

Department of Neighborhood & Economic Operations



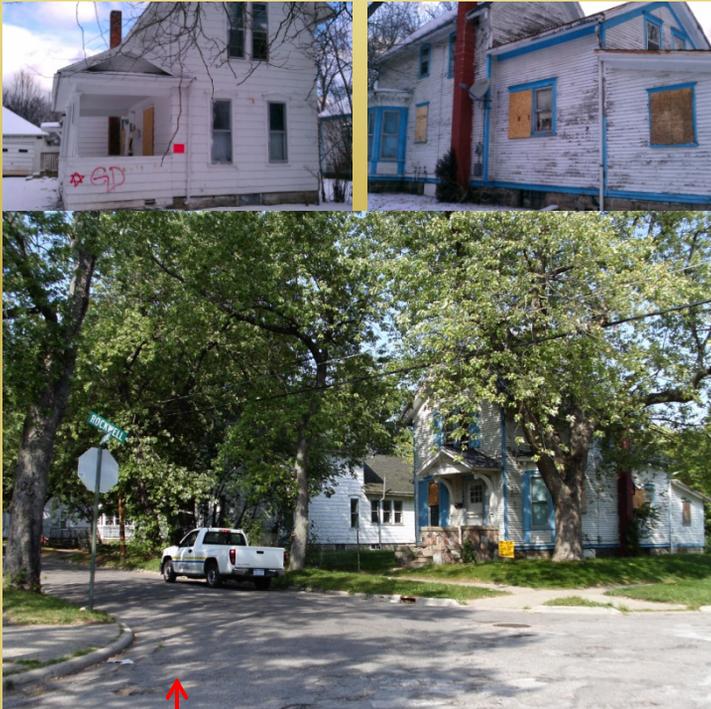
2013-2014 Action Plan

Building a Stronger Jackson



Community Development Block Grant

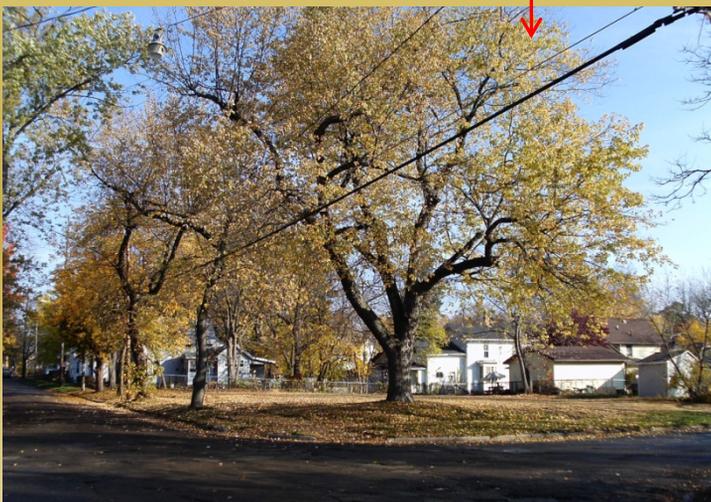
Before



HOME Investment Partnerships Program

Before

After



After

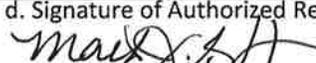
**APPLICATION FOR
FEDERAL ASSISTANCE**

OMB Approved No. 3076-0006

Version 7/03

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction	Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	2. DATE SUBMITTED	Applicant Identifier
		3. DATE RECEIVED BY STATE	State Application Identifier
		4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier

5. APPLICANT INFORMATION

Legal Name: City of Jackson	Organizational Unit: Department: Neighborhood & Economic Operations
Organizational DUNS: 085031656	Division: Neighborhood & Economic Operations
Address: Street: 161 West Michigan Avenue	Name and telephone number of person to be contacted on matters involving this application (give area code) Prefix: First Name: Michelle
City: Jackson	Middle Name L.
County: Jackson	Last Name Pultz-Orthaus
State: MI Zip Code 49201	Suffix:
Country: USA	Email: mpultz@cityofjackson.org
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 38-6004701	Phone Number (give area code) 517-768-6436 Fax Number (give area code) 866-971-2151
8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters) Other (specify) <input type="checkbox"/> <input type="checkbox"/>	7. TYPE OF APPLICANT: (See back of form for Application Types) C. Municipal - City Other (specify)
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 14.218 Entitlement Grant TITLE (Name of Program): Community Development Block Grant	9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and Urban Development
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Jackson, Michigan	11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Various
13. PROPOSED PROJECT Start Date: July 1, 2013 Ending Date: June 30, 2014	14. CONGRESSIONAL DISTRICTS OF: a. Applicant MI-007 b. Project MI-007
15. ESTIMATED FUNDING:	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?
a. Federal \$ 1,237,915.00	a. Yes <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:
b. Applicant \$ 0.00	b. No <input type="checkbox"/> PROGRAM IS NOT COVERED BY E.O. 12372
c. State \$ 0.00	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELETED BY STATE FOR REVIEW
d. Local \$ 0.00	
e. Other \$ 0.00	
f. Program Income \$ 75,000.00	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No
g. TOTAL \$ 1,312,915.00	
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.	
a. Authorized Representative Prefix First Name Martin Middle Name J.	
Last Name Griffin Suffix	
b. Title Mayor c. Telephone Number (give area code) 517-788-4028	
d. Signature of Authorized Representative 	e. Date Signed June 5, 2013

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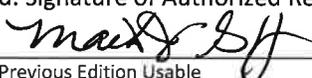
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10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 14.239 HOME TITLE (Name of Program): HOME Investment Partnerships Program	9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and Urban Development
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Jackson, Michigan	11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Various
13. PROPOSED PROJECT Start Date: July 1, 2013 Ending Date: June 30, 2014	14. CONGRESSIONAL DISTRICTS OF: a. Applicant MI-007 b. Project MI-007
15. ESTIMATED FUNDING:	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?
a. Federal \$ 255,261.00	a. Yes <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:
b. Applicant \$ 0.00	b. No <input type="checkbox"/> PROGRAM IS NOT COVERED BY E.O. 12372
c. State \$ 0.00	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELETED BY STATE FOR REVIEW
d. Local \$ 0.00	
e. Other \$ 0.00	
f. Program Income \$ 0.00	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No
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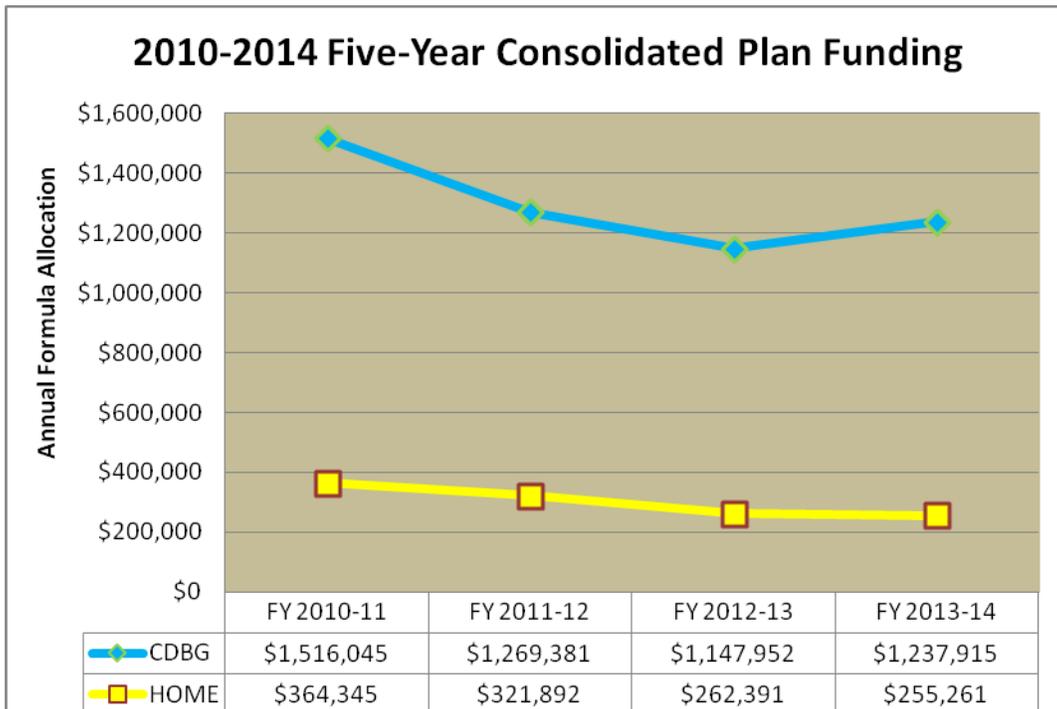
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Executive Summary

The City of Jackson presents this One-Year Action Plan as the fourth year of its 2010-2014 Five-Year Consolidated Plan and covers the period of July 1, 2013 through June 30, 2014, also referred to as Program Year (PY) 2013 or Fiscal Year (FY) 2013. PY 2013 represents the City's 39th consecutive year to receive a Community Development Block Grant (CDBG) formula allocation as an entitlement community and 22nd year to receive a HOME Investment Partnerships Program (HOME) formula allocation as a participating jurisdiction.

Although the City's FY 2013 formula allocation provides a slight increase from FY 2012 levels, since the beginning of the 2010-2014 Five Year Consolidated Plan, the City has received lower grant amounts to invest in the community:



As demonstrated above, CDBG funds declined more than 18% and HOME funds dropped nearly 30% in four funding cycles, significantly diminishing the City's ability to improve neighborhood housing and living conditions.

The City of Jackson underwent significant changes during the calendar year 2012:

City Manager – Lawrence Shaffer resigned from his position in August 2012 after leading the City of Jackson for 13 months. Patrick Burtch served as Interim City Manager until he was officially installed as City Manager in October 2012.

Jackson's Overall Economic Stabilization (JOES) Program – several items anticipated as needed to begin the stabilization of Jackson's economy were put into play. This included the formation of the Non-Owner Occupied Residential Property Registration (NOORPR),

Foreclosed, Vacant or Abandoned Residential Property Registration (FVARPR), and ordinance updates to housing, zoning and building/demolition codes.

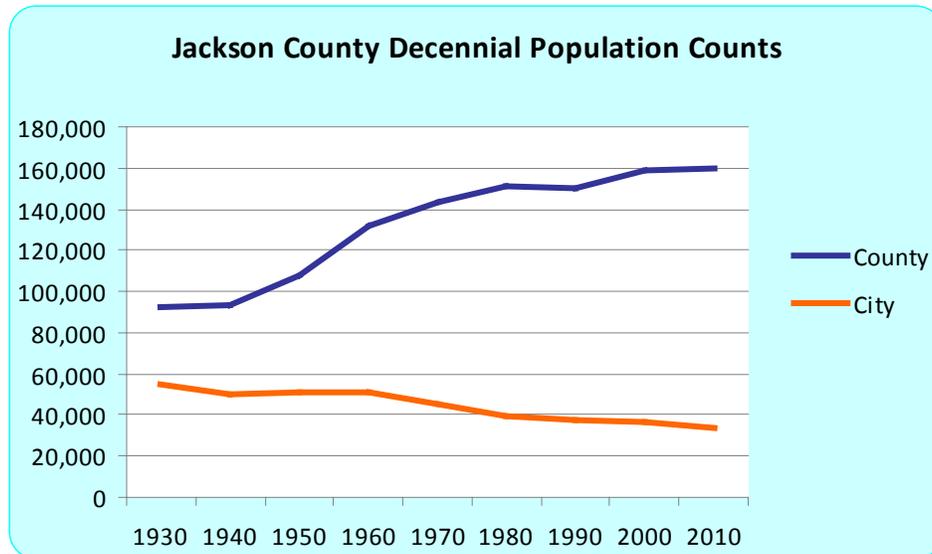
Reorganization of Departments – also a core concept of JOES, several departments were combined to provide budget savings, streamline administrative function and offer a structure that makes more sense to a shrinking city. Most notably was the formation of the Department of Neighborhood & Economic Operations, which combined Community Development, Planning, Economic Development, Engineering, Inspection, and the Administrative Hearings Bureau. Other combinations made were Police and Fire Operations (police, fire, emergency measures), Public Works & Utilities (public works, water, sewer, storm water, forestry), Parks, Recreation & Grounds (parks, recreation, cemeteries), and Finance & Information Operations (finance, management information services, purchasing, and City Hall and grounds).

Staff Increases – revenue from the NOORPR and FVARPR allowed the Department of Neighborhood & Economic Operations to hire three new full-time inspectors, one part-time inspector, and three new administrative staff positions.

The preliminary phases of the multi-faceted JOES Program concentrates on neighborhood stabilization, which includes, but is not limited to, the overall reduction of vacant, abandoned and dilapidated housing through aggressive demolition, increased code and zoning enforcement, a much more targeted effort for rehabilitation of single family homes, and an asset management plan that reflects the reality of Jackson's overall housing conditions.

General Demographic Information

Jackson County is strategically located in south-central Michigan at the crossroads of two major highways, Interstate 94 and US-127, and also by state highways M-50, M-60 and M-106. Lansing, the capital of Michigan, is located less than an hour's drive north, Detroit approximately 70 miles to the east, and Chicago approximately 200 miles to the west. An historical review of Jackson County's population concentrations and trends confirm the migration of people from the urban core of the City into the surrounding suburban and rural townships, especially since the 1960 Census. In 1930, 60% of Jackson County's population lived within the 11 square mile confines of the City of Jackson; 80 years later, only 21% of the total county population lives in the City. During the past 50 years, Jackson County's population grew by 17.6% while the City lost 33.9% of its residents.



As illustrated in the table below, Jackson's population has also grown more diverse over 20 years. While the racial makeup of the City remains mostly White and Black or African American residents, the number of White residents has decreased while the number of Black or African American inhabitants has increased, as has the number of persons claiming heritage from two or more races or with a Hispanic or Latino background.

Race	1990 Census	2000 Census	2010 Census	2011 American Community Survey
White	80.2%	73.9%	71.4%	72.1%
Black or African American	17.7%	19.7%	20.4%	21.6%
Two or More Races	n/a	3.7%	5.5%	4.1%
Ethnicity				
Hispanic/Latino	2.5%	4.0%	5.3%	4.7%

Employment opportunities remain a big concern for Jackson residents. While the annual jobless rate in the City has shown consecutive improvement since 2009, it continues to be significantly higher than Jackson County, the state of Michigan, and the United States.

	Annual Jobless Rates				
	2008	2009	2010	2011	2012
United States	5.8%	9.3%	9.6%	8.9%	8.1%
State of Michigan	8.3%	13.3%	12.5%	10.4%	8.9%
Jackson County	8.4%	13.1%	12.6%	9.9%	8.2%
City of Jackson	12.1%	18.6%	17.9%	14.3%	11.8%

Economic recovery cannot necessarily be assumed because unemployment percentages have fallen across the board for two consecutive years. The Bureau of Labor Statistics (BLS) defines unemployment as people who "do not have a job, have actively looked for work in the prior four weeks, and are currently available for work." Most people leave the labor force when they retire, go to school, have a disability that keeps them from working, or have family

responsibilities. Others may feel they can't get work so stop looking and are then classified as discouraged workers and the BLS removes them from both the unemployment statistics and labor force. Another hidden unemployment figure are those who consider themselves underemployed – those working fewer hours than they would like or are in a job that fails to make optimal use of their capabilities.

Correlative to the joblessness plaguing Jackson's workforce is the increasing number of persons living below the poverty level. The table below demonstrates compares the 2007-2009 American Community Survey (ACS) against the 2009-2011 ACS Poverty Status in the Past 12 Months (S1701):

	2009 ACS Estimate	2011 ACS Estimate
Population for whom poverty status is determined	27.0%	31.5%
AGE		
Under 18 years	37.2%	42.7%
Related children under 18 years	36.5%	42.1%
18 – 64 years	25.1%	30.1%
65 years and over	12.4%	9.1%
SEX		
Male	26.4%	29.0%
Female	27.5%	33.7%
RACE		
White	22.4%	24.6%
Black or African American	39.9%	47.8%
Two or more races	46.5%	50.5%
EDUCATIONAL ATTAINMENT		
Less than high school graduate	46.5%	45.2%
High school graduate (includes GED)	22.4%	27.5%
Some college, associate's degree.....	14.8%	20.0%
Bachelor's degree or higher	3.3%	6.0%

In the time span between the 2000 Census and the 2010 Census, the City had 1.4% more total housing units reported, but occupied housing units fell by 6.5% while the number of vacant or abandoned units more than doubled.

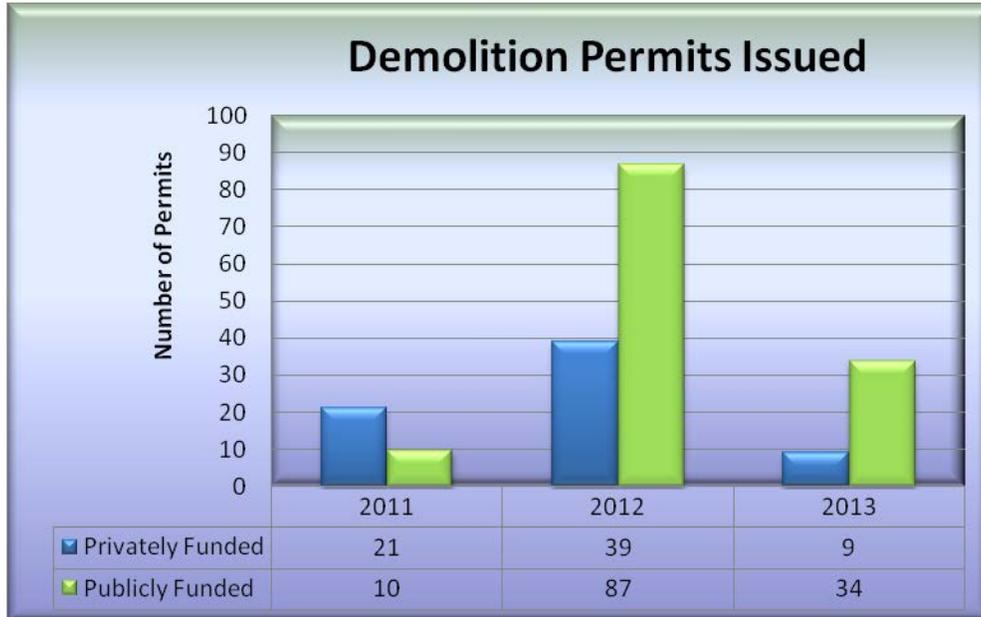
	2000 Census		2010 Census	
	Number	Percent	Number	Percent
Total Housing Units	15,241	100.0%	15,457	100.0%
Occupied Housing Units	14,210	93.2%	13,294	86.0%
Owner Occupied	8,181	57.6%	7,004	52.7%
Renter Occupied	6,029	42.4%	6,290	47.3%
Vacant Housing Units	1,031	6.8%	2,163	14.0%

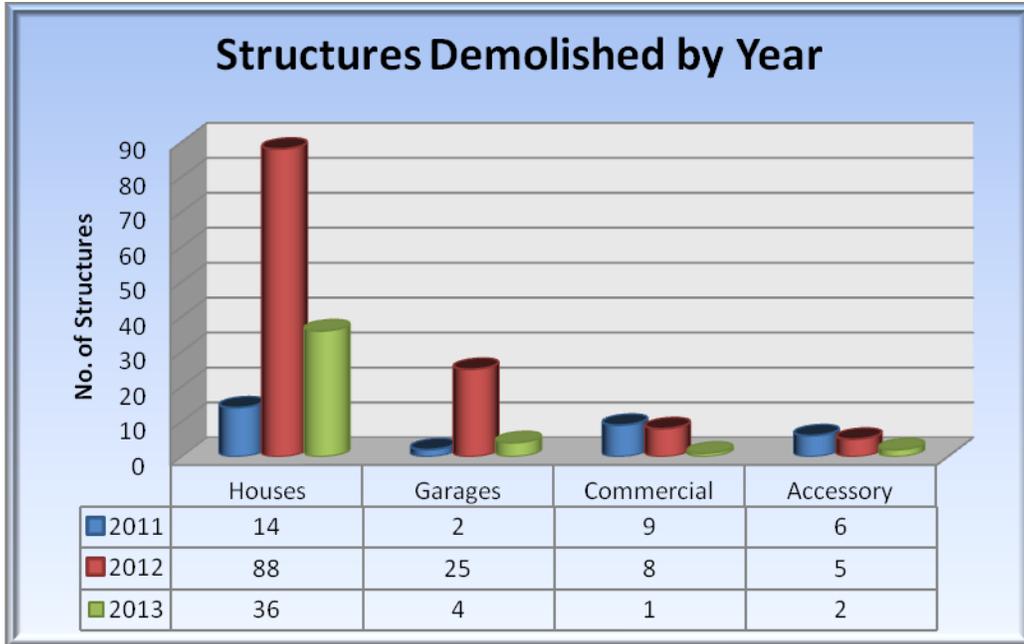
It should also be noted that the 2009-2011 ACS indicates the City now has 2,360 vacant housing units, or 15.2% of all housing units. The total number of housing units has fluctuated less than two percent since 1970 while population has fallen nearly 40% during the same time.

The oversupply of housing within the City is a contributing cause of decreased property values, which are often purchased by negligent investors, including persons or entities that do not live in Jackson, the State of Michigan, or even in the United States. Without adequate property management, further decay of housing and neighborhoods is the inevitable outcome.

As of March 6, 2013, Neighborhood & Economic Operations staff has identified and evaluated 885 vacant residential structures containing 1,163 housing units. The average rehabilitation estimate for these vacant structures is \$69,190, although some areas of the City exhibit an average rehabilitation estimate of over \$120,000 per structure. The rehabilitation estimate to repair all 885 structures evaluated to date exceeds \$61 million, some being in such poor condition as to be deemed beyond repair. Estimated demolition costs to raze the same 885 evaluated structures ranges between \$10 and \$13 million.

Demolition information gathered on a calendar year basis beginning June 1, 2011 – the date the City has adopted as the beginning of the Jackson Overall Economic Stabilization initiative – is demonstrated in the two graphs below:





Grant Administration

Grant Programs

The City of Jackson's annual formula allocations received from the U.S. Department of Housing and Urban Development (HUD) for Program Year 2013 are as follows:

Community Development Block Grant **\$1,312,915**

2012 Entitlement	\$1,237,915
Program Income (estimated)	75,000

HOME Investment Partnerships Program **\$255,296**

2012 Entitlement	\$255,296
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Program Purpose and Objectives

The Community Development Block Grant (CDBG) program is authorized under Title I of the Housing and Community Development Act of 1974, as amended, which has a primary objective of developing viable urban communities. These viable communities are achieved by providing the following, principally for persons of low- and moderate-income:

- ❖ Decent housing;
- ❖ A suitable living environment; and,
- ❖ Expanded economic opportunities.

The HOME program was created by the National Affordable Housing Act of 1990, as amended. The intent of the HOME program is to provide decent affordable housing to lower-income households, expand the capacity of non-profit housing providers, strengthen the ability of state and local governments to provide housing, and leverage private-sector participation.

Match Requirements

All participating jurisdictions must contribute 25% of every dollar in HOME funds as a means to mobilize community resources in support of affordable housing. The HOME statute provides for a reduction of the matching contribution requirement under three conditions: fiscal distress, severe fiscal distress, and for Presidentially-declared major disasters covered under the Stafford Act. The City of Jackson continues to receive a 100% exemption from HOME match requirements due to fiscal/severe fiscal distress; the CDBG program has no match requirements.

Income Limits

Both the CDBG and HOME grants require certain thresholds be met to provide assistance to the City's lower income community. Local income limits are published annually by HUD based on estimates of median family income with adjustments based on family size. The following table provides the current income guidelines for Jackson, effective December 11, 2012:

2013 Area Median Income (AMI) Limits

% of Median	Limit per Number of Persons in Household							
	1	2	3	4	5	6	7	8
30%	\$12,350	\$14,100	\$15,850	\$17,600	\$19,050	\$20,450	\$21,850	\$23,250
50%	\$20,550	\$23,450	\$26,400	\$29,300	\$31,650	\$34,000	\$36,350	\$38,700
60%	\$24,660	\$28,140	\$31,680	\$35,160	\$37,980	\$40,800	\$43,620	\$46,440
80%	\$32,850	\$37,550	\$42,250	\$46,900	\$50,700	\$54,450	\$58,200	\$61,950
100%	\$41,100	\$46,900	\$52,800	\$58,600	\$63,300	\$68,000	\$72,700	\$77,400

Effective December 11, 2012

References to income levels are as follows:

Extremely low-income	Individuals/families earning 30% AMI or less
Low-income	Individuals/families earning 31% to 50% AMI
Moderate-income	Individuals/families earning 51% to 80%

At least 70% of CDBG activities must provide a benefit to low- and moderate-income beneficiaries (80% of AMI). A low/mod area is a defined, primarily residential area where at least 51% of the residents are low- and moderate-income persons. HOME requires 100% of funds made available to homeownership activities be invested in dwelling units occupied by households that qualify as low-income families, and not less than 90% of families receiving rental assistance have annual incomes that do not exceed 60% AMI.

Section 8 / McKinney-Vento Homeless Assistance

The City of Jackson does not receive a direct allocation of either Section 8 or McKinney-Vento Homeless Assistance funds. The Jackson Housing Commission administers Section 8 and other funds available to public housing authorities, such as capital improvement funds. For period of April 1, 2011 to March 31, 2012, JHC received \$2,625,924 in Section 8 funding to pay landlords and utility allowances.

The McKinney-Vento Homeless Assistance Act ensures educational rights and protections for children and youth experiencing homelessness. The Jackson County Intermediate School

District received \$71,526 in McKinney-Vento funds for the 2012-2013 school year, which is distributed among 14 school districts in the county. A large portion of the funds are used for transportation; however, schools also purchase items such as school supplies, food, eyeglasses, and school activity fees incurred as part of a student's regular school program. The district liaisons work with shelter directors, providing additional support of services and goods on a case-by-case basis.

Managing the Process

The City of Jackson, through its Department of Neighborhood & Economic Operations, acts as lead agency for CDBG and HOME funding and administers the programs covered by the Consolidated Plan and this Action Plan. The Department of Neighborhood & Economic Operations is also charged with carrying out several of the funded activities. Various other City departments will conduct the balance of programs and projects under written agreements.

Plan development steps included:

- ✓ Research and analysis of 2000 and 2010 Census data, 2006-2010, 2008-2010, and 2009-2011 American Community Survey estimated data, and various other reports as noted throughout the Plan;
- ✓ Consultation with community organizations, non-profit service providers, Public Housing Authority, Jackson County Continuum of Care, and other such entities;
- ✓ Analysis of various other planning documents pertinent to the City to target common objectives;
- ✓ Public hearing to receive citizen input on housing and community development needs;
- ✓ Public comment period;
- ✓ City Council approval of the Action Plan.

Consultation with community organizations included, but was not limited to:

Housing

Community Action Agency
Jackson Affordable Housing Corporation
Jackson Housing Commission
Michigan Prisoner Re-Entry Initiative
disAbility Connections
AWARE, Inc.
Jackson Interfaith Shelter
Homeless Veterans Program

Social Service Agencies

The Salvation Army
LifeWays Community Mental Health
Training & Treatment Innovations
South Central Michigan Works!
Jackson County Intermediate School District
Segue, Inc.
Department of Human Services
United Way of Jackson County
Do'Chas II
Central Michigan 2-1-1

Input from the organizations listed above was obtained in various ways, from one-on-one discussions or e-mail exchanges with specific providers to roundtable discussions at various community meetings attended by these agencies. The programs and services these agencies provide are integral to offering a full spectrum of assistance to the community in addition to the resources available from the City.

The Jackson City Council conducted a public hearing on January 22, 2013 to seek public input on community development and housing needs before writing this Action Plan. No comments were received during the public hearing.

Citizen Participation

The City encourages all citizens to participate in not only the CDBG/HOME planning process, but in all processes of the local government. At the beginning of each City Council meeting, citizens are allowed time to address the Mayor, City Manager, Councilmembers and department heads on matters that concern them. Council meetings are held on the second floor of City Hall, which can accommodate persons with disabilities. Meetings are shown live on a local public access television station, JTV, which also replays the meetings at various other times throughout the week.

A flyer announcing a public hearing on January 22, 2013 was created to specifically solicit citizen input for the planning and allocation phases of the Annual Action Plan development, and was posted at the following locations:

- ✓ City Hall – two on the entrance doors, one in the Department of Neighborhood & Economic Operations lobby.
- ✓ Jackson Housing Commission – two copies posted at each public housing complex – Shahan-Blackstone North Apartments, Chalet Terrace, and Reed Manor.
- ✓ Jackson County Department of Human Services
- ✓ Community Action Agency
- ✓ The Salvation Army

Notice of the public hearing to receive citizen comments on housing and community development needs was also published on January 13, 2013, in the *Jackson Citizen Patriot* (local daily paper) and on January 17, 2013 in *The Jackson Blazer*, a local bi-weekly publication spotlighting community and neighborhood events.

Per HUD regulation, a draft Action Plan was released for a 30-day public comment period beginning March 24, 2013. A notice of availability was published in the *Jackson Citizen Patriot* on March 24, 2013 and in *The Jackson Blazer* on March 21, 2013. A printed copy of the Action Plan was made available for review at City Hall in both the Clerk's Office (first floor) and Department of Neighborhood & Economic Operations (third floor), the Jackson District Library Carnegie Branch, Community Action Agency, and the three public housing complexes, Reed Manor, Shahan-Blackstone North, and Chalet Terrace. An electronic version of the Action Plan was also made available on the Department of Neighborhood & Economic Operation's website at <http://www.cityofjackson.org/neighborhood-and-economic-operations/funding-reports>.

Institutional Structure

Development of the Action Plan involved a collaborative effort of the public and private sector, non-profit agencies, community members and other similar entities and organizations.

Public Institutions

The City of Jackson's Charter establishes the City to be a council-manager municipality, with all powers of the City being vested in the Council. The City Council is made up of seven persons, six of whom serve a particular ward of the City, and the Mayor. The Mayor is an elected official voted in by a majority of City registered voters and serves for two years. Individual councilmembers are elected by a majority of electors in the particular Ward they represent and serve for four years. The Mayor is the chief executive officer of the City without administrative

duties, but serves as the official head of the City for ceremonial services, presiding officer of City Council, appoints all members to boards, commissions, authorities and other agencies (subject to City Council confirmation), possesses emergency powers and authority expressly granted by state law, and signs all ordinances, contracts, resolutions, proclamations, and other City documents required by ordinance. The City Manager is appointed by City Council and is the chief administrative officer, having charge of municipal affairs under the direction of City Council.

The Department of Neighborhood & Economic Operations serves many functions for the City, including, but not limited to, administration of HUD grants, blight and housing code enforcement activities, homeowner and emergency hazard rehabilitation, building and trades permitting processes, engineering, planning and zoning, and economic development. Grant administration duties include the financial responsibilities associated with grant activity, such as preparing proper documents for rehabilitation loans, devising contracts and agreements with non-profit organizations and interdepartmental agreements with other City departments, monitoring to ensure compliance with federal regulations, and technical assistance to subrecipients when necessary.

The Jackson Housing Commission (JHC) is the City's Public Housing Authority (PHA), providing housing and other resources to the community's most disadvantaged residents. The JHC manages three separate public housing complexes providing 503 rental units plus 40 scattered site rental homes.

Non-Profit Entities

It is unfortunate that Program Year 2013 CDBG and HOME funds will be at all time lows and not allow for discretionary public service allocations to non-profit organizations. In the past, the Jackson City Council relied on non-profit entities to provide its low- to moderate-income residents an affordable, sustainable living environment by allocating public service dollars to assist programs directed at this population. However, the City will continue to support the various missions of the community service providers whenever possible. Community Action Agency (CAA) is the recognized leader in the community in its ability to provide a full array of programs and services to low- and moderate-income residents. The City intends to explore and develop its relationship with CAA to support services related to homeownership and other basic needs in the community, especially activities benefitting residents in the most distressed neighborhoods. CAA has proven its ability to target spending, leverage additional resources, and produce desired results and was selected to conduct Community Housing Development Organization (CHDO) activities with the City's HOME funds.

Community Participation

Various City staff members actively participate on many community-based boards and commissions to remain cognizant of the area's needs. Neighborhood & Economic Operations staff, in particular, is involved with:

- ✓ *Jackson County Continuum of Care* - co-chairperson of the Continuum. The Continuum of Care is made up of approximately 30 agencies and support groups focused on issues surrounding homelessness.
- ✓ *Emergency Needs Coalition* – meets monthly to provide updates on current

community conditions so emergency needs are met. Difficult matters are discussed openly to achieve practical solutions.

- ✓ *Jackson Area Comprehensive Transportation Study* – forum for transportation decision-making and coordinated approach to transportation improvements, including mass transit to low- and moderate-income individuals and families.

While some agencies participate in each of the groups listed above, individual groups include other service providers and community leaders to gain convergence in their particular focus area. Coordination and collaboration between housing providers, social service agencies, and local government is expected to continue in the coming year.

Monitoring

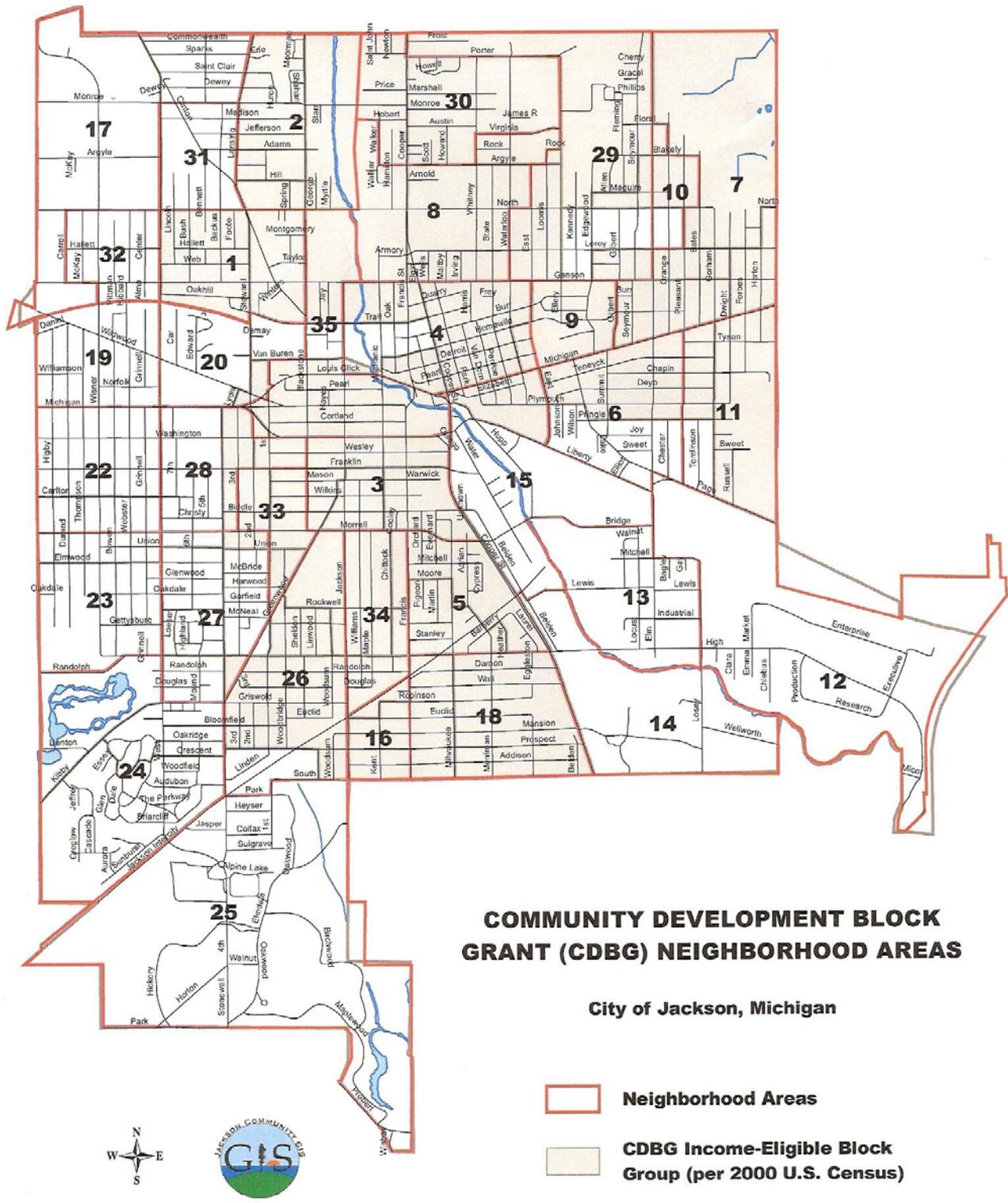
The Department of Neighborhood & Economic Operations monitors the City's performance in meeting goals and objectives set forth in the Five-Year Consolidated Plan. Results are reported in the Consolidated Annual Performance and Evaluation Report (CAPER), which is submitted by September 30 of each year.

Internal fiscal controls are in place and generate accounting system reports that are regularly reviewed by Neighborhood & Economic Operations staff. These reports identify the dollar amount allocated, the amount obligated and the amount expended. Timeliness of expenditures is monitored regularly to ensure compliance with HUD regulations. Reimbursement requests received from subrecipients are reviewed for eligibility and adequate source documentation. Staff reviews the Grantee Summary Activity Report (PR08) monthly as another measure to meet timeliness issues.

During review of applications for grant funds, a risk analysis is conducted of the potential recipient of grant funds and the proposed project. Based on that risk analysis, strengths and weaknesses are assessed in order to develop support mechanisms to enhance program delivery, the nature and eligibility of the activity, whether the proposed plan for carrying out the activity is realistic, and also for the possibility of any conflicts of interest.

During a program year, Neighborhood & Economic Operations staff conducts quarterly desk reviews of performance reports required to be filed by subrecipients of CDBG funds. From those desk reviews, staff is able to determine if a project is on track or when it is expected to begin. Individual agencies may receive one-on-one technical assistance meetings to help explain different aspects of the program and to aid the agency in accomplishing its goals. Each request for reimbursement is required to supply supporting documentation, which is carefully reviewed by more than one staff person before payments are made.

Two staff members conduct annual on-site monitoring of subrecipients receiving grant funds to verify back up documentation to their quarterly reports. This on-site, expanded monitoring is determined based on experience of subrecipient, prior findings, performance reporting issues, or other appropriate areas that may need closer review. While a majority of the City's subrecipients receive very favorable outcomes to the monitoring visits, some issues become apparent requiring an agency to make minor corrective actions or a complete revision of a specific procedure to maintain compliance with program regulations.



COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) NEIGHBORHOOD AREAS

City of Jackson, Michigan

- Neighborhood Areas**
- CDBG Income-Eligible Block Group (per 2000 U.S. Census)**

Housing

Specific Housing Objectives

City leaders have stepped back and examined how CDBG and HOME funds have been utilized and their effectiveness in creating vital, stable neighborhoods. Little cohesive effect was recognized from past practice and, with dwindling grant allocations received from HUD, it is more important than ever that the money invested in the community provides a significant impact. Considering the average cost to rehabilitate the vacant residential properties evaluated by City inspectors to date, it is easily concluded the City and its CHDO, CAA, must re-evaluate their selection processes for homebuyer rehabilitation. Some neighborhoods have deteriorated so extensively, investing any amount of federal funds towards rehabilitation would be considered wasteful. Currently, the City offers the following rehabilitation loans:

Emergency Hazard (CDBG only) – low- to moderate-income homeowners may apply for 20 year deferred loans up to \$10,000 at zero percent (0%) interest to expeditiously correct hazardous conditions, such as a leaking roof during the rainy season, a furnace in the winter, a water heater, sewer backups, etc. The City anticipates issuing 20 emergency hazard loans to alleviate dangerous conditions during Program Year (PY) 2013.

Homeowner Rehabilitation (HOME) – the City offers \$20,000 loans to correct housing code violations to low- and moderate-income homeowners at zero percent (0%) interest and deferred for 20 years. Loans to correct lead-based paint issues have no maximum and are forgivable over a five (5) year period. Approximately 10 rehabilitation loans are expected to be issued to qualifying homeowners during PY 2013.

Homebuyer Rehabilitation (HOME) – the tactical acquisition and rehabilitation of vacant homes to be sold to low- to medium-income homebuyers will be the activity of choice. City and CAA staffs will have control of strategic considerations, such as level of rehabilitation required, neighborhood stability, and marketability of the unit once rehabilitation is complete. With this method, low- to moderate-income families will not be confined to distressed neighborhoods, but will have options to live in cleaner, safer areas of the City in which to grow a family. The City and CAA foresee completion of three (3) or more single-family housing units in PY 2013.

Although no homebuyer assistance project has been specifically identified, it is the intention of the City to consider offering assistance on a case-by-case basis, especially as a component of homebuyer rehabilitation to aid a low- to moderate-income family secure financing.

Annual Affordable Housing Completion Goals
(HUD Table 3B)

Grantee Name: City of Jackson Program Year: 2013-2014	Expected Number of Units To Be Completed	Resources used during the period			
		CDBG	HOME	ESG	HOPWA
BENEFICIARY GOALS (Sec. 215 Only)					
Homeless households	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non-homeless households	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special needs households	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Sec. 215 Beneficiaries*	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
RENTAL GOALS (Sec. 215 Only)					
Acquisition of existing units	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Rental	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HOME OWNER GOALS (Sec. 215 Only)					
Acquisition of existing units	0	<input type="checkbox"/>	<input type="checkbox"/>		
Production of new units	0	<input type="checkbox"/>	<input type="checkbox"/>		
Rehabilitation of existing units	33	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Homebuyer Assistance	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Owner	33	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
COMBINED RENTAL AND OWNER GOALS (Sec. 215 Only)					
Acquisition of existing units	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	33	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Homebuyer Assistance	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Combined Total Sec. 215 Goals*	33	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
OVERALL HOUSING GOALS (Sec. 215 + Other Affordable Housing)					
Annual Rental Housing Goal	0	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Annual Owner Housing Goal	33	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Overall Housing Goal	33	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Needs for Public Housing

The Jackson Housing Commission (JHC) is the City's Public Housing Authority (PHA). The JHC manages 543 units of public housing in three Asset Management Projects and a Section 8 program of 475 participants. The mission of the JHC is:

To assist low income families secure safe, decent and affordable housing; create opportunities for resident and participant families to achieve self sufficiency and

economic independence; and assure fiscal and program integrity by all program participants.

To achieve the ideals contained in the mission statement, the JHC set goals and objectives of providing decent, safe and affordable housing; ensuring equal opportunity in housing for everyone; responding to resident requests for maintenance issues in a timely fashion; returning vacated units to occupancy within 25 days; continuing enforcement of its "One Strike" policy for residents and applicants; and improving and/or maintaining financial stability through aggressive rent collections and improved reserve position. The JHC's financial resources include an operating fund, capital fund, dwelling rental income, and Section 8 administrative fees.

After assessing the housing needs of the City and surrounding Jackson County area, JHC has determined that it currently meets, and will continue to meet, the housing needs of the community to the extent practical for a medium-sized agency. In addition, the JHC has:

- No plans to demolish any of its properties. In fact, the JHC plans extensive physical improvements at each location within the next three years. Comments and suggestions from the various Resident Advisory Boards (Shahan-Blackstone, Chalet Terrace, Reed Manor and Section 8) are taken into consideration and, if feasible, implemented.
- A HUD-approved Home Ownership Plan to sell 50 scattered site units to qualifying low- and moderate-income homebuyers. As of June 3, 2008, 10 units had been sold; however, when the housing crisis affected the ability to sell homes, JHC discontinued this program and reconverted these single family homes back into rental units.
- Implemented local preferences to improve the living environment by de-concentration, promoting income mixing, and improving security throughout the developments.
- Created and continues to facilitate self-sufficiency programs to improve resident employability, as well as solicit support services for the elderly and families with disabilities.

The JHC operates three public housing complexes and manages 40 scattered site, single family rental units as part of its Asset Management Plan. The Executive Director resigned in March 2013; the City is currently seeking a new Executive Director to lead the JHC.

Chalet Terrace - Complex

Building Type	Population	Efficiency	Bedroom Size				Total
			1-BR	2-BR	3-BR	4-BR	
Townhouse	Elderly	8	24	0	0	0	32
Townhouse	Family	0	0	20	34	14	68
							100

Chalet Terrace – Scattered Site Housing (all 3 bedroom)

903 Chittock Ave	1411 Merriman St	329 E Robinson St
905 Chittock Ave	1415 Merriman St	122 Stanley Ave
1014 Chittock Ave	1513 Merriman St	139 Stanley Ave
1022 Chittock Ave	1713 S Milwaukee St	216 Summit Ave
117 E Mansion St	1419 Plymouth St	217 Summit Ave
929 Maple Ave	1213 Plymouth St	514 Summit Ave
938 Maple Ave	1421 Plymouth St	2000 Sweet Ave
940 Maple Ave	2017 Pringle Ave	313 Wall St
1101 Maple Ave	129 Ridgeway St	

Reed Manor - Complex

Building Type	Population	Efficiency	Bedroom Size				Total
			1-BR	2-BR	3-BR	4-BR	
Low Rise Apt	Elderly	201	82	12	0	0	295
							295

Shahan-Blackstone North - Complex

Building Type	Population	Efficiency	Bedroom Size				Total
			1-BR	2-BR	3-BR	4-BR	
Townhouse	Family	0	0	74	30	4	108
							108

Shahan-Blackstone North – Scattered Site Housing (all 3 bedroom)

329 Adams St	310 Madison St	341 W Monroe St
914 N Blackstone St	312 Madison St	343 W Monroe St
916 N Blackstone St	335 Madison St	909 Spring St
414 Jefferson St	421 Madison St	911 Spring St
416 Jefferson St	409 McKinley St	

The JHC administers 475 Housing Choice Vouchers (HCV), commonly referred to as “Section 8”, in Jackson County to assist very low-income families, the elderly, and the disabled to afford decent, safe and sanitary housing in the private market. Since housing assistance is provided on behalf of an individual or family, participants are able to secure their own housing, including single-family homes, townhouses and apartments that meet program requirements. Over 72% of the housing units receiving HCV assistance are located within the City of Jackson, with the remaining units located in townships throughout Jackson County.

SECTION 8 BY THE NUMBERS	
\$2,508,632	Housing Assistance Payments
98%	Lease Up Rate
185	Landlords
463	Voucher Holder Participants
1,232	Individuals

Source: Jackson Housing Commission Annual Report, Fiscal Year 2013

PUBLIC HOUSING BY THE NUMBERS

PERFORMANCE INDICATORS

98%	Occupancy Rate
115	New Admissions
150	Youth Participated in Programs
3,562	Non-Emergency Work Orders Completed
1.8	Average # of Days to Complete Non-Emergency Work Orders
485	Emergency Work Orders
95%	Emergency Work Orders Completed within 24 hours
18 Days	Average Vacant Unit Turnaround

DEMOGRAPHICS

2.0	Average Family Size
78	Elderly Heads of Household (Age 62+)
454	Non-Elderly Heads of Household (Age <61)
345	Female Heads of Household
187	Male Heads of Household
273	Disabled/Handicapped Heads of Household
247	Non-Minority Heads of Household
285	Minority Heads of Household

SOURCES OF INCOME

1	Own a Business
22	Receive Child Support
1	General Assistance
1	Indian Trust/Per Capita
416	Other Nonwage Sources
14	Pension
186	SSI
182	Social Security
138	TANF (Formerly AFDC)
4	Unemployment Benefits
126	Other Wages

INCOME LEVELS

453	Extremely Low
68	Very Low
11	Low

TIME ON PROGRAM

97	<1 Year
72	<2 Years
71	<3 Years
44	<4 Years
48	<5 Years
200	>5 Years

Source: Jackson Housing Commission Annual Report, Fiscal Year 2013

A resident member participates on the JHC Board, and four separate Resident Advisory Boards exist; one at each of the three complexes and one for Section 8. Due to Resident Advisory Board participation, the JHC incorporated certain requests into its annual and five-year plans and will address other requested items through normal operational activities that do not require use of Capital Funds.

Barriers to Affordable Housing

The 2010 Analysis of Impediments to Fair Housing Choice lists the following barriers identified by the Jackson County Continuum of Care's Housing Committee:

- Lack of resources/developers to create more affordable or low-income housing.
- Urban food deserts, which is the lack of grocery stores in low- and moderate-income areas. Residents oftentimes rely on local convenience stores, which generally charge significantly more for an identical item found cheaper in a large grocery store. This also greatly reduces the availability of fresh produce, meat, and bakery items.
- Lack of local banking establishments in low- and moderate-income areas – residents again often rely on convenience stores to cash checks and are either charged a sizeable fee for the service, or are required to purchase a certain amount of goods from the store before it will cash the check.
- Landlords who monopolize available housing, which people in the housing community often refer to as 'slumlords' or 'shady dealers'. Tenants feel they are in a Catch-22 – if they complain to the landlord, their complaint goes ignored; if they complain to the City, they risk the chance of becoming homeless should conditions exist that pose a health and safety hazard for the tenant; landlords may retaliate for complaints made by initiating eviction.
- Landlord foreclosures – tenants are rarely given adequate advance notice to find alternate housing.
- Lack of housing for the working poor (middle income) – those persons who work every day and barely make ends meet, but do not qualify for assistance from the Department of Health and Services, food stamps, childcare, etc.

The Jackson Interfaith Shelter, the largest homeless shelter in the City, identified the following issues:

- Lack of jobs available for low- and moderate-income persons in which the potential employee may be able to perform, but is lacking the required experience;
- Unable to afford public transportation or no routes established near work place;
- Unable to afford proper insurance, registration and licensing for their own vehicle;
- Unable to afford vehicle maintenance and repairs.

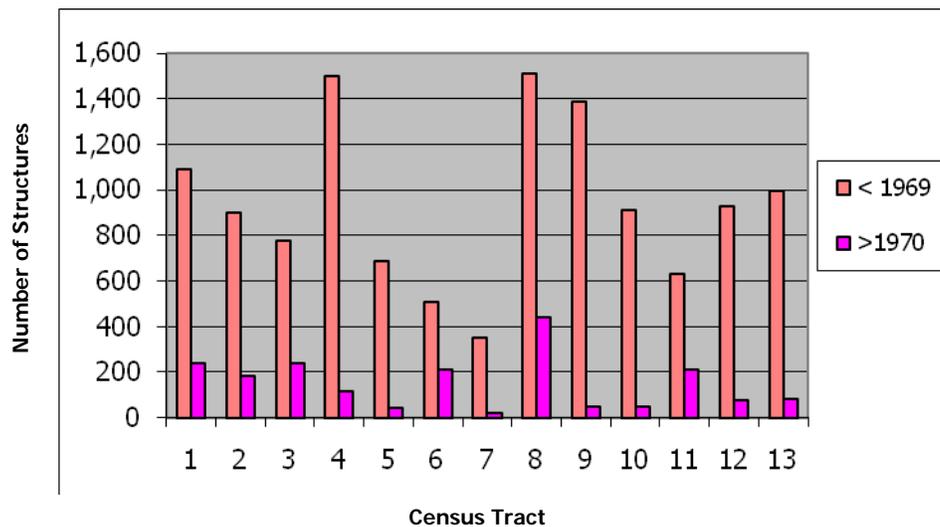
Further, the Human Relations Commission also indicated a lack of fair housing education and enforcement for several consecutive years has created an environment of potential discrimination issues and lack of understanding in the community. City Inspectors noted large families of five or more persons have difficulty finding housing with enough bedrooms as real estate investors purchased many of the City's larger single-family homes and then converted them into two to four unit apartment buildings. The disabled population faces accessibility issues to affordable scattered site housing, severely limiting their residency choices.

The City of Jackson and its CHDO, CAA, will utilize CDBG and HOME funds in the coming year to improve homeowner or homebuyer housing through its emergency hazard and rehabilitation programs. Supporting these programs will ensure necessary repairs are made to alleviate hazardous conditions in a timely fashion and improve energy efficiency when appropriate. The renter population will continue to benefit from the City's rental inspection program, recently reinstated with additional inspectors after a brief hiatus to initiate the Non-Owner Occupied

Residential Property Registry (NOORPR) which requires landlords to register rental units and undergo regular inspections to receive compliance certification.

Lead-Based Paint

According to the Michigan Department of Community Health (MDCH), environmental exposure to lead in amounts sufficient to cause illness and neurological damage in children remains a significant worry in Michigan. Jackson County has been identified as one of fourteen counties in Michigan at high risk for childhood lead exposure and poisoning. Lead-based paint hazards are a major concern for the City's young children and pregnant women as over 85% of all housing was constructed prior to 1970, with over 51% being built before 1940. The 2000 Census indicated all Census tracts within the City of Jackson contain aged housing, as demonstrated below:



As Jackson residents continue to struggle with the local economy, property maintenance and repair are not high on the list of priorities. As properties decline, the risk of exposure to lead-based paint hazards increases.

Housing built prior to 1978 (when federal law banned the use of lead-based paint in residential housing) is considered to be at risk of containing some amount of lead-based paint. The amount of lead pigment in the paint increases with the age of the housing. Housing built before 1950 is particularly troublesome as 1950 is often recognized as the "threshold" to lower levels of lead-based paint. Prior to about 1940, paint typically contained high amounts of lead, often 10 to 50 percent. In the early 1950s, paint industry standards voluntarily called for limiting lead content to 1%. With approximately 66% of the housing stock built prior to 1950, Jackson housing units pose a high risk of containing significant lead-based paint hazards. Young children of very low- and low-income households are most likely to reside in older housing, and are disproportionately at risk of lead poisoning. It is anticipated that units of owner occupied housing will continue to decline and the ratio of rental units will increase due to the stress of the slow and declining economy. Rental properties make up about one-half of the City's housing units. If units are not maintained, the risk of young children coming into contact with lead-paint hazards continues to climb.

Since HUD's lead-based paint regulations took effect in September 2000, the City has seen rehabilitation costs increase by 60%. Unfortunately, the City's funding sources did not increase at the same time, making it more and more difficult to significantly impact the housing in the community. Because of the age of the housing stock, all applicants for rehabilitation assistance living in homes built prior to 1978 must be tested for lead-based paint. The State of Michigan has enacted legislation to address lead-based paint issues in the state. The City of Jackson and its subgrantees will continue to incorporate and comply with the Michigan Lead Abatement Act to address lead-based paint issues in the community. The City of Jackson and its subgrantees will also comply with the Federal Environmental Protection Agency (EPA)'s Renovation, Remodeling and Paint Law that took effect on April 10, 2010. This law will require contractors performing remodeling and renovation activities in residential properties and child occupied facilities built before 1978 to be certified and to follow specific work practices to prevent lead dust contamination.

From 2006-2010, the City successfully implemented a Lead Hazard Control Program to address lead-based paint hazards in low-income homes built before 1978. The program tested 215 units and provided lead hazard remediation for 174 units. The City will continue to work with referrals from the Jackson County Health Department to identify clients with lead-based paint hazards that may be eligible for a full housing rehabilitation project. These clients will be able to address their lead-based paint hazards and probable code violations in the same project. The downside to this is the amount of funding available per client. Lead hazard remediation may be expensive and may impact the amount of housing projects that can be accomplished through the allocated funding. For families with a child identified as having an elevated blood lead level, the City will refer the family to the Michigan Department of Community Health's Lead and Healthy Homes Program. While the City of Jackson is not identified within the MDCH work plan as a subrecipient community, it does fall under their "statewide" clause of being allowed to provide assistance based on a child with an identified elevated blood lead level. This will provide some opportunity for families with a lead-poisoned child, but it will not aid in the prevention of childhood lead poisoning.

Non-Homeless Special Needs Housing

Certain subpopulations that are not necessarily homeless require special housing or supportive services. Those subpopulations include the elderly, frail elderly, persons with disabilities, persons with alcohol or other drug addiction, victims of domestic violence, and public housing residents.

On August 15, 2006, the Jackson City Council took action to waive the permit fees for work performed by local non-profit charitable organizations, specifically for handicap-accessible ramps. Since that time, several ramps have been installed for disabled homeowners by disAbility Connections, the Rotary Club, and World Changers. The Council also routinely waives permit fees for World Changers and/or Mission Serve roofing and handicap ramp projects. The City and its subrecipients make every effort during a rehabilitation project to take into account any special needs of the occupants to increase the likelihood of longer-term occupancy and livability.

While a few affordable apartment complexes exist in the City which are equipped to meet needs of the elderly and disabled, they are located within close proximity to each other, limiting

location choices especially for the disabled. Some disabled tenants have had success in working with landlords to retrofit a housing unit for accessibility; however, oftentimes once that tenant moves out, the retrofitting is also removed making the unit inaccessible for another potential tenant with disabilities. The City will continue efforts to strategically install handicap accessible sidewalk curb ramps in areas of greatest need.

Families requiring more than two to three bedrooms also have difficulty locating rental housing options. There are many residential structures throughout the City that may at one time have been an option; however real estate investors depleted this stock through the years by converting these larger homes into multi-unit dwellings, usually with only one to three bedrooms per unit. The City took steps to enhance its zoning enforcement by identifying and documenting vacant and abandoned homes and should a non-conforming structure not been used for a period of six (6) months, it shall be deemed abandoned and the structure then reverts to the uses allowed in that specific zoning district. This is a way in which the City can potentially return larger single-family dwellings to their original intended use, increasing housing options for families of five or more while decreasing neighborhood density.

Homeless

Specific Homeless Prevention Elements

Since 1994, HUD has been encouraging communities to address the problems of housing and homelessness in a coordinated, comprehensive and strategic fashion. In response, an ad hoc committee of Jackson community agencies formed to address the needs required to maintain and expand affordable housing in Jackson. From that committee, the Jackson County Continuum of Care (CoC) was formed and continues to provide a service to the homeless community in an attempt to strategically end homelessness. The CoC receives both federal and state funding to support and sustain those objectives. City staff actively participates in the CoC as co-chair, the Executive Committee, and planning activities.

The CoC receives annual allocations of Emergency Solutions Grants (ESG) from the Michigan Housing Development Authority (MSHDA). The CoC allocated \$186,998 in 2012-2013 ESG funding through September 30, 2013 as follows:

- \$10,350 to CAA to serve as Grant Fiduciary.
- \$34,400 to CAA to serve as the Housing Assessment and Resource Agency.
- \$54,232 to CAA to provide utility arrearage financial assistance, short term rental arrearages, and rapid re-housing short term rental assistance.
- \$13,200 to Do'Chas II to provide essential services to youth aging out of foster care.
- \$2,018 to The Salvation Army for essential services case management.
- \$44,938 to AWARE, Inc. for operating expenses related to managing an emergency shelter for survivors of domestic violence and sexual assault and essential services case management.
- \$7,500 to the CoC for subcontracting for Exhibit 1 preparation and Point in Time count services.

MSHDA provided the CoC with a second round of 2011-2012 ESG funding in the amount of \$123,744 for the period of September 1, 2012 through August 31, 2013, which was allocated as follows:

- \$74,247 to CAA for re-housing assistance.
- \$18,562 to CAA for re-housing case management.
- \$14,849 to CAA for prevention assistance.
- \$3,712 to CAA for prevention case management.
- \$3,712 to CAA for HMIS.
- \$8,662 to CAA for administrative costs.

ESG funding of \$186,998 for October 1, 2012 through September 30, 2013 was allocated as follows:

- \$50,000 to AWARE, Inc. for shelter expenses.
- \$22,931 to Do'Chas II for street outreach.
- \$61,900 to CAA for prevention assistance.
- \$24,120 to CAA for re-housing assistance.
- \$9,349 to CAA for a CoC Coordinator.
- \$5,609 to CAA for HMIS.
- \$13,089 to CAA for administrative costs.

In January 2013, the Jackson CoC applied for \$816,872 from HUD in CoC renewal funding for the supportive housing programs listed in the table below. On March 13, 2013, HUD announced funding awards to renew existing grants that were listed as “Tier 1” in the FY2012 Continuum of Care Program Competition. HUD included a ranking process in the FY2012 NOFA that required CoCs to prioritize projects into two tiers—one that was relatively safe (Tier 1) and one that was potentially at risk (Tier 2)—and prepare for the possibility of a 3.5% reduction from their Annual Renewal Demand (ARD). A second award announcement included the results for the remaining projects submitted by CoCs in the FY2012 CoC Program Competition, including new projects, Tier 2 renewal projects, and CoC planning funds.

Project Name	Type of Project	Beds	Applied For	Received
Garfield Square	Transitional Housing	38	\$193,870	\$193,870
Housing Assistance Program (HAP)	Transitional Housing	63	\$274,402	\$274,402
Mechanic Street – Partnership Park	Permanent Supportive Housing	11	\$57,200	\$59,306
TTI Leasing I	Permanent Supportive Housing	47	\$120,395	\$119,234
TTI Leasing II	Permanent Supportive Housing	29	\$115,026	\$124,302
HMIS	HMIS	n/a	\$55,979	\$55,979

Supportive housing programs develop housing and related supportive services for persons moving from homelessness to independent living. Program funds are to be used to assist homeless people live in a stable place, increase their skills or income, and gain more control over the decisions that affect their lives. Supportive Housing Program funding from HUD is utilized by CAA, Aware, Inc. (in partnership with CAA) and Training and Treatment Innovations (TTI). The renewal grant will allow CAA to continue its two transitional housing programs, which help residents pay for rent for up to two years, and for continued support of five housing units for homeless families in the Partnership Park neighborhood. All three programs assist approximately 60 families per year. A portion of CAA's funding also supports required data collection and reporting through the Homeless Management Information System (HMIS). TTI's grant funding supports its two leasing assistance programs. In addition to renewal funding, HUD also allowed the CoC to apply for a planning grant in the amount of \$10,211. If received,

the CoC will use the planning grant funds to bring the CoC's practice, governance, and structure into compliance with the new HEARTH Act requirements.

On January 23, 2013, the CoC conducted the biennial Point in Time (PIT) count with the following results:

	Sheltered			Unsheltered	Total
	Emergency	Transitional	Safe Haven		
Total No. of Households	54	41	0	33	128
Total No. of Persons	65	89	0	33	187
No. of Children under 18	14	42	0	0	56
No. of Persons 18 – 24	4	8	0	2	14
No. of Persons Over 24	47	39	0	31	117
Average Household Size					1.5

Following is the most recent information regarding shelter providers in the City:

2012 Continuum of Care Housing Inventory Chart

Emergency Shelters

Provider Name	Facility Name	Family Units	Family Beds	Individual Beds	Total Beds
AWARE, Inc.	AWARE, Inc.	6	22	8	30
Jackson Interfaith Shelter	Jackson Interfaith Shelter	9	45	32	77
Total:		15	67	40	107

Transitional Housing

Provider Name	Facility Name	Family Units	Family Beds	Individual Beds	Total Beds
AWARE, Inc.	Transitional Housing	19	41	3	44
CAA	HAP, Garfield	23	95	2	97
Do'Chas II	Transitional Housing	5	5	0	5
MPRI	Rental Assistance	0	0	25	25
Total:		47	141	30	171

Permanent Supportive Housing

Provider Name	Facility Name	Family Units	Family Beds	Individual Beds	Total Beds
CAA	Partnership Park	5	14	0	14
TTI	TTI	4	9	11	20
Total:		9	23	11	34

Antipoverty Strategy

The 2009-2011 American Community Survey Table DP03: Selected Economic Characteristics reported 25.2% of all families and 31.5% of all people in the City of Jackson were at or below the federal poverty level. The table also provides the following estimated data regarding poverty of families and people whose income in the past 12 months is below the poverty level:

Subject	% Below Poverty
All Families	25.2%
With Related Children Under 18 Years	36.4%
With Related Children Under 5 Years	44.8%
Married Couple Families	12.0%
With Related Children Under 18 Years	18.0%
With Related Children Under 5 Years	9.7%
Families With Female Householder, no Husband Present	44.1%
With Related Children Under 18 Years	57.1%
With Related Children Under 5 Years	82.0%
RACE	
White	24.6%
Black or African American	47.8%
Two or more races	50.5%
EDUCATIONAL ATTAINMENT	
Population 25 years and over	24.5%
Less than high school graduate	45.2%
High school graduate (includes equivalency)	27.5%
Some college, associate's degree.....	20.0%
Bachelor's degree or higher.....	5.9%
EMPLOYMENT STATUS	
Civilian labor force 16 years and over	19.3%
Employed.....	11.4%
Male	10.1%
Female	12.5%
Unemployed.....	48.0%
Male	39.8%
Female	58.1%
WORK EXPERIENCE	
Population 16 years and over.....	27.2%
Worked full-time, year round in the past 12 months	4.2%
Worked part-time or part-year in the past 12 months	24.4%
Did not work	43.3%
Unrelated individuals for whom poverty status is determined	40.5%
Male	40.9%
Female	40.1%
Worked full-time, year round in the past 12 months	1.7%
Worked part-time or part-year in the past 12 months	44.8%
Did not work	56.8%

The City of Jackson has neither the resources nor facilities to carry out programs directly targeted at reducing the number of households at or below the poverty level. However, through the use of CDBG and HOME funds, the City offers services and programs to assist its low- and moderate-income residents:

Emergency Hazard (CDBG only) – low- to moderate-income homeowners may apply for 20 year deferred loans up to \$10,000 at zero percent (0%) interest to expeditiously correct hazardous conditions, such as a leaking roof during the rainy season, a furnace in the winter, a water heater, sewer backups, etc.

Homeowner Rehabilitation (CDBG/HOME) – most homeowner rehabilitation will be accomplished with HOME funds as CDBG funds dwindle and are available for neighborhood projects other than rehabilitation. Currently the City offers \$20,000 loans to correct housing code violations to low- and moderate-income homeowners at zero percent (0%) interest and deferred for 20 years. Loans to correct lead-based paint issues have no maximum and are forgivable over a five (5) year period.

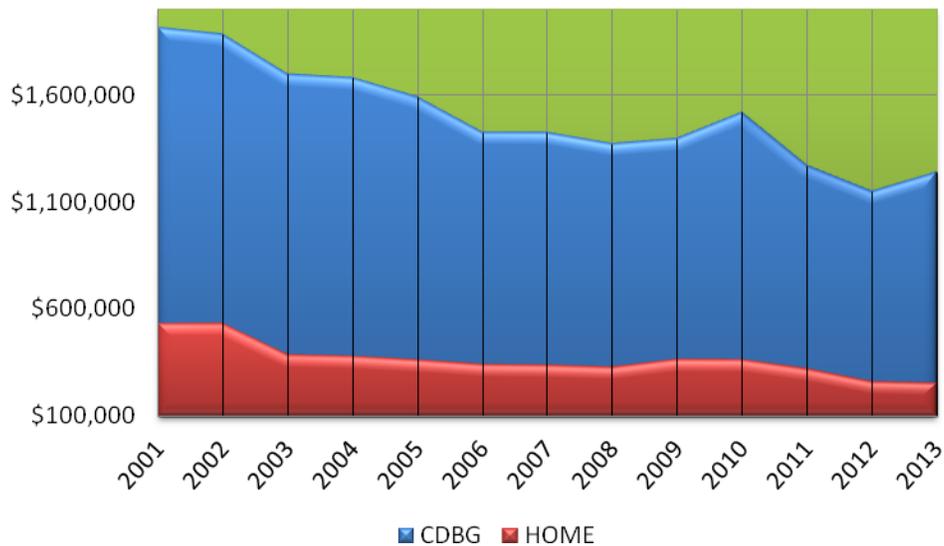
Homebuyer Rehabilitation (HOME) – the tactical acquisition and rehabilitation of vacant homes to be sold to low- to medium-income homeowners will be the activity of choice for the Department of Neighborhood & Economic Operations and the City's CHDO, CAA. With this method, low- to moderate-income families will not be confined to distressed neighborhoods, but will have options to live in cleaner, safer areas of the City in which to grow a family.

These local efforts, backed by extremely limited funds, are unlikely to have a significant impact in reducing the number of individuals and families living below poverty level. However, with thoughtful consideration of complementary activities to other programs available in the community, a collaborative effort among all service providers may provide more significant, measurable progress to reducing poverty rates in the City.

Program Specific Requirements

Program Year 2013 is especially challenging for the City of Jackson with the drastic reduction in both CDBG and HOME formula allocations received from HUD. The City will receive 43% fewer CDBG dollars and over 52% less in HOME funds than it did in 2001. However, reductions in grant allocations have been most severe since 2010 with the City losing over 18% of its CDBG allocation and nearly 30% of its HOME allocation. Grant funding is at the lowest levels the City has seen, which required City leaders to make difficult but necessary cuts to community services.

Annual CDBG/HOME Formula Allocations



Community Development Block Grant

HUD has allocated \$1,090,554 (estimate) in CDBG funds to the City; coupled with \$75,000 in anticipated program income, the 2013-2014 budget is established at \$1,165,554 (estimate). Even though the City's CDBG program will look different from a social services standpoint, Jackson still anticipates no less than 70% of the grant funding will be used for activities that provide a benefit to low- and moderate-income persons.

Outcome/Objective Legend			
	Availability/ Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

Public Service

Project: King Center Summer Youth Program Agency: Parks & Recreation Department	Target Area CT 11	Total Funding \$45,500
Output: Provide youth a broader view of new experiences, cultural experiences and educational components		Planned Units 400
Indicator: Number of persons assisted with improved access to a service		400
HUD Outcome/Objective: (SL-1) Availability for the purposes of Suitable Living Environment (05D Youth Services 570.201(e), LMC, 01 People)		

Total Allocation to Public Services: \$45,500

CDBG regulations place a 15% cap on the amount of funding that can be obligated to public service activities. In order to financially Jackson's Overall Economic Stabilization (JOES) program to provide the most prompt impact to the City's economic recovery, City Council determined it would only be able to sustain one project under the public services cap. The King Center Summer Youth Program is a City-sponsored youth program proven to be extremely successful and beneficial to approximately 400 low- and moderate-income City youths. Participants are exposed to cultural and educational field trips, summer reading, life skills learning, and free health and hygiene services. In addition, breakfasts and lunches are provided to the participants, and over 30 college and high school students receive work experience, mentoring and job training while assisting with the program.

Administration and Planning

Project: Administration and Planning Agency: Department of Neighborhood & Economic Operations	Target Area n/a	Total Funding \$71,700
Output: Administration and planning of the CDBG program		Planned Units n/a
Indicator: none required		
HUD Outcome/Objective: 21A General Program Administration 570.206		

Total Allocation to Administration and Planning: \$71,700

Under CDBG regulations, costs charged to administrative and planning are subject to a statutory 20% cap. Program administration costs include staff and related costs required for overall program management, coordination, monitoring, reporting and evaluation. Planning costs would include, but are not limited to, studies, analysis, data gathering, preparation of plans, and identification of actions that will implement plans.

Other Projects

Project: Code Enforcement Agency: Department of Neighborhood & Economic Operations	Target Area Eligible CDBG areas City-wide	Total Funding \$422,000
Output: Improved neighborhoods and properties		Planned Units 4,000
Indicator: Number of blight ordinance violations cited, rental inspections conducted, or LMI households assisted		4,000
HUD Outcome/Objective: (SL-3) Sustainability for the purpose of Suitable Living Condition (15 Code Enforcement 570.202(c), LMA, other)		

Project: City Housing Initiative Agency: Department of Neighborhood & Economic Operations	Target Area City-wide	Total Funding \$15,000
		Planned Units
Output: Improved housing conditions		1
Indicator: Number of LMI households assisted		1
HUD Outcome/Objective: (DH-3) Sustainability for the purpose of Decent Housing (14A Rehab; Single-Unit Residential 570.202, LMH, 10 Housing Units)		

Project: Neighborhood Economic Stabilization – Demolitions Agency: Department of Neighborhood & Economic Operations	Target Area City-wide	Total Funding \$155,000
		Planned Units
Output: Demolish vacant, abandoned, severely blighted, and dilapidated housing		30
Indicator: Number of dilapidated residential structures removed		30
HUD Outcome/Objective: (SL-3) Sustainability for the purpose of Suitable Living Environment (4 Clearance and Demolition) 570.201(d), LMA, Other)		

Project: Residential Rehabilitation Agency: Department of Neighborhood & Economic Operations	Target Area City-wide	Total Funding \$451,358
		Planned Units
Output: Improved housing conditions		30
Indicator: Number of LMI households assisted		30
HUD Outcome/Objective: (DH-3) Sustainability for the purpose of Decent Housing (14A Rehab; Single-Unit Residential 570.202, LMH, 10 Housing Units)		

Project: Historic Preservation Agency: Department of Neighborhood & Economic Operations	Target Area 407 W Michigan	Total Funding \$22,000
		Planned Units
Output: Increase range of housing options and related services for persons with special needs		1
Indicator: Preservation of historic structure for continued use		1
HUD Outcome/Objective: (EO-3) Sustainability for the purpose of providing services (16B Non-residential historic preservation 570.202(d), LMC, 01 People)		

Project: Code Enforcement Agency: City Attorney's Office	Target Area CDBG-eligible areas	Total Funding \$20,000
		Planned Units
Output: Legal support to Department of Neighborhood & Economic Operations to improve neighborhoods and properties		350
Indicator: Number of citations receiving benefit of prosecutorial service or contract reviews		350
HUD Outcome/Objective: (SL-3) Sustainability for the purpose of Suitable Living Condition (15 Code Enforcement 570.202(c), LMA, other)		

Project: Tree Planting Agency: Department of Public Works	Target Area CDBG-eligible areas	Total Funding \$35,000
		Planned Units
Output: Improve the beautification of lower income neighborhoods		75
Indicator: Number of trees planted		75
HUD Outcome/Objective: (SL-3) Sustainability for the purpose of Suitable Living Environment (03N Tree Planting 570.201(c), LMA, 11 Public Facilities)		

Project: Handicap Curb Ramps Agency: Department of Public Works	Target Area City-wide	Total Funding \$40,000
Output: Improve accessibility for disabled and elderly residents		Planned Units 10
Indicator: Number of sidewalks with improved accessibility		10
HUD Outcome/Objective: (SL-1) Accessibility for the purpose of Suitable Living Environment (03L Sidewalks 570.201(c), LMA, 11 Public Facilities)		
Project: Sidewalk Replacement Agency: Department of Public Works	Target Area CT 6	Total Funding \$20,000
Output: Improve quality of public improvements for low-income persons		Planned Units 10
Indicator: Number of sidewalks sections installed		10
HUD Outcome/Objective: (SL-1) Accessibility for the purpose of Suitable Living Environment (03L Sidewalks 570.201(c), LMA, 11 Public Facilities)		
Project: Park Improvements Agency: Parks, Recreation & Grounds	Target Area CT 6	Total Funding \$15,357
Output: Improve quality of public improvements for low-income persons		Planned Units 3
Indicator: Number of parks improved		3
HUD Outcome/Objective: (SL-1) Accessibility for the purpose of Suitable Living Environment (03F Parks, Recreational Facilities 570.201(c), LMA, 11 Public Facilities)		

Total Allocation to Other Projects: \$1,195,715

The key focus of the City Manager, Mayor and City Council continues to be demolition of dilapidated housing. While CDBG disbursements for this activity are limited to 30% of the annual grant expenditure, the City has been able to leverage additional private and public funds. During Fiscal Year 2012-2013, the following funds were obligated toward demolition:

Funding Source	Amount	Restrictions
General Fund	\$500,000	None
Community Development Block Grant	494,924	Subject to a 30% cap per year
Water/Sewer Funds	1,440	Water disconnect
NSP1 Grant Plus Program Income	177,238	Limited to NSP Target Neighborhood

In addition to CDBG, continuing financial support for this program during 2013-2014 will also include appropriations from the City's General Fund and Water/Sewer funds. City staff seeks and applies for appropriate funding to also support the demolition program when such funds are made available. As financial support for this demolition endeavor has grown, the impact on the community is beginning to be realized.

Structure Type	Calendar Year		
	2011	2012	2013*
Residential Structures	14	88	45
Commercial Structures	2	8	1
Garages only	9	25	11
Accessory**	6	5	3
Funding Source			
Public	10	87	43
Private	21	39	17

*January 1, 2013 – May 31, 2013

**Accessory may mean sheds, porches, decks, walls, etc.

City Council also chose to select a historic preservation project based on prior year applications received for CDBG assistance. The site selected, 407 W Michigan Avenue, houses the non-profit organization, Home of New Vision. The first floor of this historic structure accommodates the Jackson Recovery Resource Center, providing community case management and peer recovery supports, support group meetings, sober social events and similar activities to person recovering from addictions. In addition to serving persons voluntarily seeking help to recover from addictions, the Home of New Vision also partners with the local Recovery Court to provide services to persons mandated to participate in addictions counseling and services. Three apartments exist on the second floor which the Home of New Vision leases to persons in recovery at very affordable rates.

Often referred to as the "Merriman House," 407 W Michigan Avenue meets the definition of "Historic Properties" as it is listed in the local inventory of historic places and is designated in Chapter 13, Historic Preservation, of the City of Jackson Code of Ordinances, Section 13-22, as part of the "Under the Oaks Historic District." This structure is historically significant to Jackson as Ella W. Merriman Sharp resided there for a time during her youth and later retained the house her mother had purchased. Upon her death in November 1912, Ella W. Sharp bequeathed not less than 400 acres of her Hillside Farm to the City of Jackson to be converted into a public park. Known as the Ella W. Sharp Park (or Sharp Park), the park and museum covers 562 acres on the southern edge of the City of Jackson, offering residents and visitors a variety of activities for all ages. The *Jackson Citizen Patriot* published an article in 1976 about the house, which contained the following information:

From the entries on the abstract for the property the Hopkinses believe the home was built during the Civil War. J. Eaton was the owner in 1860 when the value on the abstract was recorded at \$100. The next entry dated 1865 lists F. A. Webster as the owner and the value at \$4,000, indicating to the present owners [Hopkins] that the house was built between those dates.

In addition to the CDBG formula allocation to be received from HUD, the City anticipates generating program income in FY 2013-14 as follows:

Activity	Program Income
Penalties from non-payment of code enforcement fees	\$ 600
Rehabilitation deferred loan repayments	2,500
HOME Administration	25,400
EDI loan repayments	15,750
Code enforcement fees	30,000
Miscellaneous program income	750
Total estimate program income	<u><u>\$75,000</u></u>

Program income is defined as the gross income directly generated from the use of CDBG or HOME funds.

HOME

The City of Jackson controls the resale of homebuyer property during the period of affordability using the recapture option as follows:

- 1) Should a homebuyer receiving a direct HOME subsidy in the amount of \$5,000 or less sell the property during the affordability period, repayment of the entire direct HOME subsidy will be triggered.
- 2) Should a homebuyer receiving a direct HOME subsidy in excess of \$5,000 sell the property during the affordability period, repayment of the direct HOME subsidy will be directly tied to the length of time the homebuyer has occupied the home in relation to the period of affordability.

If there are no net proceeds from the sale or the net proceeds are insufficient to repay the HOME subsidy due, the City will recapture the amount of the net proceeds, if any. Recaptured funds will be used for any HOME-eligible activity. The homeowner will receive a return on investment only if there are remaining net proceeds from the sale after payment of all outstanding mortgages, including the HOME mortgage and closing costs.

Jackson City Council made the following 2013-2014 HOME allocations:

Project: Acquisition/Rehabilitation/Resale Agency: Department of Neighborhood & Economic Operations	Target Area City-wide	Total Funding \$177,361
		Planned Units
Output: Improved housing conditions		3
Indicator: Number of LMI households assisted		3
HUD Outcome/Objective: (DH-3) Sustainability for the purpose of Decent Housing (14A Rehab; Single-Unit Residential 570.202, LMH, 10 Housing Units)		

Project: Administration Agency: Department of Neighborhood & Economic Operations	Target Area n/a	Total Funding \$25,400
		Planned Units
Output: Administration of the HOME program		n/a
Indicator: none required		
HUD Outcome/Objective: 21A General Program Administration 570.206		

Project: Acquisition/Rehabilitation/Resale Agency: Community Action Agency (CHDO Reserve)	Target Area City-wide	Total Funding \$40,000
		Planned Units
Output: Improved housing conditions		1
Indicator: Number of LMI households assisted		1
HUD Outcome/Objective: (DH-3) Sustainability for the purpose of Decent Housing (14G Acquisition for Rehabilitation 570.202, LMH, 10 Housing Units)		

Project: CHDO Operating Expenses Agency: Community Action Agency	Target Area n/a	Total Funding \$12,500
		Planned Units
Output: Operating expenses related to CHDO activities		n/a
Indicator: none required		
HUD Outcome/Objective:		

Total HOME Allocations: \$255,261

These allocations were made with the following regulatory program thresholds in mind:

Activity	Threshold	Funding
Administration	No more than 10% of annual allocation	\$25,526
CHDO Set-Aside	No less than 15% of annual allocation	\$38,290
CHDO Operating Expenses	No more than 5% of annual allocation	\$12,763

Jackson's CHDO, Community Action Agency (CAA), and Department of Neighborhood & Economic Operations staffs will collaborate to strategically acquire and rehabilitate vacant homes to be sold to low- to moderate-income homebuyers. With this method, low- to moderate-income families will not be confined to distressed neighborhoods, but will have options to live in cleaner, safer areas of the City in which to grow a family. The *Consolidated and Further Continuing Appropriations Act of 2012* (PL 112-55) imposes new statutory requirements on HOME-assisted projects, including the following:

Four-Year Project Completion Deadline – projects must be completed and ready for occupancy within four (4) years of the date the written agreement is executed.

Project Certification: Assessment of Project Underwriting, Developer Capacity, and Market Need – before executing a legally binding written agreement, the City must conduct an underwriting review, assess the developer's capacity and fiscal soundness, and examine neighborhood market conditions to ensure adequate need for the project.

Deadline for Sale of Homebuyer Units – the City must convert all homebuyer units that have not been sold to a homebuyer within six (6) months of construction completion to HOME rental units, or repay the HOME investment.

CHDO Development Capacity – the City may not reserve HOME funds to a CHDO unless it has determined that the CHDO has sufficient staff and demonstrated development experience.

A change of focus in the expenditure of HOME funds was also arrived at by City leaders. Instead of random home owner rehabilitation, Jackson will systematically select modest housing to acquire in transitional neighborhoods to rehabilitate and offer to low- to moderate-income families for purchase. City officials believe that integrating protected classes and low- to moderate-income families into more financially viable areas of the City rather than relegating these families to already significantly depressed neighborhoods will provide improved access and opportunities for the middle class and those aspiring to join the middle class. Controlling the location of rehabilitation projects through acquisition will also further the goals of Jackson's Overall Economic Stabilization program.

Administration fees will be used as program income for the CDBG program and become part of the CDBG budget. The City does not intend to use HOME funds to refinance existing debt secured by multi-family housing, nor provide Tenant-Based Rental Assistance. Proposed projects will not contain five or more HOME-assisted housing units.

Outreach to Minority and Women-Owned Businesses

Unlike large cities that may have many women- and minority-owned businesses to work with, the City of Jackson has limited resources from which to pull from. The City has an approved bidders list of general contractors from which it solicits rehabilitation bids; currently, the approved bidders list has one woman-owned and two minority-owned businesses. Plans are in place to expand the approved bidders list by advertising its existence in surrounding counties and encouraging general contractors to apply. The Department of Neighborhood & Economic Operations hopes this advertising campaign will increase the number of qualified general contractors and attract additional women- and minority-owned businesses to apply to be on the list.

With other construction projects, such as street reconstruction, the City's Purchasing Department advertises in trade journals, the local newspaper, and on the City's website. Purchasing also maintains a database of approximately 200 entities that have registered to receive project notifications via e-mail; each time a new project is added to the website, an e-mail blast is sent out announcing the request for bids. Purchasing also utilizes the State of Michigan's website to send e-mail or postcard notifications to disadvantaged businesses.

Jackson follows the procurement standards outlined in 24 CFR 85.36. All procurement transactions are conducted in a manner providing full and open competition. The sealed bid process is utilized for all construction projects, including rehabilitation, outlined under 85.36(d)(2). The City does not discriminate against a business or bidder with respect to soliciting, evaluating, and awarding bids on the basis of race, sex, sexual orientation, color, ethnicity, or national origin.

Housing Opportunities for Persons with AIDS (HOPWA)

The City of Jackson does not receive HOPWA funding.

Emergency Solutions Grant (ESG)

The City of Jackson does not receive ESG funding; however, ESG funding is provided by the Michigan State Housing Development Authority to the Jackson County Continuum of Care.

Substantial Amendment

Reprogramming of Funds

A financial assessment of CDBG funds determined the need to reprogram funds from activities that were:

- Completed, but have balances that cannot be spent;
- Not completed, but the project is no longer in operation; or,
- Unable to get the activity started.

A substantial amendment to reprogram funds from previous year Action Plans is required as follows:

Subrecipient	Original Award	Remaining Balance
Program Year 2009		
Job Creation Loan Payments	Excess Program Income	\$ 6,431
Denied Loans	\$ 1,000	697
Special Assessments	22,718	19,622
Program Year 2010		
Wilkins – Jackson to Williams	103,000	9,401
Wilkins – Williams to Mechanic	106,000	106,000
Special Assessments	10,000	10,000
Job Creation	50,000	50,000
Demo – Engineering 212 W Michigan	38,000	38,000
Program Year 2011		
World Changers	40,000	37,695
Biddle – Jackson to Williams	53,000	53,000
Program Year 2012		
World Changers	40,000	40,000
Total CDBG	\$463,718	\$370,846

A total of \$370,846 will be reprogrammed to support the following activities:

Project	Amount	Status
Parks, Recreational Facilities	\$228,000	New activity
Sidewalk Replacement – Downtown	40,000	New activity
Tree Planting	25,000	Additional Funding
City Housing Initiative	77,846	New Activity
Total:	\$370,846	

Appendix A

Citizen Comments

January 22, 2013 Public Hearing

No comments, written or oral, were received at the January 22, 2013 public hearing to receive citizen comments to identify housing and community development needs in the City of Jackson.

2013-14 Annual Action Plan

April 11, 2013

An e-mail was received from a citizen stating CDBG funds do not address the core issues in the City. The citizen felt more money should be spent on programs to rehabilitate drug and alcohol addicts and to teach the value of hard work, the free market and entrepreneurship in school. The citizen did not feel Jackson had a lack of jobs, adequate housing or sustainable environment, but that people lacked motivation, self-worth, and ambition to provide for themselves.

City's Response

The City doesn't necessarily disagree with the observation of societal issues; however, it was explained to the citizen that federal grant programs come with very specific eligible activities. Further, the reduced funding did not allow for discretionary funds to invest in such programs.

April 18, 2013

A citizen expressed dismay at the number of homes being demolished in the City, declaring it was creating an increase to the homeless population in Jackson. This citizen felt CDBG funds should be used to conduct a comprehensive inventory to create potential historic resources for homes and buildings. Finally, the citizen supported providing funding to non-profit agencies who service the low-income population.

City's Response

The City has aggressively attacked its overabundance of vacant, foreclosed, dilapidated, and abandoned homes by increasing demolition with various funding sources, including federal and General Fund dollars. No federal funding was used to demolish historic or recently occupied homes. The 2010 Census indicated 2,163, or 14%, of the housing units within the City of Jackson were vacant. Since June 1, 2011, only 226 housing units have been demolished. The City disagrees with the assertion it is increasing the homeless population.

The Jackson Historic District Commission has completed various surveys of the City to identify historic or potentially historic sites or districts. The "Report on Proposed Additional Sites to the Historic District Ordinance" was completed in February 1989; the four volume "Jackson Historic Reconnaissance Survey" was completed in December 2000; and the "Intensive Level Survey of Twenty-Five Properties" was completed in August 2004, to name a few. The City feels there is sufficient information available as to the historic nature of the City of Jackson that no additional funding is necessary at this time.

The City does not disagree there is a need in the community to support its lower income residents. However, it finds there are an adequate number of non-profit agencies and faith-based organizations working to meet this need that receive sufficient funding from other grant and philanthropic opportunities.

Appendix B

City Council Resolution

Dated May 7, 2013

RESOLUTION

BY THE CITY COUNCIL:

WHEREAS, the City of Jackson, Michigan has prepared a One-Year Action Plan in order to procure federal funds under the Housing and Community Development Act of 1974, as amended, and the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended; and,

WHEREAS, the City of Jackson, Michigan is required by law to provide certain assurances and certifications to the United States Department of Housing and Urban Development (HUD) as part of said procurement; and,

WHEREAS, the City of Jackson, Michigan has in place and is following a Citizen Participation Plan as required by HUD.

NOW, THEREFORE, BE IT RESOLVED, that the One-Year Action Plan is adopted and approved, the Mayor, as the official representative of the City, is authorized and directed to execute the submission of said Plan for and on behalf of the City of Jackson, Michigan, and the Mayor and the Department of Neighborhood & Economic Operations are authorized to provide such additional information as may be required and to submit said Plan to HUD;

BE IT FURTHER RESOLVED, that the City of Jackson, Michigan hereby assures and certifies that it will comply with the regulations, policies, guidelines, and requirements with respect to the acceptance and use of federal funds for these federally-assisted programs, and the City of Jackson, Michigan gives assurances and certifies that, with respect to the Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME):

- A. It possesses legal authority to make a grant submission and to execute a community development and housing program.
- B. Its governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the person identified as the official representative of the grantee to submit the One-Year Action Plan and amendments thereto, and all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the grantee to act in connection with the submission of the One-Year Action Plan, and to provide such additional information as may be required.
- C. It is following a detailed Citizen Participation Plan which:
 1. Provides for and encourages citizen participation with particular emphasis on participation by persons of low- and moderate-income who are residents of slum and blighted areas and of areas in which funds are proposed to be used, and provides for participation of residents in low- and moderate-income neighborhoods as defined by the local jurisdiction;
 2. Provides citizens with reasonable and timely access to local meetings, information, and records relating to the grantee's proposed use of funds, as required by the regulations of the Secretary, and relating to the actual use of funds under the Act;
 3. Provides for technical assistance to representative groups of persons of low- and moderate-income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;

4. Provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for the handicapped;
5. Provides for a timely written answer to written complaints and grievances, within 15 working days where practicable; and,
6. Identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate.

Prior to submission of its Housing and Community Development Plan to HUD, the grantee has:

1. Met the citizen participation requirements of 24 CFR 91.105.
 2. Prepared its One-Year Action Plan in accordance with 24 CFR 91 and made the Plan available to the public.
- D. The grants will be conducted and administered in compliance with:
1. Title VI of the Civil Rights Act of 1964 (Public Law 88-352, 42 USC 2000d *et seq.*); and,
 2. The Fair Housing Act (42 USC 3601-20).
- E. It will affirmatively further fair housing.
- F. It has developed its Plan to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight, except that the aggregate use of CDBG funds received under Section 106 of the Act, and, if applicable, under Section 108 of the Act, during the 2012-2013 program year shall principally benefit persons of low- and moderate-income in the manner that ensures not less than 70 percent of such funds are used for activities that benefit such persons during such period.
- G. It has developed a community development plan for the period specified in Paragraph F above that identifies community development and fair housing needs and specifies both short- and long-term community development objectives that have been developed in accordance with the primary objective and requirements of the Act.
- H. It will not attempt to recover any capital costs of public improvements assisted in whole or in part with funds provided under Section 106 of the Housing and Community Development Act of 1974, as amended, or with amounts resulting from a guarantee under Section 108 of the Act by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:
1. Funds received under Section 106 of the Housing and Community Development Act of 1974, as amended, are used to pay the proportion of such fee or assessment that related to the capital costs of such public improvements that are financed from revenue sources other than under Title 1 of the Act; or,

2. For purposes of assessing any amount against properties owned and occupied by persons of moderate-income, the grantee certifies to the Secretary that it lacks sufficient funds received under Section 106 of the Housing and Community Development Act of 1974, as amended, to comply with the requirements of subparagraph H(1) above.
- I. Its notification, inspection, testing, and abatement procedures concerning lead-based paint will comply with 24 CFR 570.608.
 - J. It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, as required under 24 CFR 570.606(a) and federal implementing regulations, it is following a residential anti-displacement and relocation assistance plan as required under Section 104(d) of the Act and in 24 CFR 570.606(c), and it will comply with the relocation requirements of 24 CFR 570.606(d) governing optional relocation assistance under Section 105(a)(11) of the Act.
 - K. It has adopted and is enforcing:
 1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and,
 2. A policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.
 - L. To the best of its knowledge and belief:
 1. No federal appropriated funds have been paid, or will be paid, by or on behalf of it to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement;
 2. If any funds other than federal appropriated funds have been paid, or will be paid, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee or a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and,
 3. It will require that the language of Paragraph L of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
 - M. It will comply with the other provisions of the Act and with other applicable law.
 - N. Before committing to any HOME funds, the City will evaluate HOME Projects that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

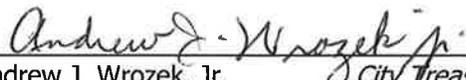
- O. If the participating jurisdiction intends to provide tenant-based rental assistance, the use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's annual approved housing strategy for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

* * * *

STATE OF MICHIGAN }
County of Jackson } ss
City of Jackson }

I, Andrew J. Wrozek, Jr., City Treasurer/Clerk in and for the City of Jackson, County and State aforesaid, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Jackson City Council on the 7th day of May, 2013.

IN WITNESS WHEREOF, I have hereto affixed my signature and the Seal of the City of Jackson, Michigan, on the 8th day of May, 2013.



Andrew J. Wrozek, Jr. City Treasurer/Clerk

Appendix C

Certifications



Non-State Grantee Certifications

City of Jackson
161 W. Michigan Avenue
Jackson, MI 49201
(517) 768-6436
www.cityofjackson.org

Non-State Government Certifications

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the City of Jackson certifies that:

Affirmatively Further Fair Housing. The City of Jackson will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

Anti-displacement and Relocation Plan. The City of Jackson will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 USC 4601), and implementing regulations at 49 CFR 24; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Anti-lobbying. To the best of the City of Jackson’s knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction. The consolidated plan is authorized under State and local law (as applicable) and the City of Jackson possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with Plan. The housing activities to be undertaken with CDBG and HOME funds are consistent with the strategic plan.

Section 3. The City of Jackson will comply with section 3 of the Housing and Urban Development Act of 1968 (12 USC 1701u), and implementing regulations at 24 CFR 135.

Dated: May 8, 2013

Martin J. Griffin, Mayor, City of Jackson
161 West Michigan Avenue
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(517) 788-4028

Specific CDBG Certifications

The City of Jackson certifies that:

Citizen Participation. It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan. Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing and expand economic opportunities primarily for persons of low and moderate income.

Following a Plan. It is following a current consolidated plan that has been approved by HUD.

Use of funds. It has complied with the following criteria:

1. *Maximum Feasible Priority.* With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available;
2. *Overall Benefit.* The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) **2013, 2014, 2015** (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.
3. *Special Assessments.* It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guarantee funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if CDBG funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. The City of Jackson will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the City of Jackson certifies that it lacks CDBG funds to cover the assessment.

Excessive Force. It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination Laws. The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint. Its activities concerning lead-based paint will comply with the requirements of 24 CFR 35, subparts A, B, J, K, and R of this title.

Compliance with laws. It will comply with applicable laws.

Dated: May 8, 2013



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Specific HOME Certifications

The HOME participating jurisdiction (City of Jackson) certifies that:

Tenant-Based Rental Assistance. If the City of Jackson intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs. It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR 92.205 through 92.209, and that it is not using and will not use HOME funds for prohibited activities, as described in 24 CFR 92.214.

Appropriate Financial Assistance. Before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

Dated: May 8, 2013



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Appendix to Certifications

Instructions Concerning Lobbying

Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Dated: May 8, 2013



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