

**Grantee: Macomb County, MI**

**Grant: B-08-UN-26-0003**

**January 1, 2011 thru March 31, 2011 Performance Report**

**Grant Number:**

B-08-UN-26-0003

**Obligation Date:****Grantee Name:**

Macomb County, MI

**Award Date:****Grant Amount:**

\$9,765,375.00

**Contract End Date:****Grant Status:**

Active

**Review by HUD:**

Submitted - Await for Review

**QPR Contact:**

No QPR Contact Found

**Disasters:****Declaration Number**

NSP

**Narratives****Areas of Greatest Need:**

A. NEED: We used a matrix to measure 1) # foreclosures, 2) # predicted foreclosures, and 3) # sub-prime loans, to rank distress in each community. The maximum score was 14 pts. Scores ranged from 13.5 to 0.5, with a cutoff at 7.5. The County allocated funds to Eastpointe [13.5], Mt. Clemens [10], and Center Line [7.5]. B. DISTRIBUTION AND USES: The populations of Eastpointe, Mt Clemens, and Center Line are rough multiples of each other, doubling from Center Line to Mt. Clemens to Eastpointe. Their distress follow a similar pattern, but with a 50% increase. These two patterns were used to weight the distress scores and determine NSP funding for each community. Center Line (1 pt), Mt. Clemens (2 pts) is twice Center Line, and Eastpointe (4 pts) is twice Mt. Clemens. We added the weights to derive a factor of 7. \$5,273,303 is reserved for these communities. Simple math was then applied to derive sub-allocations. If progress is slow, the County would redirect funds to other projects or expand into the next tier of distressed communities, Shelby Township [5.5], and New Haven [5.0). We expect most foreclosed/abandoned properties to be located in the target areas, although some may be located in non-targeted areas. At least \$2,441,343.75 will assist HH < 50% AMI. Targeting and Beneficiary Considerations \$9,765,375.00 - NSP Grant < 976,537.00> 10% planning/admin exempt from LMMI \$8,788,838.00 - NSPprojects <3,515,535.00> 40% NSP for LMMI homebuyers throughout County \$5,273,303.00 - 60% NSP committed to distressed communities C. DEFINITIONS/DESCRIPTIONS (1) Blighted structure: A structure is blighted when 1) it has deteriorated to the point where it constitutes a threat to human health, safety, and public welfare (as determined by the municipal building official) and the estimated cost of repair to correct those deficiencies exceeds 50% of the structure's State Equalized Value (SEV), 2) it constitutes a nuisance to the public, or 3) it is structurally and/or functionally obsolete and therefore no longer has a useful purpose. Due to high performance expectations, the County will directly implement the NSP to ensure consistency. It will, however, work with and through communities to demolish blighted homes. They are experienced and can comply with State/local law. The County will manage the demolition process to ensure NSP progress and compliance. Each partner therefore has a defined role. (2) Affordable rents: We do not intend to do rental projects. If we did, however, we would define "affordable rent" pursuant to 24CFR 92.252(a). (3) Continued Affordability: The County will apply 24CFR 92.252 (e) and (f) for rental properties and, for homebuyers, at 24CFR 92.254 (a) (1), (2), (4) and (5)(ii) (A) (1). Specifics follow: a. Down-payment and housing rehabilitation assistance both 0 interest deferred payment loans, fully forgiven if HH owns and occupies home for 15 years, but repaid in full if sold before then. Assistance limited to \$50,000, or 49% of hard costs, but cannot exceed \$100,000. This ensures affordability across the range of properties and among families at varying income levels. b. Rental assistance, if provided, either in partnership with a housing commission (as public housing and subject to commission rules/policies) or non-profit provider (with properties secured by a second mortgage). Failure to comply would result in default and require repayment of the assistance provided.

**Distribution and and Uses of Funds:**

(4) Describe housing rehabilitation standards: The County will use the State of Michigan Residential Building Code (for existing dwellings) and, when applicable, HQS standards. Additional Definitions: In addition to the above, the following terms that will govern the Purchase/Rehabilitation Assistance Program. Macomb Urban County: The "Macomb Urban County" as defined by CDBG regulation, is comprised of 21 participating jurisdictions, excluding Clinton Township, Roseville, St. Clair Shores, Sterling Heights, and Warren. Unless otherwise noted, the terms Macomb County and Macomb Urban County are interchangeable. Macomb County Neighborhood Stabilization Program: A program funded by HUD to assist HH acquire and redevelop foreclosed or abandoned properties within Macomb County, that might otherwise become sources of abandonment and blight. The NSP will focus on high distress communities: Eastpointe, Mt. Clemens, and Center Line. Purchase Price: The amount needed to buy a home, including reasonable closing costs Rehabilitation Costs: Amount of Rehabilitation Contract and any used contingency amounts for repairs needed to make the home decent, safe and habitable (including unforeseen and validated costs discovered during the course of rehabilitation), and comply with the Michigan Building Code for Existing Structures, plus any amounts for energy efficiency items selected by the homeowner. Hard Costs: The sum of Purchase Price and Rehabilitation Costs for a property. The maximum of Hard Costs (including private investment) for a home receiving NSP assistance is \$226,100. Mortgage Default: is when or if... 1. the mortgaged property ceases to be the primary residence of the NSP borrower or, if there is more than one borrower, of at least one of the borrowers. 2. the home is rented, sold, or title transferred in any way, or if the borrower fails to

timely pay property taxes, or to maintain adequate fire and hazard insurance to cover all outstanding mortgages. 3. the homeowner refinances the mortgaged property and the new mortgage does not meet County standards to allow mortgage subordination to the new mortgage. Current Appraised Market Value(CMAV): the property value reported on a Uniform Residential Appraisal Report. The appraisal must be performed by a Certified Residential Real Estate Appraiser, and be no older than 60 days from the date of a purchase offer for that property. For purposes of mortgage repayment only, if the homeowner does not provide an appraisal, CMAV can be established at an amount equal to two times the current State Equalized Value, as substantiated by property tax records. Abandoned Home: A home is abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, when no mortgage or tax payments have been made by the property owner for at least 90 days, and the property has been vacant for 90 days. Foreclosed Home: A home upon which title for the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure, in accordance with state law. Down-Payment Mortgage (DPM): A mortgage given to an NSP beneficiary from NSP funds in order to purchase a foreclosed home in Macomb County, to be used as the NSP beneficiary's primary residence. The combined total of the DPM and HRM (see below) may not exceed \$50,000, or 49%, of hard costs, whichever is greater, (with an ultimate of \$100,000). The DPM will carry a 0% interest rate, and payments on the mortgage are deferred until Mortgage Default, as defined above, occurs. If Default occurs within the 15-year period of affordability, the Mortgage becomes due and payable in full. The DPM is forgiven if Default occurs after the 15-year period of affordability expires. Housing Rehabilitation Mortgage (HRM): A mortgage given to an NSP beneficiary from NSP funds in order to finance rehabilitation of a foreclosed home located within Macomb County, purchased through the NSP, to be used as the NSP beneficiary's primary residence. The combined total of DPM and HRM may not exceed \$50,000, or 49%, of hard costs, whichever is greater, (with an ultimate assistance limit of \$100,000). The HRM will carry a 0% interest rate, and payments on the mortgage will be deferred until Mortgage Default, as defined above, occurs. If Default occurs within the 15-year period of affordability, the Mortgage becomes due and payable in full. The HRM is forgiven if Default occurs after the 15-year period of affordability expires. Soft Costs: Amounts used to finance and implement distribution of NSP funds on a particular property. These amounts include but are not limited to appraisals, homebuyer counseling, housing inspections, lead based paint inspections and clearances, costs of staff time involved in the activity delivery, office expenses, necessary mileage charges and other costs necessary to the administration and completion of a home purchase and rehabilitation of the home. These amounts will be financed with NSP funds but will not be charged to the homebuyer nor require repayment. Development Costs: The sum of Hard Costs plus Soft Costs D. LOW INCOME TARGETING: Response: Macomb County will ensure that a minimum of \$2,441,343.75 is used to benefit households < 50% AMI. The income limits, based on household size, follow: The County's NSP will primarily assist homebuyers. Staff will verify the income-eligibility of all potential homebuyers and will therefore be able to monitor progress in meeting the LI benefit objective. Should that become doubtful, the County would investigate root cause, and adjust its activities accordingly, possibly through implementing the rental activities already described. The County will advise HUD of any changes to objectives and/or activities through the DRGR. E. ACQUISITIONS & RELOCATION: Detroit, like other metropolitan areas, has a large and increasing number of vacant homes and too few buyers for them. It is unique, however, in that its economic base, heavy manufacturing, is at extreme risk. This could, in a worst-case scenario, cause further and extensive population decline and leave immense numbers of homes vacant and deteriorating. It could also compromise Regional economic viability and growth for years. Prices could decline and remain depressed until the economy recovers. Increased availability and reduced prices would predict that it is highly unlikely that the number of dwelling units affordable to low- and moderate-income households will diminish. Physical conditions in some neighborhoods within the target communities therefore demand demolition. All have older and modest housing units, and all have blighted properties that are beyond repair, or threaten to further erode the surrounding neighborhoods. It is reasonable to assume that most, if not all, are affordable to LMMI households, and are therefore subject to the preceding question, which is answered as follows: \* We may demolish as many as 65 homes with NSP funds. \* We may provide 174 units of vacant and foreclosed housing to LMMI households with NSP funds. \* Roughly one-quarter of the total number of units to be provided to LMMI households will be reserved for LI families. As indicated, there should be no decrease in the number of housing units affordable to LMMI households as a result of NSP-assisted demolition. Macomb County does not intend to engage in any activity that would trigger the Uniform Acquisition and Relocation Act. Should that inadvertently happen, however, compliance would be obtained. F. PUBLIC COMMENT: In addition to posting the Substantial Amendment on the County's website, it consulted with member and peer communities, and with select stakeholders to obtain feedback concerning the program. The Amendment generated considerable interest, but no comments that evaluated the Plan were received.

**Definitions and Descriptions:**

**Low Income Targeting:**

**Acquisition and Relocation:**

**Public Comment:**

<b>Overall</b>	<b>This Report Period</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$9,765,375.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$9,765,375.00
<b>Program Funds Drawdown</b>	\$893,733.85	\$5,328,772.15

Program Funds Obligated	(\$100.00)	\$9,765,275.00
Program Funds Expended	\$1,760,372.40	\$5,789,157.15
Match Contributed	\$0.00	\$0.00
Program Income Received	\$188,028.77	\$189,047.73
Program Income Drawdown	\$82,692.87	\$83,711.83

## Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$1,464,806.25	\$0.00
Limit on Admin/Planning	\$976,537.50	\$471,691.34
Limit on State Admin	\$0.00	\$0.00

## Progress Toward Activity Type Targets

## Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$2,441,343.75	\$2,902,067.86

## Overall Progress Narrative:

Macomb County is pleased with the progress made to date. Almost 56% of its NSP1 funds were spent as of March 31, 2011 and many activities well underway.

- Two, homebuyer assistance 51% - 120% AMI and demolition in Eastpointe, are nearing completion or are now complete.
  - Although not yet complete substantial progress has occurred in the homebuyer < 50% AMI activity as well, with approximately 86% of funds spent, and a substantial number of homes occupied by VLI households. The County < 50% homebuyer activity is complete but roughly \$500,000 of developer funds have yet to be spent.
  - Demolition has been delayed due to winter weather but should re-commence this spring. Several properties, however, have been delayed due to continuing discussions with owners.
  - The redevelopment projects in Center Line, Eastpointe, and Mt. Clemens are progressing well, and approximately 16% of funds have been spent. Much activity has occurred but is not reflected in the expenditure data. Much more activity is planned for the spring and summer.
- Based on current trends, we expect that a substantial share of the grant will be complete by the end of summer.

## Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
1, Neighborhood Housing and Redevelopment Activities	\$893,733.85	\$9,765,375.00	\$5,328,772.15

2, Redevelopment	\$0.00	\$0.00	\$0.00
9999, Restricted Balance	\$0.00	\$0.00	\$0.00

## Activities

**Grantee Activity Number:** B8-27-10A

**Activity Title:** Planning and Administration

**Activity Category:**

Administration

**Project Number:**

1

**Projected Start Date:**

04/15/2009

**Benefit Type:**

N/A

**National Objective:**

N/A

**Activity Status:**

Under Way

**Project Title:**

Neighborhood Housing and Redevelopment Activities

**Projected End Date:**

12/31/2011

**Completed Activity Actual End Date:**

**Responsible Organization:**

County of Macomb

**Overall**

**Jan 1 thru Mar 31, 2011**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$835,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$835,000.00
<b>Program Funds Drawdown</b>	\$41,904.28	\$471,490.57
<b>Program Funds Obligated</b>	\$0.00	\$835,000.00
<b>Program Funds Expended</b>	\$74,417.87	\$471,490.57
County of Macomb	\$74,417.87	\$471,490.57
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$200.77

**Activity Description:**

Planning and Administration - Ten percent of the grant has been reserved to cover legitimate costs of program planning and implementation. Anticipated costs include salaries and benefits, mileage, office expenses, and contractual help if and as necessary, e.g. appraisers and rehabilitation inspectors) deemed necessary to implement the program and achieve compliance with law and regulation.

**Location Description:**

This activity will benefit the entire jurisdiction of the Macomb Urban County.

**Activity Progress Narrative:**

Continued administration of program. Costs incurred for staff involved in program administration.

**Accomplishments Performance Measures**

**No Accomplishments Performance Measures found.**

**Beneficiaries Performance Measures**

**No Beneficiaries Performance Measures found.**

## Activity Locations

Address	City	State	Zip
One S. Main St.	Mount Clemens	NA	48043

## Other Funding Sources Budgeted - Detail

### No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

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**Grantee Activity Number: B8-27-10B**

**Activity Title: Homebuyer Assistance<50%**

**Activity Category:**

Homeownership Assistance to low- and moderate-income

**Project Number:**

1

**Projected Start Date:**

04/15/2009

**Benefit Type:**

Direct Benefit (Households)

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Activity Status:**

Under Way

**Project Title:**

Neighborhood Housing and Redevelopment Activities

**Projected End Date:**

12/31/2011

**Completed Activity Actual End Date:**

**Responsible Organization:**

County of Macomb

<b>Overall</b>	<b>Jan 1 thru Mar 31, 2011</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$2,602,067.86
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$2,602,067.86
<b>Program Funds Drawdown</b>	\$273,447.23	\$2,091,784.55
<b>Program Funds Obligated</b>	\$0.00	\$2,602,067.86
<b>Program Funds Expended</b>	\$1,107,382.72	\$2,602,067.86
County of Macomb	\$1,107,382.72	\$2,602,067.86
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$105,717.53	\$106,069.85
<b>Program Income Drawdown</b>	\$214.77	\$415.54

**Activity Description:**

This activity will consist of three components: 1) a Down Payment Mortgage, to reduce the purchase price on a foreclosed property; 2) a Housing Rehabilitation Mortgage, if required to meet State Building code, as defined previously, and 3) Soft Costs. The DPM and HRM will be secured by second and third mortgages on the property. Homebuyers seeking NSP assistance will complete an application and submit documentation to the Macomb County Planning and Economic Development Department. The following process will be followed: \* Establish applicant eligibility, considering income and assets. The County will calculate income using IRS Form 1040 Adjusted Gross Income Method. Applicant incomes must fall below 120 percent of area median income. The applicant cannot have current liquid assets exceeding \$50,000.00, and cannot currently own a home. \* Local partners, including HUD-approved counseling agencies and local lenders, will also evaluate the applicant's credit-worthiness. The applicant must complete at least 8 hours of homebuyer counseling from a HUD-approved housing counseling agency. The applicant must also be approved by a lender for a fixed rate loan, at or near the best available conventional rate, including FHA-insured mortgages and MSHDA mortgages, for a term not to exceed 40 years. \* The lender must provide a written statement consenting to placing DPM and HRM (as defined previously), payable to the County of Macomb, on any property that the first mortgage would be used to purchase. \* Based on the amount of loan pre-approved, the applicant will receive a list of potential vacant foreclosed single family properties, including HUD-owned properties, from lists of tax and mortgage foreclosures, the HUD website, local records and neighborhood research. The applicant may also identify a foreclosed, abandoned property of his/her choosing for purchase. \* All properties will have been pre-negotiated to be available for sale at a discount from their current appraised value. The average purchase discount required from the seller will be 15% from the current market appraised value (CMAV), with few exceptions made in extraordinary instances. In no instance would the discount fall below 5% of CMAV. \* The NSP DPM will reduce interest rates, mortgage principal, and pay reasonable closing costs, thereby achieving the long-term affordability objective, including as an objective, Private Mortgage Insurance fees. \* Housing units acquired through the program may require rehabilitation in order to make them decent, safe, habitable and in compliance with the State's Building Code (see above definitions). The County will therefore provide a HRM for eligible Rehabilitation Costs secured by a lien on the property. \* The total of NSP assistance will not exceed the greater of \$50,000 or 49% of hard costs. The maximum Hard Costs for a home receiving NSP assistance is \$226,100. County Staff will assist the homebuyer in: application preparation, determining applicant eligibility, property inspections, cost estimates, contractor bid process, preparing construction contract, an inspection to ensure contract compliance. (These are considered Soft Costs (see County definitions above), and will not be repaid by the NSP beneficiary). For housing related activities, include: \* tenure of beneficiaries--rental or homeownership; the NSP will assist households that do not currently own homes and intend, after

purchase, to own and occupy their homes indefinitely. \* duration or term of assistance; both the DPM and HRM will be effective while the homebuyer owns and occupies the property, and will be repayable upon default if within 15 years of purchase. They will be forgiven if the owner owns and occupies the property as its principal residence for 15-years after purchase. Specifics for a rental program have not been determined due to the priority for homebuyer assistance. \* a description of how the design of the activity will ensure continued affordability. Affordability was a key consideration in the design of the Macomb County NSP as indicated by the following: \* both the DPM and the HRM carry no interest and are not payable until default occurs. They are completely forgiven if the homebuyer uses the home as its principle residence for at least 15 years. This policy is intended to encourage long-term residence by the assisted homebuyer. \* The DPM is intended to insure that 20% of the purchase price is not lender-financed, thereby eliminating the need for Private Mortgage Insurance (PMI) and the fees associated with it. \* The rehabilitation loan, moreover, allows the buyer the option of installing energy-saving improvements, including windows, insulation, HVAC systems, refrigerators and stoves. This will help the family lower operating costs, thereby encouraging long-term affordability. For acquisition activities, include: \* discount rate An overall purchase discount of 15% will be charged pursuant to NSP regulation J. The County will ensure a minimum 5% discount on select properties, if warranted, but will achieve the overall discount rate through corresponding increased discounts on other loans. For financing activities, include: \* range of interest rates Both the DPM and the HRM are no interest and payment is deferred until the time of Mortgage Default. Both are completely forgiven after 15 years.

### Location Description:

Assist HH 50% AMI purchase foreclosed homes anywhere within the 21 community Urban County jurisdiction.

### Activity Progress Narrative:

There was considerable construction activity as three developers undertook substantial levels of rehabilitation on homes acquired for VLI household purchase. The County is wrapping up its VLI homebuyer activity with only one household not yet complete.

### Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	14/43

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	14/43	0/0	14/43	100.00
# Owner Households	0	0	0	14/43	0/0	14/43	100.00

### 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	

**Grantee Activity Number: B8-27-10C**

**Activity Title: Homebuyer Assistance >50%**

**Activity Category:**

Homeownership Assistance to low- and moderate-income

**Project Number:**

1

**Projected Start Date:**

04/15/2009

**Benefit Type:**

Direct Benefit (Households)

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Neighborhood Housing and Redevelopment Activities

**Projected End Date:**

12/31/2011

**Completed Activity Actual End Date:**

**Responsible Organization:**

County of Macomb

<b>Overall</b>	<b>Jan 1 thru Mar 31, 2011</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$2,017,681.02
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$2,017,681.02
<b>Program Funds Drawdown</b>	\$13,173.14	\$2,017,681.02
<b>Program Funds Obligated</b>	\$0.00	\$2,017,681.02
<b>Program Funds Expended</b>	\$13,173.14	\$2,017,681.02
County of Macomb	\$13,173.14	\$2,017,681.02
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$666.64
<b>Program Income Drawdown</b>	\$166.86	\$166.86

**Activity Description:**

This activity will consist of three components: 1) a Down Payment Mortgage, to reduce the purchase price on a foreclosed property; 2) a Housing Rehabilitation Mortgage, if required to meet State Building code, as defined previously, and 3) Soft Costs. The DPM and HRM will be secured by second and third mortgages on the property. Homebuyers seeking NSP assistance will complete an application and submit documentation to the Macomb County Planning and Economic Development Department. The following process will be followed: \* Establish applicant eligibility, considering income and assets. The County will calculate income using IRS Form 1040 Adjusted Gross Income Method. Applicant incomes must fall below 120 percent of area median income. The applicant cannot have current liquid assets exceeding \$50,000.00, and cannot currently own a home. \* Local partners, including HUD-approved counseling agencies and local lenders, will also evaluate the applicant's credit-worthiness. The applicant must complete at least 8 hours of homebuyer counseling from a HUD-approved housing counseling agency. The applicant must also be approved by a lender for a fixed rate loan, at or near the best available conventional rate, including FHA-insured mortgages and MSHDA mortgages, for a term not to exceed 40 years. \* The lender must provide a written statement consenting to placing DPM and HRM (as defined previously), payable to the County of Macomb, on any property that the first mortgage would be used to purchase. \* Based on the amount of loan pre-approved, the applicant will receive a list of potential vacant foreclosed single family properties, including HUD-owned properties, from lists of tax and mortgage foreclosures, the HUD website, local records and neighborhood research. The applicant may also identify a foreclosed, abandoned property of his/her choosing for purchase. \* All properties will have been pre-negotiated to be available for sale at a discount from their current appraised value. The average purchase discount required from the seller will be 15% from the current market appraised value (CMAV), with few exceptions made in extraordinary instances. In no instance would the discount fall below 5% of CMAV. \* The NSP DPM will reduce interest rates, mortgage principal, and pay reasonable closing costs, thereby achieving the long-term affordability objective, including as an objective, Private Mortgage Insurance fees. \* Housing units acquired through the program may require rehabilitation in order to make them decent, safe, habitable and in compliance with the State's Building Code (see above definitions). The County will therefore provide a HRM for eligible Rehabilitation Costs secured by a lien on the property. \* The total of NSP assistance will not exceed the greater of \$50,000 or 49% of hard costs. The maximum Hard Costs for a home receiving NSP assistance is \$226,100. County Staff will assist the homebuyer in: application preparation, determining applicant eligibility, property inspections, cost estimates, contractor bid process, preparing construction contract, an inspection to ensure contract compliance. (These are considered Soft Costs (see County definitions above), and will not be repaid by the NSP beneficiary). For housing related activities, include: \* tenure of beneficiaries--rental or homeownership; the NSP will assist households that do not currently own homes and intend, after

purchase, to own and occupy their homes indefinitely. \* duration or term of assistance; both the DPM and HRM will be effective while the homebuyer owns and occupies the property, and will be repayable upon default if within 15 years of purchase. They will be forgiven if the owner owns and occupies the property as its principal residence for 15-years after purchase. Specifics for a rental program have not been determined due to the priority for homebuyer assistance. \* a description of how the design of the activity will ensure continued affordability. Affordability was a key consideration in the design of the Macomb County NSP as indicated by the following: \* both the DPM and the HRM carry no interest and are not payable until default occurs. They are completely forgiven if the homebuyer uses the home as its principle residence for at least 15 years. This policy is intended to encourage long-term residence by the assisted homebuyer. \* The DPM is intended to insure that 20% of the purchase price is not lender-financed, thereby eliminating the need for Private Mortgage Insurance (PMI) and the fees associated with it. \* The rehabilitation loan, moreover, allows the buyer the option of installing energy-saving improvements, including windows, insulation, HVAC systems, refrigerators and stoves. This will help the family lower operating costs, thereby encouraging long-term affordability. For acquisition activities, include: \* discount rate An overall purchase discount of 15% will be charged pursuant to NSP regulation J. The County will ensure a minimum 5% discount on select properties, if warranted, but will achieve the overall discount rate through corresponding increased discounts on other loans. For financing activities, include: \* range of interest rates Both the DPM and the HRM are no interest and payment is deferred until the time of Mortgage Default. Both are completely forgiven after 15 years.

### Location Description:

This activity will be made available anywhere within the 21 community jurisdiction of the Urban County of Macomb.

### Activity Progress Narrative:

The last LMMI homebuyer project was completed in January. This activity is now complete.

### Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	1	15/131

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	1	1	0/0	27/131	27/131	100.00
# Owner Households	0	1	1	0/0	27/131	27/131	100.00

### Activity Locations

Address	City	State	Zip
22860 Oakwood	Macomb County	NA	48021

### Other Funding Sources Budgeted - Detail

#### No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

<b>Grantee Activity Number:</b>	<b>B8-27-10D</b>
<b>Activity Title:</b>	<b>Demolition - Eastpointe</b>

**Activity Category:**

Clearance and Demolition

**Project Number:**

1

**Projected Start Date:**

04/15/2009

**Benefit Type:**

N/A

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Neighborhood Housing and Redevelopment Activities

**Projected End Date:**

12/31/2011

**Completed Activity Actual End Date:**

06/30/2010

**Responsible Organization:**

County of Macomb

<b>Overall</b>	<b>Jan 1 thru Mar 31, 2011</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$54,247.18
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$54,247.18
<b>Program Funds Drawdown</b>	\$0.00	\$53,997.18
<b>Program Funds Obligated</b>	\$0.00	\$54,247.18
<b>Program Funds Expended</b>	\$0.00	\$54,247.18
County of Macomb	\$0.00	\$54,247.18
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The Cities of Center Line, Eastpointe, and Mt. Clemens indicate a need to demolish blighted structures that threaten to further erode the neighborhood viability. The County has therefore allocated funds for this purpose. The average estimated per unit cost is \$10,000. No re-use is anticipated for the foreseeable future. Demolition will be limited to vacant or abandoned property. This activity carries risk since the municipality involved would use its powers to demolish privately-held property. Demolition will be limited to instances where neglect and/or abuse require intervention to preserve public safety and/or neighborhood integrity, and will be implemented in conformance with established, acceptable local procedures. The County will require due care before authorizing any demolition. NSP procedures and safeguards have yet to be developed. For housing related activities, include: Not applicable for demolition activities. \* tenure of beneficiaries--rental or homeownership; \* duration or term of assistance; \* a description of how the design of the activity will ensure continued affordability. For acquisition activities, include: Not applicable for demolition activities. \* discount rate For financing activities, include: Not applicable for demolition activities. \* range of interest rates

**Location Description:**

This activity will be focused in the City of Eastpointe, which has been identified as being a foreclosure-distressed community.

**Activity Progress Narrative:**

No new activity since this activity was completed in 2010.

**Accomplishments Performance Measures**

	<b>This Report Period</b>	<b>Cumulative Actual Total / Expected</b>
	<b>Total</b>	<b>Total</b>
<b># of Properties</b>	0	4/20

### **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

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<b>Grantee Activity Number:</b>	<b>B8-27-10E</b>
<b>Activity Title:</b>	<b>Demolition - Mt. Clemens</b>

**Activity Category:**

Clearance and Demolition

**Project Number:**

1

**Projected Start Date:**

04/15/2009

**Benefit Type:**

N/A

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Neighborhood Housing and Redevelopment Activities

**Projected End Date:**

12/31/2011

**Completed Activity Actual End Date:**

**Responsible Organization:**

County of Macomb

Overall	Jan 1 thru Mar 31, 2011	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$185,783.60
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$185,783.60
<b>Program Funds Drawdown</b>	\$0.00	\$60,623.68
<b>Program Funds Obligated</b>	\$0.00	\$185,783.60
<b>Program Funds Expended</b>	\$250.00	\$60,623.68
County of Macomb	\$250.00	\$60,623.68
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$617.42

**Activity Description:**

The Cities of Center Line, Eastpointe, and Mt. Clemens indicate a need to demolish blighted structures that threaten to further erode the neighborhood viability. The County has therefore allocated funds for this purpose. The average estimated per unit cost is \$10,000. No re-use is anticipated for the foreseeable future. Demolition will be limited to vacant or abandoned property. This activity carries risk since the municipality involved would use its powers to demolish privately-held property. Demolition will be limited to instances where neglect and/or abuse require intervention to preserve public safety and/or neighborhood integrity, and will be implemented in conformance with established, acceptable local procedures. The County will require due care before authorizing any demolition. NSP procedures and safeguards have yet to be developed. For housing related activities, include: Not applicable for demolition activities. \* tenure of beneficiaries--rental or homeownership; \* duration or term of assistance; \* a description of how the design of the activity will ensure continued affordability. For acquisition activities, include: Not applicable for demolition activities. \* discount rate For financing activities, include: Not applicable for demolition activities. \* range of interest rates

**Location Description:**

This activity will be focused in the City of Mt. Clemens, which has been identified as being foreclosure-distressed.

**Activity Progress Narrative:**

One project awaited utility disconnections and should proceed in 3rd quarter. Several others delayed due to title concern

**Accomplishments Performance Measures**

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
<b># of Properties</b>	0	0/35

### **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

---

**Grantee Activity Number:** B8-27-10F  
**Activity Title:** Demolition - Center Line

**Activity Category:**  
 Clearance and Demolition

**Activity Status:**  
 Planned

**Project Number:**  
 1

**Project Title:**  
 Neighborhood Housing and Redevelopment Activities

**Projected Start Date:**  
 04/15/2009

**Projected End Date:**  
 12/31/2011

**Benefit Type:**  
 N/A

**Completed Activity Actual End Date:**

**National Objective:**  
 NSP Only - LMMI

**Responsible Organization:**  
 County of Macomb

Overall	Jan 1 thru Mar 31, 2011	To Date
Total Projected Budget from All Sources	N/A	\$90,000.00
Total CDBG Program Funds Budgeted	N/A	\$90,000.00
Program Funds Drawdown	\$24,909.48	\$42,807.65
Program Funds Obligated	\$0.00	\$90,000.00
Program Funds Expended	\$24,909.48	\$42,807.65
County of Macomb	\$24,909.48	\$42,807.65
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

**Activity Description:**

Include a narrative describing the area of greatest need that the activity addresses; the expected benefit to income-qualified persons; and whether funds used for this activity will be used to meet the low income housing requirement for those below 50% of area median income. The Cities of Center Line, Eastpointe, and Mt. Clemens indicate a need to demolish blighted structures that threaten to further erode the neighborhood viability. The County has therefore allocated funds for this purpose. The average estimated per unit cost is \$10,000. No re-use is anticipated for the foreseeable future. Demolition will be limited to vacant or abandoned property. This activity carries risk since the municipality involved would use its powers to demolish privately-held property. Demolition will be limited to instances where neglect and/or abuse require intervention to preserve public safety and/or neighborhood integrity, and will be implemented in conformance with established, acceptable local procedures. The County will require due care before authorizing any demolition. NSP procedures and safeguards have yet to be developed. For housing related activities, include: Not applicable for demolition activities. \* tenure of beneficiaries--rental or homeownership; \* duration or term of assistance; \* a description of how the design of the activity will ensure continued affordability. For acquisition activities, include: Not applicable for demolition activities. \* discount rate For financing activities, include: Not applicable for demolition activities. \* range of interest rates

**Location Description:**

This activity will be focused in the City of Center Line, which has been identified as being foreclosure-distressed.

**Activity Progress Narrative:**

Demolition of property at 24017 Van Dyke complete.

**Accomplishments Performance Measures**

This Report Period Total	Cumulative Actual Total / Expected Total
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### 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

---

**Grantee Activity Number:** B8-27-10G

**Activity Title:** Harding Street Reconstruction

**Activity Category:**

Construction/reconstruction of streets

**Project Number:**

1

**Projected Start Date:**

09/10/2010

**Benefit Type:**

Area Benefit (Survey)

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Neighborhood Housing and Redevelopment Activities

**Projected End Date:**

12/31/2011

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Center Line

**Overall**

**Jan 1 thru Mar 31, 2011**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$498,640.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$498,640.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$0.00	\$498,640.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
City of Center Line	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The City of Center Line has continually invested in infrastructure and services, thereby providing an excellent quality of life for residents. The results are apparent, with well-tended residences and a stable business district. Cracks are, however, beginning to show since:

- 1) the population is aging,
- 2) many young families have moved to other communities,
- 3) the City has fully shared the region's economic misfortunes, and
- 4) the City has been hard-hit by home foreclosures.

As a result, Center Line is now poorer than in the past, has many foreclosed homes, faces a pent-up demand for improvements for infrastructure and services, and has a declining tax base from which it can address these challenges. Vacant and foreclosed homes are found on any street. As a result, Center Line can no longer continue the historic level of investment that succeeded so well. The City is therefore at a crossroads and must either act decisively in order to maintain its quality of life and remain viable, or face a very uncertain future.

Harding Street between Van Dyke and Lorraine is badly deteriorated and must be reconstructed. Anticipating repair, the City obtained project engineering, but could not afford to proceed. Harding Street is purely residential with 8 currently vacant, foreclosed homes and 4 to 8 additional foreclosures expected over the next 18 months. The street conditions will discourage buyers, further destabilizing the neighborhood and creating blight. It is therefore critical that Harding St. be reconstructed. This project is therefore the City's most important redevelopment objective, and the City will use its remaining NSP funds to bring Harding Street to acceptable standards.

**Location Description:**

Harding St. between Van Dyke and Lorraine Ave. The street is the boundary between Census Tract 2680, Block Groups 2 and 3. Both are LMMI areas.

## Activity Progress Narrative:

With end of winter and the start of construction season, this activity is scheduled to start in May 2011. Pre-construction conference scheduled for April 20.

## Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Linear feet of Public Improvement	0		1000/1500	
# of Linear miles of Public	0		0/0	
Activity funds eligible for DREF (Ike	0		0/0	

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Housing Units	0		8/8	
# of Multifamily Units	0		0/0	
# of Singlefamily Units	0		8/8	

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Persons	1098	499	2748	1098/1098	499/499	2748/2748	58.11

## 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	

**Grantee Activity Number:** B8-27-10H

**Activity Title:** Center Line Business District Improvement

**Activity Category:**

Rehabilitation/reconstruction of a public improvement

**Activity Status:**

Under Way

**Project Number:**

1

**Project Title:**

Neighborhood Housing and Redevelopment Activities

**Projected Start Date:**

09/10/2010

**Projected End Date:**

12/31/2011

**Benefit Type:**

Area Benefit (Survey)

**Completed Activity Actual End Date:**

**National Objective:**

NSP Only - LMMI

**Responsible Organization:**

City of Center Line

<b>Overall</b>	<b>Jan 1 thru Mar 31, 2011</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$324,241.28
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$324,241.28
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$0.00	\$324,241.28
<b>Program Funds Expended</b>	\$0.00	\$0.00
City of Center Line	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The City's business strips, on Van Dyke Ave. and 10 Mile Road, have been economic engines for the community. Due to a lack of investment capital, however, the area looks worn and doesn't entice the shopper. These improvements no longer entice the buyer and are, in effect, functionally obsolete. There is therefore an acute need for improvements, including lighting, sidewalk enhancements, benches, other street amenities, and permanent plantings along these strips. This would spur the shopper's interest and spur investment by business owners.

Re-Use: There is no change in use. The City would use NSP funds for these improvements, and coordinate them with funds available to the business community. The entire City qualifies as a LMMI area and this project would benefit all residents, who are the district's target customers.

This is not a housing activity, although the businesses are strips that bisect the community and directly abut residential neighborhoods. The condition, and use, of these strips therefore directly and materially affects conditions of the abutting neighborhoods. Center Line has 1.5 square miles of land mass, and blight, if it takes root, would soon affect the entire community. This must not be allowed to happen.

The City would use NSP funds for improvements primarily along Van Dyke Avenue, and secondarily along 10 Mile Rd. in order to revitalize them. Improvements would include the installation of decorative, energy-efficient street lamps (replacing the old and worn lights currently there), and possibly other improvements to the public right-of way.

**Location Description:**

The project is located in the City of Center Line and will primarily focus along Van Dyke Ave. between Stephens and 11 Mile Rd. and, secondarily, along Ten Mile Rd. between Sherwood and Lorraine Aves., all Census Tracts 2680 are therefore affected. All are LMMI areas.

**Activity Progress Narrative:**

This project is scheduled to start in summer 2011. A more efficient design will yield cost savings and the project will be expanded to better connect the shopping and adjacent residential areas.

### Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Linear feet of Public Improvement	0		1200/1500	
# of Linear miles of Public	0		0/0	
# of cable feet of public utility	0		0/0	
Activity funds eligible for DREF (Ike)	0		0/0	

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Housing Units	0		0/8	
# of Multifamily Units	0		0/0	
# of Singlefamily Units	0		0/8	

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Persons	2922	1585	8280	2922/2922	1585/1585	8280/8280	54.43

### 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	

<b>Grantee Activity Number:</b>	<b>B8-27-10J</b>
<b>Activity Title:</b>	<b>E.P. Kellwood School Acquisition</b>

**Activity Category:**

Clearance and Demolition

**Project Number:**

1

**Projected Start Date:**

09/10/2010

**Benefit Type:**

Direct Benefit (Households)

**National Objective:**

NSP Only - LH - 25% Set-Aside

**Activity Status:**

Under Way

**Project Title:**

Neighborhood Housing and Redevelopment Activities

**Projected End Date:**

12/31/2011

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Eastpointe

Overall	Jan 1 thru Mar 31, 2011	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$300,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$300,000.00
<b>Program Funds Drawdown</b>	\$90,000.00	\$90,000.00
<b>Program Funds Obligated</b>	\$0.00	\$300,000.00
<b>Program Funds Expended</b>	\$90,000.00	\$90,000.00
City of Eastpointe	\$90,000.00	\$90,000.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$8,275.50	\$8,275.50
<b>Program Income Drawdown</b>	\$8,275.50	\$8,275.50

**Activity Description:**

The City of Eastpointe is experiencing rapid population shifts and has been hurt by severe economic loss. The population in Eastpointe has declined from 45,920 in 1970 to 34,077 in 2000. Its population is aging and is not being replaced by younger families. As a result, the school district no longer needs the number of schools that it once did. Five school facilities have or will soon close, and won't be needed for many years, based on current population projections. The district is, moreover, reeling from declining tax revenues and cannot afford to keep these buildings.

These buildings sit on acreage, something rare in a fully developed community like Eastpointe. The City sees potential in these sites and plans to capitalize on them by providing redevelopment opportunities for projects that will enhance the community. In so doing, it will reduce administrative burden and cost on the East Detroit School District, enhance municipal tax revenues through re-use, slow and reverse population out-migration, prevent blight, and foster community pride. Kellwood Elementary School was permanently closed at the end of the 2010 school year.

Re-Use: The City of Eastpointe will purchase the property, demolish the school building, and turn it over to a developer who would build low- to moderate-income senior housing (with HUD Section 202 funding). We are also exploring the possible construction of a senior center, to be paid from NSP-derived program income. This action would allow the City to put the 3 acre piece of property back on the tax rolls, which would help both the school and City. The development would provide affordable senior housing that is not available in Eastpointe currently.

Alternate Re-Use: Should the proposed use fail, the City will advertise the property for another use, thereby ensuring satisfaction of project completion by March 19, 2013.

The project will provide 58 units of rental housing, 57 1-bedroom units rented at Section 202 rates, to income-eligible senior households. The project would be governed by Section 202 rules, and would be affordable for the time required under those terms. The other unit would be a two-bedroom unit, rented at market rates, to the property manager. The senior center, if constructed, would benefit elderly residents of the City. Elderly people are presumed to be lower-income pursuant to 24CFR 570.208 (a)(2), and Section 202 guidelines ensure use by families < 50% AMI.

### Location Description:

The project would be located at the Kellwood School site, 19600 Stephens Rd., Eastpointe. Although the project is a direct benefit housing activity, it is located in CT 2580.03, in the City of Eastpointe.

### Activity Progress Narrative:

Property acquired and demolition underway in second quarter. Developer is planning the project in partnership with a non-profit sponsor and intends to submit Section 202 proposal in next funding round.

### Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/1
# of buildings (non-residential)	0	0/0
# of Public Facilities	0	0/0
# of Businesses	0	0/0
# of Non-business Organizations	0	0/0
Activity funds eligible for DREF (Ike	0	0/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/58
# of Multifamily Units	0	0/58

### 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	

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<b>Grantee Activity Number:</b>	<b>B8-27-10K</b>
<b>Activity Title:</b>	<b>E.P. Oakwood School Acquisition for Senior Housing</b>

**Activity Category:**

Acquisition - general

**Project Number:**

1

**Projected Start Date:**

09/10/2010

**Benefit Type:**

Direct Benefit (Households)

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Neighborhood Housing and Redevelopment Activities

**Projected End Date:**

12/31/2011

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Eastpointe

Overall	Jan 1 thru Mar 31, 2011	To Date
<b>Total Projected Budget from All Sources</b>	N/A	\$405,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$405,000.00
<b>Program Funds Drawdown</b>	\$339,464.49	\$339,464.49
<b>Program Funds Obligated</b>	(\$100.00)	\$404,900.00
<b>Program Funds Expended</b>	\$339,403.96	\$339,403.96
City of Eastpointe	\$339,403.96	\$339,403.96
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$64,686.01	\$64,686.01
<b>Program Income Drawdown</b>	\$64,686.01	\$64,686.01

**Activity Description:**

The City of Eastpointe is experiencing rapid population shifts and has been hurt with severe economic loss. The population in Eastpointe has declined since 1970. It has gone from 45,920 in 1970 to 34,077 in 2000. Its population is aging and is not being replaced by younger families. As a result, the school district no longer needs the number of schools that it once did. Five school facilities have or will soon close, and won't be needed for many years, based on current population projections. The district is, moreover, reeling from lost tax revenues and cannot afford to keep these buildings.

These buildings sit on acreage, something rare in a fully developed community like Eastpointe. The City sees potential in these sites and plans to capitalize on them by providing redevelopment opportunities for projects that will enhance the community. In so doing, it will reduce administrative and cost burden on the East Detroit School District, enhance municipal tax revenues through re-use, slow and reverse population out-migration, prevent blight, and foster community pride.

The Oakwood Middle School will permanently close in August 2010.

Re-Use: The City of Eastpointe will purchase the property in its entirety from the East Detroit School District and turn it over to a developer for conversion into senior housing that is affordable to households < 120% AMI. This action would put the 10-acre property back on the tax rolls and help both the school district and City. The two-storey building has over 100,000 square feet available for the developer to create a senior living center, including an estimated 50 residential units, a gymnasium (and kitchen) for recreation and social and community events, a library for leisure and continuing education, and even a shop (for hobbies and minor repairs). The development would provide affordable senior housing that is not available in Eastpointe currently.

Alternate Re-Use: Should the development fail, the City will advertise the property for an alternate re-use, thereby ensuring satisfaction of program requirements dictating project completion by March 19, 2013.

The project would provide at least 50 units of rental housing, rented at rates affordable to LMMI senior households. The developer will use 9% tax credit financing for this project. Elderly people are presumed to be lower-income pursuant to 24CFR 570.208 (a)(2).

## Location Description:

The project will be located at the Oakwood School site, 14825 Nehls Rd., in Eastpointe. Although the project will involve direct-benefit housing, the site is located in CT2589.01.

## Activity Progress Narrative:

Property acquired in January 2011. This project, as conceived, was to be redeveloped for elderly housing. That is proceeding well as the developer prepared an application for State of Michigan Low-Income Housing Tax Credits and submitted it for review on March 1. The County allocated its \$2,300,000 in NSP3 funds for this project and received HUD approval in early March. The development will provide 44 units of housing affordable to elderly seniors. It will also include a community center on the premises. All NSP3 funds will be used for housing.

## Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/1
# of buildings (non-residential)	0	0/0
# of Parcels acquired by	0	0/0
# of Parcels acquired by admin	0	0/0
# of Parcels acquired voluntarily	0	1/0

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/50
# of Multifamily Units	0	0/50

## Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Permanent Jobs Created	0	0	0	0/0	0/0	0/0	0

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/0	0/50	0/50	0
# Renter Households	0	0	0	0/0	0/50	0/50	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	

<b>Grantee Activity Number:</b>	<b>B8-27-10L</b>
<b>Activity Title:</b>	<b>E.P. Kennedy Park Redevelopment</b>

**Activity Category:**

Rehabilitation/reconstruction of public facilities

**Project Number:**

1

**Projected Start Date:**

09/10/2010

**Benefit Type:**

Area Benefit (Survey)

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Neighborhood Housing and Redevelopment Activities

**Projected End Date:**

12/31/2011

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Eastpointe

<b>Overall</b>	<b>Jan 1 thru Mar 31, 2011</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$733,964.06
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$733,964.06
<b>Program Funds Drawdown</b>	\$110,835.23	\$160,923.01
<b>Program Funds Obligated</b>	\$0.00	\$733,964.06
<b>Program Funds Expended</b>	\$110,835.23	\$110,835.23
City of Eastpointe	\$110,835.23	\$110,835.23
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$9,349.73	\$9,349.73
<b>Program Income Drawdown</b>	\$9,349.73	\$9,349.73

**Activity Description:**

Kennedy Park is a large outdoor recreation facility, serving the entire community. The 43 year old City Pool complex at Kennedy Park, consisting of two pools, restroom/bath house, concession area and parking lot, was recently closed due to the deteriorating structural and functional condition of various systems including plumbing in the restrooms and shower area, cement that is heaving and deteriorating both inside and outside the structures, leaking pool shell/liner, and crumbling sidewalks and parking lot. Pool complex renovation and repairs are estimated at over \$2.0 million. This comes at a time when the city has been forced, due to declining tax revenues, to make drastic budget cuts to remain financially solvent. This leaves the City with deteriorated areas at a major City facility resulting in blight. Addressing these areas would remove present blight in the neighborhood, enable the City to replace the pool facility with new types of recreation facilities which residents have requested, such as a skate board park for teens, pickleball courts for seniors, an additional picnic shelter and adequate parking, and enable other badly needed and essential improvements to Kennedy Park, including the demolition of a former press box and a restroom building that are in disrepair.

Re-Use: The City will Demolish the pool complex, adjacent pool parking lot, the press box, & bathroom facility in the park. Purchase and install a pre-fabricated restroom facility, repave the parking lot and sidewalks, (including painted parking space lines, bumper curbs). Install new energy-efficient lights for the parking lot, and add a skateboard facility, two pickleball courts, picnic shelter and improve sports field conditions at the soccer/baseball area. The park is a major land use and a attraction for residents. The deteriorating conditions threaten, however, its vitality. Redevelopment will ensure that the park remains a vital part of the surrounding neighborhood for the foreseeable future.

Alternate Re-Use: Another use is not necessary. The park already exists and will continue to be dedicated for public recreation. Failure to replace the aging improvements will, however, diminish the park's usefulness, and will contribute to neighborhood blight.

This is not a housing project.

### Location Description:

The project would be located at Kennedy Park, 24681 Schroeder, Eastpointe. It is located in CT2581.02. It will benefit the population of the entire City.

### Activity Progress Narrative:

This activity was largely dormant during the 2nd quarter due to winter weather. Expenditures largely reflected work undertaken during fall 2010. Work will resume in spring and the City hopes for the facility to be complete for the summer season.

### Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
	Total		Total	
# of Public Facilities	0		1/1	
# of Non-business Organizations	0		0/0	

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Persons	7518	7340	33998	7518/7518	7340/7340	33998/33998	43.70

### 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	

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<b>Grantee Activity Number:</b>	<b>B8-27-10M</b>
<b>Activity Title:</b>	<b>O.U./MC Education and Community Outreach Center</b>

**Activity Category:**

Rehabilitation/reconstruction of other non-residential structures

**Project Number:**

1

**Projected Start Date:**

09/10/2010

**Benefit Type:**

Area Benefit (Survey)

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Neighborhood Housing and Redevelopment Activities

**Projected End Date:**

12/31/2011

**Completed Activity Actual End Date:**

**Responsible Organization:**

Oakland University

<b>Overall</b>	<b>Jan 1 thru Mar 31, 2011</b>	<b>To Date</b>
<b>Total Projected Budget from All Sources</b>	N/A	\$1,583,750.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$1,583,750.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$0.00	\$1,583,750.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
Oakland University	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The Mt. Clemens Central Business District has one of the highest commercial property vacancy rates in the metropolitan Detroit region. The project facility (20 Main Street, Towne Square II) is completely vacant and has been for sale or lease at below market rates for more than a year. Several Mt. Clemens commercial facilities and numerous residential facilities are in foreclosure. Renovation of the facility and changing it to educational use will not only fill the building and provide collegiate learning opportunities to area residents, but it will reduce commercial vacancies in the business district by over 27,000 square feet. The presence of a state university facility within the business district, and the added traffic of its faculty, staff and students during both day and evening hours, will fill vacant space as well as provide an economic stimulus to other businesses in the area.

The Oakland University Mt. Clemens Satellite Campus will offer upper division undergraduate courses, and graduate-level courses, to non-traditional, and lower-income students residing in the Gratiot corridor. It will complement the lower division courses offered at the Macomb Community College Central Campus, and create a virtual four-year college within Macomb County. Second, and extremely important, the facility will be an outreach center designed to encourage at-risk students to consider a college education as being critical to the future, as well as being feasible. The targeted students will be largely come from school districts along the Gratiot and I-696 corridors (including Warren, Center Line, Eastpointe, Roseville, Clinton Township, extending out along Gratiot Avenue to Richmond. These places hard hit by the shift from un- and semi-skilled manufacturing with currently bleak prospects for the future. These are students who do not have the financial means of obtaining a four-year degree. This facility will offer them help in planning their education, a low-cost way to obtain a quality education, advance their education, and compete on better footing with those who choose more traditional venues. These students will primarily be LMMI residents.

Re-Use Alternative A: Renovate, subject to limited funding, the first floor to prepare it for instructional purposes. Add fire suppression system to protect the entire building.

Re-Use Alternative: Renovate, subject to sufficient funding, both the first and second floors to completely prepare Towne Square II for instructional purposes, and maximize the potential for disadvantaged students to receive an academic experience while stimulating the local economy.

### Location Description:

The project is located at 20 S. Main St., Mt. Clemens, MI, CT2453.01.

### Activity Progress Narrative:

Although no draws have yet been made in DRGR, the project is well underway and should be completed on schedule. No problems have yet been encountered and none are foreseen.

### Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of buildings (non-residential)	0	1/1
# of Businesses	0	0/0
# of Non-business Organizations	0	1/1

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Persons	230	340	1000	230/230	340/340	1000/1000	57.00

### 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	

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**Grantee Activity Number: B8-27-10N**

**Activity Title: M.C. Clemens Park Redevelopment**

**Activity Category:**

Rehabilitation/reconstruction of public facilities

**Project Number:**

1

**Projected Start Date:**

09/10/2010

**Benefit Type:**

Area Benefit (Survey)

**National Objective:**

NSP Only - LMMI

**Activity Status:**

Under Way

**Project Title:**

Neighborhood Housing and Redevelopment Activities

**Projected End Date:**

12/31/2011

**Completed Activity Actual End Date:**

**Responsible Organization:**

City of Mt. Clemens

**Overall**

**Jan 1 thru Mar 31, 2011**

**To Date**

<b>Total Projected Budget from All Sources</b>	N/A	\$135,000.00
<b>Total CDBG Program Funds Budgeted</b>	N/A	\$135,000.00
<b>Program Funds Drawdown</b>	\$0.00	\$0.00
<b>Program Funds Obligated</b>	\$0.00	\$135,000.00
<b>Program Funds Expended</b>	\$0.00	\$0.00
City of Mt. Clemens	\$0.00	\$0.00
<b>Match Contributed</b>	\$0.00	\$0.00
<b>Program Income Received</b>	\$0.00	\$0.00
<b>Program Income Drawdown</b>	\$0.00	\$0.00

**Activity Description:**

The redevelopment area is located in the poorest area of the City of Mount Clemens, and immediately adjacent to Clemens Park. The properties are contiguous, severely blighted, and dangerous homes that have been deteriorating for years. Purchased several years ago and owned by a developer for their redevelopment potential they stand neglected, a victim of a deteriorating economy. The developer now lacks the financial means to complete his plans, or even to demolish or repair them. The homes attracted vagrants and malcontents, and were the subject of numerous police and fire reports before being demolished with NSP funding in June and early July.

This creates a significant opportunity to eliminate blight, remove dangerous conditions, and expand recreational opportunities for VLI residents. The City will therefore use NSP funds to acquire the properties, annex the land to Clemens Park, and make improvements to the newly acquired portion. They have already been demolished. This proposal conforms with the City's master plan indicating a need for additional park land. The park will primarily benefit residents of the immediate surrounding (and lowest income) neighborhood in the City. In addition, blight removal will help stabilize the neighborhood and improve the City's appearance to the hundreds of motorists who drive along Gratiot Avenue every day.

Re-Use: The City will acquire the land, demolish the existing structures, deed the land to the park, and install improvements, including benches, picnic tables, and other passive recreational amenities. The sum effect will be a larger park to be used by the City's poorest residents.

Alternate Re-Use: Another use is not necessary. The park already exists and will continue to be dedicated for public recreation. Failure to buy the land and install improvements will diminish the impact of the demolition that has already occurred, but even this diminished activity would have had a significant impact on the quality of life in the neighborhood.

This is not a housing project.

**Location Description:**

The project will be located at Clemens Park, Mt. Clemens, in CT2451.02.

### Activity Progress Narrative:

There is no progress to report concerning this activity during the reporting period.

### Accomplishments Performance Measures

	This Report Period		Cumulative Actual Total / Expected	
		Total		Total
# of Public Facilities		0		1/1
# of Non-business Organizations		0		0/0

### Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Persons	308	172	871	308/308	172/172	871/871	55.11

### 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	

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