



COUNTY ADMINISTRATOR
220 NORTH MAIN STREET, P.O. BOX 8645
ANN ARBOR, MICHIGAN 48107-8645
(734) 222-6850
FAX (734) 222-6715

TO: Martha Kern, Chair
Ways & Means Committee

THROUGH: Robert E. Guenzel
County Administrator

FROM: Trenda Rusher, Executive Director
ETCS Group

DATE: November 7, 2001

SUBJECT: Resolution ratifying the Chair of the Board's signature on the Washtenaw County Fiscal Year 2002 Community Development Housing Rehabilitation and Emergency Service Program to the Michigan State Housing Development Authority (MSHDA) in the amount of \$475,000 for the period of January 1, 2002 through December 31, 2003.

Board Action Requested:

The Employment Training & Community Services Group (ETCS) is requesting ratification of the Chair of the Board's signature on the grant application to the Michigan State Housing Development Authority (MSHDA) for the Washtenaw County Community Development Housing Rehabilitation and Emergency Service Program in the amount of \$475,000 for the period of January 1, 2002 through December 31, 2003; authorizing the County Administrator to sign the notice of grant award; approving the budget, and authorizing the County Administrator to sign delegate contracts.

Background:

In 1994, the Michigan State Housing Development Authority awarded \$300,000 to Washtenaw County Employment Training and Community Services Group to develop and implement a County-wide home rehabilitation program. The program targeted homeowners who live outside the cities of Ann Arbor and Ypsilanti because both cities administered their own CDBG home rehabilitation program. The funding was used to rehabilitate the homes of residents of the County who earned 50-80 percent of the median income for the area.

In addition to income qualifications, priority was given to homes that posed a health and safety problem for the homeowners. During the initial phase of this program, 21 homes received rehabilitation services at an average cost of

approximately \$11,000 to meet local building codes as well HUD's Housing Quality Standards. For homes requiring repairs exceeding the CDBG maximum funding limit, when appropriate, Weatherization, LIHEAP, and Detroit Edison Project Care funds were also used to cover these additional costs.

In 1999, MSHDA approved a third grant in the amount of \$300,000 to the Employment Training & Community Services Group for the continuation of the program. Residents of the County whose income was 50 to 80 percent of the median for Washtenaw County were eligible for services including Moderate Rehab from \$15,000 to \$20,000 per unit for home rehabilitation; and up to \$2,000 per unit for emergency services.

Discussion:

During the new program period, 15 units shall be targeted to receive rehab services at a per unit cost of \$25,000, and emergency repairs will be budgeted for five low/moderate income homeowners at a per unit average cost of \$2,000. The program will also leverage CDBG funds by using Department of Energy Weatherization and the Low-Income Heating Assistance Program (LIHEAP) funds.

Due to the success in administering the CDBG home rehabilitation program, the Employment Training Community Services Group is requesting \$475,000 over a two-year period to be used as follows:

- \$353,750 Moderate Rehabilitation
- \$ 10,000 Emergency Service Repairs
- \$ 40,000 Acquisition/Development/Resale
- \$ 71,250 Administration

The program will continue to target residents who reside outside the cities of Ann Arbor and Ypsilanti, whose income is 50 to 80 percent of the median for Washtenaw County. Homes receiving services under Homeowner Rehabilitation will meet Housing Urban Development (HUD) Housing Quality Standards and address local building codes.

Emergency Services repairs are also available. These services include items such as restoration activities necessary to control or arrest the effects of disasters or imminent threats to the health and safety of a household.

Additionally, forty thousand dollars in funding is available for acquisition/development/resale activity. As Washtenaw County has been designated a Home Consortium by HUD, consequently, the communities of Ypsilanti and Ypsilanti Township automatically receive HOME dollars. This is a singular activity designated to complete the rehabilitation of the house that was donated to the Gateway Corporation by Phoenix Corporation and Metro Commons Corporation.

Impact on Human Resources:

The requested Board action has no impact on Washtenaw County positions, personnel, policies or procedures.

Impact on Budget:

The requested Board action will approve the budget in the amount of \$475,000. There will be \$71,250 in administrative costs for this action.

Impact on Indirect Costs:

There are no indirect costs associated with this budget.

Impact on Other County Departments or Outside Agencies:

In order to successfully implement this program, we must rely on the services offered by the County's purchasing department, which involves adherence to the County's procurement process for obtaining bid quotes for rehabilitation work on homes, and securing qualified Contractors to perform the work.

Conformity to County Policies:

This matter has been reviewed by the Washtenaw County Community Action Board, the County Administrator's Office, Corporation Counsel, the Office of Finance, Human Resources, and the Ways and Means Committee. The requested Board action is in conformity with County policies.

Attachments/Appendices:

FY 2002 CDBG Application
FY 2002 Budget

A RESOLUTION RATIFYING THE CHAIR OF THE BOARD'S SIGNATURE ON THE GRANT APPLICATION TO THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY (MSHDA) FOR THE WASHTENAW COUNTY COMMUNITY DEVELOPMENT HOUSING REHABILITATION AND EMERGENCY SERVICE PROGRAM IN THE AMOUNT OF \$475,000 FOR THE PERIOD OF JANUARY 1, 2002 THROUGH DECEMBER 31, 2003; AUTHORIZING THE COUNTY ADMINISTRATOR TO SIGN THE NOTICE OF GRANT AWARD; APPROVING THE BUDGET AND AUTHORIZING THE ADMINISTRATOR TO SIGN DELEGATE CONTRACTS

WASHTENAW COUNTY BOARD OF COMMISSIONERS

December 5, 2001

WHEREAS, the Employment Training & Community Services Group has successfully administered the Michigan State Housing Development Authority (MSHDA) Home Rehabilitation and Emergency Services programs since 1994; and,

WHEREAS, residents of the County whose income is 50 to 80 percent of the median for the area are eligible for services; these services include Moderate Rehab at \$25,000 per unit for home rehabilitation; up to \$5,000 in down payment assistance for first time low income homebuyers; acquisition/rehab/resale; and up to \$2,000 per unit for emergency services for qualified homeowners; and,

WHEREAS, the County will continue to service residents who reside outside the cities of Ann Arbor and Ypsilanti; and,

WHEREAS, the Home Rehabilitation program is consistent with goals of encouraging the creation of safe, decent and affordable housing as outlined in the Consolidated Housing Plan as adopted by the Washtenaw County Metropolitan Planning Commission on December 11, 1997; and,

WHEREAS, there are no County funds required for this grant; and,

WHEREAS, this matter has been reviewed by the Washtenaw County Community Action Board, Corporation Counsel, the Finance Department, Human Resources, the County Administrator's Office and the Ways and Means Committee

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby ratifies the Chair of the Board's signature on the continuation application to the Michigan State Housing Development Authority for Community Development Block Grant funds in the amount of \$475,000 for the period of January 1, 2002 through December 31, 2003 for the Employment Training & Community Services Group, as on file with the County Clerk

BE IT FURTHER RESOLVED that the Board of Commissioners takes the following actions contingent upon receipt of the grant award in conformity with the application:

1. Authorizing the Administrator to sign the Notice of Grant Award
2. Amending the budget, as attached hereto and made a part hereof
3. Authorizing the Administrator to sign the delegate contracts upon review of Corporation Counsel, to be filed with the County Clerk.

Washtenaw County ETCS
Summary Budget
Fund #2700 - CDBG Rehab
Two Years Ending December 31, 2003

Revenues

50000	Federal Revenue	<u>\$ 475,000</u>
-------	-----------------	-------------------

Expenditures

80001	Other Services and Charges	<u>\$ 475,000</u>
-------	----------------------------	-------------------