSP3) funds will be used for the following activities:
Demolition and clearance- clearance of blighted properties to assist in stabilizing neighborhoods in target areas throughout Genesee County (\$266,322);
Acquisition/rehabilitation-purchase of vacant foreclosed single-family properties for rehabilitation/resale (\$2,000,575);
Homebuyer assistance- provide funding to low- and very low-income households for the purchase of a NSP rehabilitated property (\$130,000);
Program Administration- funding for costs associated with implementation of NSP3 in Genesee County (\$266,322).

How Fund Use Addresses Market Conditions:

In order to meet the principles and objectives of the NSP laid out in the NSP3 NOFA, such as target and reconnect neighborhoods, rapidly arrest decline and develop viable urban communities, Genesee County only chose target areas that were located within the U.S. Census 2000 urbanized boundary. This ensures that areas chosen have a determined density level and therefore the impact of each property assisted with NSP funding will positively affect many other properties.
Genesee County understands the importance of targeting and concentrating funding in order to have the greatest impact, therefore, many of the areas chosen for NSP1 will also receive funding under NSP3.
Staff also evaluated areas based on their housing stock and if it is appropriate for very low- to middle income households, taking into consideration square footage, utility bills, and maintenance and lawn upkeep. It was also important that any new areas added for NSP3 have access to neighborhood amenities, be near schools and have easy access to major roadways and expressways.
The amount of funding allocated to each municipality is based on the number of housing units in each of the target areas within the municipality, the impact number provided by HUD for each target area and the number of blighted structures in each target area. Ten percent of funding will be set-aside strictly for demolition and the costs associated with it, in order to demolish blighted structures that are negatively impacting target areas. Also, twenty-five percent of funding will be set-aside to assist households at or below 50% of Area Median Income.

Ensuring Continued Affordability:

Rental Units - Long term affordability of rental units will be achieved through an annual monitoring process. The agency made responsible for oversight of any rental housing developed under the NSP program will keep records pertaining to annual rent charged to each renter. An annual re-evaluation of income will be required of each tenant to ensure that rents do not exceed affordability requirements and income guidelines continue to be met.
Sale Units- Long term affordability of sale units will be ensured by using a 15 year affordability period on all down payment and closing costs assistance and any mortgage subsidy provided to the homebuyer.
Properties acquired with NSP funding and sold to qualified homebuyers will require a specific affordability period. Affordability requirements will be attached through a forgivable lien process over a 15-year period, regardless of the amount of funding provided. A lien equal to the amount of down payment and closing cost assistance will be placed on the property. If a mortgage subsidy is provided, a lien equal to the amount of the subsidy will be placed on the property. If the property is sold within the first five years, the entire lien amount must be paid back to the County. For the remaining 10 years, 10% will be forgiven annually.



Definition of Blighted Structure:

A structure that is a potential safety hazard for residents in the community, is an economic and aesthetic liability to a community, does not meet local housing code, is dilapidated and abandoned, will be considered a blighted structure. GCMPC will work with local building code officials to determine that the local standard for blighted structures is followed in determining properties for demolition.

Definition of Affordable Rents:

Genesee County will define affordable rent as a household paying a maximum of 30% of their Adjusted Gross Income for rental costs. Genesee County will adopt the HOME program’s affordable rents at 24 CFR 92.252 (a), (c), and (f). The 2010 Fair Market Rents for Genesee County are listed below:

| | |
|-------------------------------------|-------|
| Final FY 2010 FMRs by Unit Bedrooms | |
| Efficiency | \$525 |
| One-Bedroom | \$554 |
| Two-Bedroom | \$665 |
| Three-Bedroom | \$824 |
| Four-Bedroom | \$850 |

Housing Rehabilitation/New Construction Standards:

- Genesee County will require that all NSP funded rental properties, identified to be in need of rehabilitation, meet, at a minimum, the Section 8 Housing Quality Standards. Properties sold to homebuyers must meet, at a minimum, the Michigan Residential Code Standards. Energy efficiency standards such as those listed below will be incorporated into rehabilitation activities to assist with long-term affordability and sustainability.
- All gut rehabilitation or new construction (i.e., general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes.
- All gut rehabilitation or new construction of mid- or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy).
- Other rehabilitation must meet the standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star-46 labeled products.
- Water efficient toilets, shower, and faucets, such as those with the WaterSense label, must be installed.
- Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, fires).

Vicinity Hiring:

Vicinity hiring in the Genesee County NSP3 Program will primarily focus on contractor activities relating to Demolition and Rehabilitation of single family properties. These activities will be bid out and bid packages will contain the required Section 3 and vicinity hiring language. Compliance with these requirements will be reviewed at the time of bid opening. Currently an incentive is given, in the contract award process, to contractors who are certified as Section 3, this preference will be expanded to give contractors that do vicinity hiring a preference also. Genesee County will connect contractors with local employment training agencies and local building trades organizations who have qualified workers for the program.

Procedures for Preferences for Affordable Rental Dev.:

Genesee County will designate a certain percentage of its NSP3 funding toward creating affordable rental housing. The affordable rental housing will be scattered site, single-family units, acquired and rehabilitated using the same process used for resale units. The rental units will be available only to those households which are at 50% of Area Median Income or below. These households may have more difficulty with the financial demands of homeownership but can benefit from the availability of rental properties newly rehabilitated with NSP 3 funding. Clients will be identified through an application process to a property manager. County staff will review income documentation to ensure potential renters meet the income requirements. Leases containing HUD required language will ensure affordability throughout the term of the lease.

Grantee Contact Information:

Contract Administrator: Christine Durgan
 Email address: cdurgan@co.genesee.mi.us
 Phone Number: 810-257-3010
 Mailing Address: 1101 Beach Street, Rm 223
 Flint, Michigan 48502

| Overall | This Report Period | To Date |
|--|---------------------------|----------------|
| Total Projected Budget from All Sources | N/A | \$4,509,726.10 |
| Total Budget | \$0.00 | \$4,509,726.10 |
| Total Obligated | \$0.00 | \$3,802,410.61 |
| Total Funds Drawdown | \$170.00 | \$3,646,528.84 |
| Program Funds Drawdown | \$0.00 | \$2,532,816.26 |
| Program Income Drawdown | \$170.00 | \$1,113,712.58 |
| Program Income Received | \$0.00 | \$1,139,691.60 |
| Total Funds Expended | \$0.00 | \$3,684,070.65 |
| Most Impacted and Distressed Expended | \$0.00 | \$0.00 |



Match Contributed

\$0.00

\$0.00

Progress Toward Required Numeric Targets

| Requirement | Target | Actual |
|--|----------------|----------------|
| Overall Benefit Percentage (Projected) | | 0.00% |
| Overall Benefit Percentage (Actual) | | 0.00% |
| Minimum Non-Federal Match | \$0.00 | \$0.00 |
| Limit on Public Services | \$399,482.85 | \$0.00 |
| Limit on Admin/Planning | \$266,321.90 | \$356,896.83 |
| Limit on Admin | \$0.00 | \$356,896.83 |
| Most Impacted and Distressed Threshold (Projected) | \$0.00 | \$0.00 |
| Progress towards LH25 Requirement | \$1,165,804.75 | \$1,019,733.32 |

Overall Progress Narrative:

Staff worked with realtors and lenders to sell one property. Spending will be reflected in the next QPR. Staff continues to search for properties for rehab/resale.

Project Summary

| Project #, Project Title | This Report | To Date | |
|----------------------------------|------------------------|------------------------|------------------------|
| | Program Funds Drawdown | Project Funds Budgeted | Program Funds Drawdown |
| Project 10, Homebuyer Assistance | \$0.00 | \$150,000.00 | \$116,362.00 |
| Project 7, Purchase/Rehab | \$0.00 | \$3,313,219.00 | \$1,741,550.66 |
| Project 8, Clearance/Demolition | \$0.00 | \$700,000.00 | \$469,116.66 |
| Project 9, Administration | \$0.00 | \$500,000.00 | \$205,786.94 |



Activities

Project # / Project 7 / Purchase/Rehab

| | |
|---------------------------------|-------------------------------------|
| Grantee Activity Number: | Activity 10 |
| Activity Title: | Purchase/Rehab 25% Land Bank |

Activity Category:

Acquisition - general

Project Number:

Project 7

Projected Start Date:

05/23/2011

Benefit Type:

Direct (HouseHold)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Under Way

Project Title:

Purchase/Rehab

Projected End Date:

11/15/2019

Completed Activity Actual End Date:

Responsible Organization:

Genesee County Metropolitan Planning Commission2

| Overall | Jan 1 thru Mar 31, 2020 | To Date |
|--|-------------------------|----------------|
| Total Projected Budget from All Sources | N/A | \$1,000,000.00 |
| Total Budget | \$0.00 | \$1,000,000.00 |
| Total Obligated | \$0.00 | \$907,697.20 |
| Total Funds Drawdown | \$170.00 | \$857,523.13 |
| Program Funds Drawdown | \$0.00 | \$403,480.17 |
| Program Income Drawdown | \$170.00 | \$454,042.96 |
| Program Income Received | \$0.00 | \$302,910.17 |
| Total Funds Expended | \$0.00 | \$1,044,741.18 |
| Most Impacted and Distressed Expended | \$0.00 | \$0.00 |
| Match Contributed | \$0.00 | \$0.00 |

Activity Description:

It is expected that the Genesee County Metropolitan Planning Commission (GCMPC) will have a subrecipient agreement with the Genesee County Land Bank Authority (GCLBA) for the acquisition of foreclosed homes that will be rehabilitated. In cooperation with local units of government and the GCLBA, GCMPC will identify vacant foreclosed properties using local records and data and “first look programs” offered by several lenders, HUD and FHA. The first look programs provide NSP grantees with opportunities to purchase foreclosed homes at a discount, before they go on the market for sale, eliminating competition from investors. Structures will be identified in neighborhoods of greatest need and will be vacant single-family properties having a negative impact on neighborhood stability. Properties will be acquired at a minimum 1% discount from the fair market value for single structures. After rehabilitation, the homes will be resold to households making no more than 50% of area median income.

Location Description:

Targeted areas in Genesee County



Activity Progress Narrative:

Accomplishments Performance Measures

| | This Report Period | | Cumulative Actual Total / Expected | |
|-----------------|--------------------|--|------------------------------------|--|
| | Total | | Total | |
| # of Properties | 0 | | 7/5 | |

| | This Report Period | | Cumulative Actual Total / Expected | |
|-------------------------|--------------------|--|------------------------------------|--|
| | Total | | Total | |
| # of Housing Units | 0 | | 10/5 | |
| # of Singlefamily Units | 0 | | 10/5 | |

Beneficiaries Performance Measures

| | This Report Period | | | Cumulative Actual Total / Expected | | | |
|---------------------|--------------------|-----|-------|------------------------------------|-----|-------|---------|
| | Low | Mod | Total | Low | Mod | Total | Low/Mod |
| # of Households | 0 | 0 | 0 | 0/3 | 0/0 | 10/3 | 0.00 |
| # Owner Households | 0 | 0 | 0 | 0/3 | 0/0 | 10/3 | 0.00 |
| # Renter Households | 0 | 0 | 0 | 0/0 | 0/0 | 0/0 | 0 |

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

| Other Funding Sources | Amount |
|--------------------------------|--------|
| No Other Funding Sources Found | |
| Total Other Funding Sources | |

Project # / Project 9 / Administration

| | |
|---------------------------------|-----------------------|
| Grantee Activity Number: | Activity 15 |
| Activity Title: | Administration |

Activity Category:

Administration

Project Number:

Project 9

Projected Start Date:

03/11/2011

Benefit Type:

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National Objective:

N/A

Activity Status:

Under Way

Project Title:

Administration

Projected End Date:

11/15/2019

Completed Activity Actual End Date:

Responsible Organization:

Genesee County Metropolitan Planning Commission2

Overall

| | Jan 1 thru Mar 31, 2020 | To Date |
|---|-------------------------|--------------|
| Total Projected Budget from All Sources | N/A | \$379,791.18 |
| Total Budget | \$0.00 | \$379,791.18 |



| | | |
|--|--------|--------------|
| Total Obligated | \$0.00 | \$379,791.18 |
| Total Funds Drawdown | \$0.00 | \$356,896.83 |
| Program Funds Drawdown | \$0.00 | \$205,786.94 |
| Program Income Drawdown | \$0.00 | \$151,109.89 |
| Program Income Received | \$0.00 | \$0.00 |
| Total Funds Expended | \$0.00 | \$350,375.69 |
| Most Impacted and Distressed Expended | \$0.00 | \$0.00 |
| Match Contributed | \$0.00 | \$0.00 |

Activity Description:

Program administration costs associated with implementation and monitoring of the Genesee County Neighborhood Stabilization Program.

Location Description:

Activity Progress Narrative:

Accomplishments Performance Measures

No Accomplishments Performance Measures

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources

Amount

No Other Funding Sources Found

Total Other Funding Sources

