



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

TO: Jeff Irwin, Chair  
Ways & Means Committee

THROUGH: Robert E. Guenzel  
County Administrator

FROM: Amy Klinke, Director  
Office of Community Development

DATE: April 19, 2006

SUBJECT: Washtenaw Urban County/HOME Updated Consolidated Strategy for July 1, 2006 to June 30, 2008 and the 2006 Annual Action Plan of the Washtenaw Urban County

#### **BOARD ACTION REQUESTED**

The Office of Community Development requests that the Board of Commissioners authorize the County Administrator to sign the Updated Consolidated Strategy for July 1, 2006 to June 30, 2008 and the Annual Action Plan of the Washtenaw Urban County for July 1, 2006 to June 30, 2007, which will be submitted to the U.S. Department of Housing and Urban Development (HUD); authorizing the County Administrator to sign the Notice of Grant Award; approve the budgets; and authorizing the County Administrator to sign delegate contracts.

#### **BACKGROUND**

On April 17, 2002, in Resolution #02-0088, the Washtenaw County Board of Commissioners authorized the County Administrator to take the necessary steps to seek Urban County status from HUD. As a result of the Urban County designation, the County is eligible to receive annual funding from HUD in the form of the Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME), and American Dream Down Payment Initiative (ADDI) funding for any jurisdiction in the County that is willing to sign a formal cooperation agreement to join the Urban County.

In order to receive CDBG and HOME funds, a five-year Consolidated Strategy and Plan must be submitted to HUD. Within each of those five years, a one-year Action Plan must be submitted to HUD describing Community Development, Homelessness, and Housing activities for the upcoming program year. The annual funding allocation is approved by HUD following receipt of the Annual Action Plan. HUD must receive the action plan within 45 days of the start of the program year. On May 7, 2003 in Resolution #03-0076, the Board of Commissioners approved the 2003-08 Urban County CDBG and HOME Consolidated Strategy and Plan including the 2003-04 Annual Action Plan. In May 2004 (04-0087) and May 2005 (05-0088), the Board of Commissioners approved Annual Action Plans for 2004-05 and 2005-06, respectively. On July 1, 2006, the County will commence the fourth year of the five-year consolidated plan.

Washtenaw County is the lead entity for the Urban County. The following jurisdictions elected to participate in the Urban County for the initial period July 1, 2003- June 30, 2006: Ypsilanti Charter Township, Pittsfield Charter Township, Superior Charter Township, Northfield Township, Salem Township, Ann Arbor Charter Township, and Bridgewater Township.

In May of 2005, the original seven Urban County jurisdictions elected to remain in the Urban County, and the following three jurisdictions joined them: the City of Ypsilanti, Scio Township, and York Township. This brings the total membership in the Urban County to ten jurisdictions in 2006. According to the 2000 U.S. Census, about 115,771 people lived in these ten jurisdictions, which was about 48% of the total County population. However, additional jurisdictions may elect to join the Urban County for the period July 1, 2009- June 30, 2012.

Currently, the decision-making body for the Urban County is the Urban County Executive Committee, which is made up of the Chair of the Washtenaw County Board of Commissioners, as well as the chief elected officials of the ten townships and City that participate in the Urban County, or their formal designees. The Urban County Executive Committee meets monthly to discuss the current and potential uses of CDBG, HOME, and ADDI funding to serve low- and moderate-income residents of their jurisdictions. They have approved the policies, goals, program categories, and specific project funding allocations listed in this Annual Plan and now forward those recommendations to the Board of Commissioners for review and approval.

## **DISCUSSION**

The HOME Investment Partnerships (HOME) Program is designed to allow Participating Jurisdictions (PJs) to build, buy, or rehabilitate housing for rent or homeownership by low to moderate-income individuals. In addition, the program can provide direct rental assistance subsidies to low and moderate-income households.

The Community Development Block Grant (CDBG) Program was established to allow Entitlement Communities to address three national HUD objectives:

- 1) To benefit low and moderate income persons;
- 2) To aid in the prevention or elimination of slums or blight; and
- 3) To meet community development needs having a particular urgency.

HUD uses the term "Urban County," to refer to a County that is a CDBG Entitlement Community. In order to achieve those objectives, the Entitlement Community may fund a variety of housing and community development initiatives that benefit either target areas or low and moderate-income households that reside within the Urban County jurisdictions. The Urban County Executive Committee's goals as reflected in the updated 2003-08 Consolidated Strategy and Plan are listed below:

- 1) To improve the quality, management, and supply of existing rental property available to low- and moderate-income households.
- 2) To increase homeowner rehabilitation opportunities for low- and moderate-income households.
- 3) To increase homeownership opportunities for low- and moderate-income households.
- 4) To promote community & neighborhood stability through the improvement of existing or the construction of new community facilities, parks, & green spaces in low- and moderate-income neighborhoods.
- 5) To promote the safety & health of residents by providing and/or improving infrastructure & other public facility needs in low- and moderate-income areas.
- 6) To promote housing & community stability by addressing identified gaps in public/human services.
- 7) To promote access to mainstream resources, improve safety and livability, reduce isolation, encourage employment, and support special populations & the homeless.
- 8) To promote community inclusion and accessibility to public transportation, fair housing choice, and economic opportunities for low- and moderate-income households.
- 9) To encourage the development of jobs and economic opportunities for low- and moderate-income populations.
- 10) To create community plans that address identified community & housing development needs.

On behalf of the Urban County Executive Committee, the Washtenaw County Office of Community Development has prepared the Annual Action Plan for the period of July 1, 2006 through June 30, 2007.



position that is currently vacant. The new Fiscal Analyst position will be jointly funded through the County and through the City of Ann Arbor. The new Management Analyst position will be funded through the increase in funding from HUD and through the moving fifty percent of the Fiscal Analyst position to the City of Ann Arbor. The new position will focus on programming for the new jurisdictions.

### **IMPACT ON HUMAN RESOURCES**

The Office of Community Development is requesting the creation of 1 (one) 1.0 FTE Management Analyst I/II. This will be a grant status position.

### **IMPACT ON THE BUDGET**

The budget reflects the CDBG, ADDI, and HOME allocation for the period of July 1, 2006 to June 30, 2007.

The budget reflects that \$674,145 is available HOME funding. In addition, a 25% match requirement for HOME funds (after program administration and CHDO operating are taken out) must be provided by the County and can be in the form of 1) supportive services for HOME-assisted housing units; 2) sweat equity, donated professional services, and donated supplies from Habitat for Humanity Affordable Housing projects; and 3) County Housing Contingency Funds used to support affordable housing projects in the Urban County areas. The total amount of this required local match is \$143,256.

The budget also reflects \$1,181,560 in available CDBG funding and \$16,775 for the American Dream Downpayment Initiative (ADDI). Match is not required for the CDBG and ADDI programs.

The total allocation of federal funding expected for the 2006-07 program year is \$1,872,480. The total required local match is \$143,256. The total program year budget for 2006-07 is \$2,015,736.

### **IMPACT ON INDIRECT COSTS**

There is no impact on indirect costs.

### **IMPACT ON OTHER COUNTY DEPARTMENTS OR OUTSIDE AGENCIES**

The Washtenaw Urban County represents the collaborative efforts of many governmental, nonprofit, and for-profit entities to provide decent affordable housing, a suitable living environment, and economic opportunities in the participating jurisdictions. The primary members are the City of Ypsilanti, Ypsilanti Charter Township, Pittsfield Charter Township, Scio Township, York Township, Superior Charter Township, Northfield Township, Salem Township, Ann Arbor Charter Township, and Bridgewater Township, the Michigan State Housing Development Authority, the Employment Training and Community Services Group, MSU Extension, Community Housing Development Organizations, local housing rehabilitation contractors, Local Initiatives Support Corporation, and the Washtenaw County/Ann Arbor Office of Community Development.

### **CONFORMITY TO COUNTY POLICIES**

This request conforms to County policies.

### **ATTACHMENTS**

- Draft Updated 2003-08 Washtenaw Urban County Consolidated Strategy & Plan;
- Draft 2006-07 Washtenaw Urban County Annual Plan
- 2006-07 CDBG, ADDI, and HOME Budgets

A RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR TO SIGN THE WASHTENAW URBAN COUNTY'S UPDATED CONSOLIDATED STRATEGY FOR JULY 1, 2003 TO JUNE 30, 2008 AND THE ANNUAL ACTION PLAN FOR JULY 1, 2006 TO JUNE 30, 2007 FOR THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; AUTHORIZING THE COUNTY ADMINISTRATOR TO SIGN THE NOTICE OF GRANT AWARD; APPROVE THE BUDGETS IN THE TOTAL AMOUNT OF \$2,015,736; AUTHORIZING THE COUNTY ADMINISTRATOR TO SIGN DELEGATE CONTRACTS; AND AUTHORIZING THE CREATION OF ONE GRANT STATUS POSITION.

WASHTENAW COUNTY BOARD OF COMMISSIONERS

May 3, 2006

WHEREAS, the Washtenaw County Board of Commissioners approved the 2003-08 Consolidated Strategy and Plan on May 7, 2003 in Resolution #03-0076; and

WHEREAS, within each of those five years, a one year Action Plan must be submitted to the U.S. Department of Housing & Urban Development (HUD) describing Community Development, Homelessness, and Housing activities for the upcoming program year; and

WHEREAS, the Washtenaw Urban County is commencing year 4 of the 5 year Consolidated Strategy and Plan;

WHEREAS, on behalf of the Urban County Executive Committee, the Washtenaw County Office of Community Development has prepared the Annual Action Plan for the period of July 1, 2006 through June 30, 2007; and

WHEREAS, on behalf of the Urban County Executive Committee, the Washtenaw County Office of Community Development has updated the Consolidated Strategy for the fourth and fifth years of the Plan (July 1, 2003 through June 30, 2008); and

WHEREAS, the Action Plan describes the activities that will be undertaken to meet the objectives of the five year Consolidated Strategy and Plan using the Community Development Block Grant (CDBG), HOME, and American Dream Downpayment Initiative (ADDI) funding received from HUD; and

WHEREAS, based on population and need estimates as determined by the U.S. Department of Housing and Urban Development, the County will receive a total of \$1,872,480 in federal funding designated for use in the Urban County; and

WHEREAS, the Urban County will receive an allocation consisting of \$674,145 in HOME funds, \$1,181,560 in CDBG funds, and \$16,775 in ADDI funds; and

WHEREAS, there is a 25% local match requirement for the Federal HOME funds to be provided by the County through in-kind services or housing contingency funding in the amount of \$143,256; and

WHEREAS, Ypsilanti Charter Township, Pittsfield Charter Township, Superior Charter Township, Northfield Township, Salem Township, Scio Township, the City of Ypsilanti, York Township, Ann Arbor Charter Township, and Bridgewater Township have all expressed interest in receiving the program funding for the Urban County for the fiscal year July 1, 2006 through June 30, 2007; and

WHEREAS, Washtenaw County is the lead entity for the Urban County; and

WHEREAS, the U.S. Department of Housing and Urban Development requires that all participating jurisdictions in an Urban County sign and submit an annual application for funding, also known as the Annual Action Plan; and

WHEREAS, this Action Plan is consistent with the County Comprehensive Plan and Board of Commissioners priorities; and

WHEREAS, this matter has been reviewed by Corporation Counsel, Finance, Strategic Planning and Budget, 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 authorizes the County Administrator to sign and submit the Action Plan and supporting materials for the period of July 1, 2006 through June 30, 2007, and the Updated Consolidated Strategy for the period of July 1, 2006 to June 30, 2008, to the U.S. Department of Housing and Urban Development for a total program budget of \$2,015,736 as a condition of receiving CDBG, HOME, and ADDI funding for the Urban County and, upon review of Corporation Counsel, to be filed with the County Clerk.

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

1. Authorizes the County Administrator to sign the Notice of Grant Award;
2. Amends the budget as attached hereto and made a part hereof; and
3. Authorizes the Administrator to sign delegate contracts upon review of Corporation Counsel to be filed with the County Clerk.
4. Authorizes the creation of the following grant status position.

| <u>Position #</u> | <u>Title</u>            | <u>Grade</u> | <u>Group</u> | <u>Create</u> |
|-------------------|-------------------------|--------------|--------------|---------------|
| 2719-0083         | Management Analyst I/II | 27/29        | 32           | 1.0           |

**Community Development  
2006-07 HOME Program  
Business Unit 1290064600**

|                                | <u>Current</u> | <u>Revised</u>   | <u>Variance</u>  |
|--------------------------------|----------------|------------------|------------------|
| <b><u>Revenue:</u></b>         |                |                  |                  |
| 50000 Federal Revenue          | \$0            | \$674,145        | \$674,145        |
| 69000 In-kind Contributions    | \$0            | \$143,256        | \$143,256        |
|                                |                |                  |                  |
| <b>Total</b>                   | <b>\$0</b>     | <b>\$817,401</b> | <b>\$817,401</b> |
| <br><b><u>Expenditure:</u></b> |                |                  |                  |
| 70050 Personal Services        | \$0            | \$63,190         | \$63,190         |
| 72600 Supplies                 | \$0            | \$1,200          | \$1,200          |
| 80000 Other Services & Charges | \$0            | \$609,755        | \$609,755        |
| 93500 In-Kind Charges          | \$0            | \$143,256        | \$143,256        |
|                                |                |                  |                  |
| <b>Total</b>                   | <b>\$0</b>     | <b>\$817,401</b> | <b>\$817,401</b> |

**Community Development  
Community Development Block Grant  
Business Unit 1291064600**

|                                | <u>Current</u> | <u>Revised</u>     | <u>Variance</u>    |
|--------------------------------|----------------|--------------------|--------------------|
| <b><u>Revenue:</u></b>         |                |                    |                    |
| 50000 Federal Revenue          | \$0            | \$1,181,560        | \$1,181,560        |
| <b>Total</b>                   | <b>\$0</b>     | <b>\$1,181,560</b> | <b>\$1,181,560</b> |
| <b><u>Expenditure:</u></b>     |                |                    |                    |
| 70050 Personal Services        | \$0            | \$204,312          | \$204,312          |
| 72600 Supplies                 | \$0            | \$8,900            | \$8,900            |
| 80000 Other Services & Charges | \$0            | \$968,348          | \$968,348          |
| <b>Total</b>                   | <b>\$0</b>     | <b>\$1,181,560</b> | <b>\$1,181,560</b> |

**Community Development  
American Dream Downpayment Initiative (ADDI)  
Business Unit 1292064600**

|                                | <u>Current</u> | <u>Revised</u>  | <u>Variance</u> |
|--------------------------------|----------------|-----------------|-----------------|
| <b><u>Revenue:</u></b>         |                |                 |                 |
| 50000 Federal Revenue          | \$0            | \$16,775        | \$16,775        |
| <b>Total</b>                   | <b>\$0</b>     | <b>\$16,775</b> | <b>\$16,775</b> |
| <b><u>Expenditure:</u></b>     |                |                 |                 |
| 80000 Other Services & Charges | \$0            | \$16,775        | \$16,775        |
| <b>Total</b>                   | <b>\$0</b>     | <b>\$16,775</b> | <b>\$16,775</b> |