



# Fourth Program Year CAPER

The CPMP Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional. The grantee must submit an updated Financial Summary Report (PR26).

## GENERAL

### **Executive Summary**

The Consolidated Annual Performance Report (CAPER) provides the status of proposed community development activities in the 2014 Annual Action Plan. This is Wayne County's fourth annual performance report for the Program Year (PY) 2011-2015 Consolidated Plan.

The CAPER was prepared by the Wayne County Community Wellness Program and combines planning and reporting requirements for activities funded by Community Development Block Grant (CDBG) Program, the HOME Investment Partnership (HOME) Program and the Emergency Shelter Grant (ESG) Program, which are funded by the U.S. Department of Housing and Urban Development (HUD). This CAPER meets the reporting requirements in Section 104(e) of the Housing and Community Development Act of 1974, as amended, 24 CFR Part 91 regarding the Consolidated Planning requirements.

Wayne County is reporting to HUD in a systematic method all activities (including program income) related to CDBG, HOME and ESG for the time period July 1, 2014 through June 30, 2015. The following overview highlights a series of initiatives that were proposed and executed between July 1, 2014 and June 30, 2015.

#### Enhance Suitable Living Environment:

Promoting a high quality of life through activities that support the well-being of residents especially the elderly, the disabled, low-income persons and other persons with special needs. These activities are designed as high-priority, infrastructure improvements in low-and-moderate income areas. In 2014, Wayne County expended approximately \$299,625.33 in CDBG funds for the improvement to streets and sidewalks in Wayne County communities that receive CDBG funds while approximately 107,655 persons benefited from these projects.

Additionally, in 2014 Wayne County expended approximately \$63,654.56 on transportation services for low – to moderate – income persons and the elderly, while benefiting approximately 120,198 persons in 34 of the participating Wayne County communities.

#### Affordable Housing:

One of the goals designated for high priority is to maintain, improve and expand the supply of decent, safe, sanitary housing that is affordable to low-income, elderly, and other persons in need. Rehabilitation services included addressing energy-efficient

home improvements, code violations, repairing plumbing, replacing windows, fixing roof leaks, replacing furnaces and other related tasks for persons of low-and-moderate income. In PY 2014, Wayne County expended approximately \$577,149.58 on Single-Unit Residential home rehabilitation and Multi-Unit Family homes in the 34 participating communities through-out Wayne County that receive CDBG funding, while benefiting approximately 880 Single-Unit Residential homes and 1,182 Multi-Unit family homes.

Homelessness:

Reducing the number of homeless persons and families or persons at risk of being homeless is a high-priority goal for Wayne County. In 2014, Wayne County provided support services and affordable housing for this population. As an active participant in the Out-Wayne County Continuum of Care Coalition, Wayne County collaborated with several non-profit organizations that provide assistance to the homeless population. In 2014, Wayne County expended approximately \$257,637.19 in CDBG funds for the operating costs of Homeless Services Programs.

In addition, approximately \$348,992.52 was expended in ESG funds in PY 2014. The Wayne County Family Center is operated by Lutheran Social Services of Michigan (LSSM). Wayne County worked with local community partners in housing and homeless services to coordinate efforts for populations specified in the 2011-2015 Consolidated Plan; including youth aging out of foster care, veterans and families and individuals experiencing domestic violence.

**Assessment of one-year goals and objectives**

In 2014, CDBG, HOME and ESG funds were instrumental in meeting Wayne County's goals of providing: a Suitable Living Environment, Decent Housing and Economic Opportunities for low-and-moderate income persons and households in 34 of the participating communities within Wayne County.

CDBG funds assisted in creating a Suitable Living Environment through the provision of new and improved public infrastructure such as water systems, parks and recreation facilities, streets and sidewalks. Additionally, a Suitable Living Environment is also created by providing services to the elderly, disabled, low-income persons and other persons with special needs. This was accomplished in PY 2014 through providing funds for barrier free improvements to publically owned buildings and streets. Crime awareness programs such as Code Enforcement also played an instrumental role in assisting the prevention of slum blight conditions in neighborhoods of low-to-moderate income areas.

Wayne County assisted in providing Decent Housing to persons throughout Wayne County in participating CDBG and HOME communities. Three (3) Community Planning Development (CPD) resources that were utilized to achieve this goal were HOME, ESG and CDBG funds. CDBG funds were used to support rehabilitation activities for single-family housing, multi-family housing complexes and new construction projects. Additionally, HOME funds were used for Down-Payment Assistance to low-and moderate-income homebuyers in Wayne County. Last, ESG funds were instrumental in providing shelter and rapid re-housing to the homeless population in Wayne County, Michigan.

Describe How Wayne County Would Change Its Program as a Result of its Experiences:

Wayne County Community Wellness staff is working diligently on expending funds and working with participating communities and assisting with technical assistance so that funds are spent more expeditiously for PY 2015 and beyond. Wayne County staff plans to continue to educate sub-recipients, non-profits and the general public about Wayne County's Community Wellness programs. Additionally, Wayne County is working closely with communities on documentation of program income, outcomes and expenditures. There has been significant turn over at the local level that has required additional engagement and technical assistance from the Wayne County Community Wellness staff.

**Breakdown of grant funds spent on CDBG activities**

In PY 2014, Wayne County received an allocation of \$5,574,258.61 in CDBG funds and through its sub grantees generated \$662,802.92 in program income/revolving funds, totaling approximately \$6,237,061.53.

A portion of Wayne County's CDBG funds was allocated to the 34 participating communities through a formula, approved by the CDBG Advisory Council, which considers each community's total population and low- and moderate-income population. Through these funds, the participating communities have the ability to undertake a variety of activities allowable under the Federal Regulations so long as they meet one of three national objectives:

1. To assist low- and moderate-income persons;
2. To address slum and blight conditions;
3. To meet a particularly urgent community development need that poses a serious and immediate threat to the health and welfare of the community.

The Wayne County CDBG communities include the following 34 participating communities:

Allen Park	Inkster
Belleville	Melvindale
Brownstown Township	Northville
Ecorse	Northville Township
Flat Rock	Plymouth
Garden City	Plymouth Township
Gibraltar	River Rouge
Grosse Ile Township	Riverview
Grosse Pointe	Rockwood
Grosse Pointe Farms	Romulus
Grosse Pointe Park	Southgate
Grosse Pointe Woods	Sumpter Township
Grosse Pointe Shores	Trenton
Hamtramck	Van Buren Township
Harper Woods	Wayne
Highland Park	Woodhaven
Huron Township	Wyandotte

The total Community Development Block Grant (CDBG) expenditures in PY 2014 were \$5,574,258.61

Table 1 shows the breakdown of how CDBG funds were expended in PY 2014. The three biggest expenditures of CDBG funds in 2014 were economic development, public facility and infrastructure improvements and general administration and planning services. Approximately 30 percent (\$1,679,034.86) of CDBG funds went toward public infrastructure projects, while approximately 18.2 percent (\$1,013,657.12) of CDBG funds went towards economic development and approximately 15.3 percent (\$851,988.77) of CDBG funds went towards planning and administration projects.

Community Development Block Grant Program  
PY 2014 Activity Summary

PY 2014 CDBG Funds Available:	\$5,574,258.61
PY 2014 Program Income Received:	\$662,802.92

### Summary of Program Year 2014 Accomplishments for CDBG

During the PY 2014 Wayne County expended \$5,574,258.61. A summary of the amounts disbursed by activity is provided in TABLE 1 below.

**Table 1: PY 2014 Actual Expenditures**

<b>Activity Description</b>	<b>Amount</b>
<b>Acquisition</b>	
Clearance and Demolition	\$342,257.51
Acquisition	\$164,718.96
	<b>\$506,976.47</b>
<b>Economic Development</b>	
Economic Development – ED Direct Financial Assistance to For-Profits	\$1,004,213.32
ED Technical Assistance	\$9,443.80
	<b>\$1,013,657.12</b>
<b>Housing</b>	
Rehab; Single Unit Residential	\$402,800.16
Rehab; Multi-Unit Residential	\$174,349.42
Rehab; Administration	\$9,625.66
Code Enforcement	\$219,818.10
Residential Historic Preservation	\$8,000.00
	<b>\$814,593.34</b>
<b>Public Facilities and Improvements</b>	
Public Facilities and Improvements (General)	\$183,568.98
Senior Centers	\$319,770.44
Homeless Facilities (not operating costs)	\$257,637.19
Neighborhood Facilities	\$0.00
Parks, Recreation Facilities	\$568,312.77

Water/Sewer Improvements	\$120.15
Street Improvements	\$296,155.67
Sidewalks	\$3,469.66
Fire Station/Equipment	\$50,000.00
Non-Residential Historical Preservation	\$0
	<b>\$1,679,034.86</b>
<b>Public Service</b>	
Operating Costs of Homeless/AIDS patients	\$28,017.34
Public Service (General)	\$11,071.00
Senior Services	\$253,314.41
Youth Services	\$30,800.73
Transportation Services	\$63,654.56
Battered and Abused Spouses	\$80,725.81
Crime Awareness	\$38,811.63
Health Services	\$14,637.00
Mental Health Services	\$25,466.07
Neighborhood Cleanups	\$161,509.50
	<b>\$708,008.05</b>
<b>Other</b>	
<b>General Administration and Planning</b>	
Planning	\$34,136.76
General Program Administration	\$795,352.01
Fair Housing Activities	\$22,500.00
	<b>\$851,988.77</b>
<b>Repayment of Section 108 Loans</b>	
Repayments of Section 108 Loans	\$0.00
<b>Total Expenditures</b>	<b>\$5,574,258.61</b>

### Summary of Program Year 2014 Accomplishments for ESG

The Family Center houses 24 families (108 individuals) at maximum capacity. Services include: food and shelter, case management, housing location, employment assistance, educational services (including tutoring for children), and aftercare case management work. Additionally, a licensed daycare provides free services to the residents while they work or seek housing and/or employment. All of these components work together to help the families remain together and achieve the goal of obtaining, then maintaining, independent housing. Reason for homelessness: DHS cuts, job loss, eviction, spousal abuse, landlord fraud, and family issues.

The Wayne County family shelter also provides supportive programming that includes; childcare, transportation, life skills programming and financial literacy. These services work to ensure continued success in housing as families transition out of the shelter.

Wayne County is working closely with the Out-Wayne County Continuum of Care (CoC) to identify barrier and gaps in service to homeless families. Wayne County attends the CoC's monthly meetings and has engaged homeless service agencies in

the ESG planning process for supplemental funding and 2014 program planning. This collaborative effort has allowed Wayne County to more effectively allocate funding based on relevant needs of specifically identified target population.

In addition, ESG has many program components. ESG funds go toward Street Outreach, Shelter, Homeless Prevention, Rapid Re-Housing, Data Collection (HMIS) and technical assistance through Administration.

In PY 2014, Wayne County Community Wellness expended approximately \$348,992.52 in funds for Shelter care through the Wayne County Family Center. 305 individuals, made up of 108 adults and 197 children received homeless services through Lutheran Social Services of Michigan.

### **Emergency Shelter Grant**

PY 2014 ESG Funds Available:	\$408,049.00
ESG Funds Expended in Program Year:	\$348,992.52

The Wayne County Family Center utilized the following funding sources and in-kind contributions as match for ESG funds in fiscal year 2014:

Wayne County allocated CDBG	\$408,049
Dept of Human Services Contract Income (through the Salvation Army)	\$158,700
HUD Supportive Housing Program (SHP)	\$148,455
HUD SHP Grant Aftercare	\$71,794
HUD SHP Client Transportation	\$26,757
HUD SHP Financial Literacy	\$7,031
MSHDA (case management – through Wayne Metro)	\$14,448
City of Westland (CDBG)	\$2,000
EFSP (United Way)	\$8,302
Salvation Army (per diem)	\$21,900
Private Contributions	\$15,000

### **Summary of PY 2014 HOME Accomplishments**

In 2014, HOME funds were instrumental in meeting Wayne County’s goals of: 1) Providing decent affordable housing, 2) Improving the residential environment by promoting the stabilization and long-term revitalization of neighborhoods with balanced housing opportunities, and 3) Increasing homeownership for low- and very low- income individuals and families. During PY 2014, Wayne County expended \$3,595,539.23 in HOME funding. A breakdown of funding is as follows; \$513,150.88 expended on homebuyer assistance for 68 income eligible individuals and families within Wayne County, \$1,962,234.99 was expended on housing rehabilitation programming County wide, \$641,694.59 was utilized for large scale multi-family developments for low-income individuals and families, \$257,098.01 was expended by Consortia members on large scale development projects, \$118,399.85 was utilized for Tenant Based rental Assistance and \$473,873.13 was expended on program administration.

HUD allocates funds under the HOME Investment Partnership Grant Program by formula among eligible state and local governments to strengthen public-private

partnerships and to expand the supply of decent, safe, sanitary, and affordable housing. HOME funds must be matched by nonfederal resources. State and local governments that become participating jurisdictions may use HOME funds to carry out multi-year housing strategies through acquisition, rehabilitation, new construction of housing, and tenant-based rental assistance.

The HOME Program staff continued to build and refine innovative affordable housing initiatives through the use of federal HOME funds. In addition, the HOME Program administration performed the following:

- Coordinated with other County programs - Community Development Block Grant Program, Wayne County Brownfield Redevelopment Authority, and Neighborhood Stabilization Program to develop and administer housing programs; and
- Reached underserved markets with affordable housing programs and homeownership information.
- Stayed at the forefront of an evolving housing market and amending County policies as needed to preserve homeownership.
- Continued the Wayne County HOME Consortium, which includes the cities of Dearborn, Dearborn Heights, Lincoln Park, Livonia, and Taylor.

The Department of Health, Veterans and Community Wellness utilizes HOME funds to offer several programs to expand the long-term supply of *decent, safe, sanitary* and *affordable* housing throughout Wayne County. The HOME Program allows the County to support the development of for-sale and rental housing developments that are made available to low and very-low-income households. Projects may involve new construction or rehabilitation for either rental or ownership, rehabilitation of owner-occupied homes, or homebuyer assistance for existing or new homes. The following programs were in effect during the PY 2014.

Wayne County provides gap financing for home ownership projects that involve either new construction or rehabilitation. The purpose of this program is to provide assistance to developers that are undertaking transformational projects that would not be possible without the support of Wayne County HOME funding. Developers interested in participating in the program are required to submit an application during the request for applications period. All applicants are then reviewed by an internal team for feasibility, capacity, and financial oversight, need and site control.

Low-income homebuyers are eligible for additional assistance in the form of a deferred loan equal to the difference between the appraised value of the property and the primary mortgage amount that they could qualify for. The assistance to each family is typically in the form of a 0%-interest deferred loan secured with the property and due and payable upon the sale of the home or refinance of the primary mortgage. Applicants must pay at least \$1,000 of their own funds toward the purchase and contribute at least 26%, but no more than 30% of their monthly incomes toward housing expenses including mortgage, property taxes, home insurance, and mortgage insurance. Typically these deferred loans do not exceed \$25,000.

These projects typically involve a mixture of market rate and low-income units. CHDOs, other non-profit organizations, and local communities are eligible for HOME

Funds through the Project-Based Financing Program.

Wayne County can provide gap financing for the development of newly constructed or rehabilitated rental housing serving very-low income households, seniors, homeless, or the disabled throughout the 34 participating communities. Typically these are projects that primarily supported through subsidies from either HUD Section 202, 811 or Supportive Housing Programs; Low Income Housing Tax Credits from the Michigan State Housing Development Authority; or other similar funding agencies.

HOME funds can be used to fill a gap in financing of up to \$500,000. All projects are required to achieve an Energy Star certification.

The HOME program requires Wayne County to set-aside 15 percent of the annual allocation to CHDOs. A CHDO is a nonprofit organization with the purpose to provide housing that is affordable to low-income persons, as evidenced in its articles of incorporation or by-laws. This exclusive set-aside for CHDOs mandates the County's support for community-based organizations and promotes increased responsiveness to low-income neighborhoods within our distressed communities. All funds committed to CHDOs must be invested in housing owned, developed or sponsored by the designated CHDOs. CHDO Set-Aside funds are used with both the Project-Based Financing Program and Rental Program's annually to maintain current information and encourage new developers and non-profits to apply for the program. County has reserved a higher allocation than the mandated 15% to this important group of organizations, averaging a 16.29% CHDO set-aside since 1992.

HOME program guidelines permit Wayne County to set-aside up to 5 percent of the annual allocation for operating expenses by CHDOs. This additional funding helps increase the capacity of CHDOs for which the HOME program guidelines require Wayne County to set-aside 15 percent of the annual allocation for housing projects. Wayne County often provides CHDO Operating funds to CHDOs that are implementing a Project utilizing the Project-Based Financing or the Rental Housing Program.

Wayne County contracts with non-profit sub-recipients to provide homebuyer assistance in combination with homeownership counseling. Homeownership counseling provided by the sub-recipient prepares families for the increase and change in responsibilities that come with the transition from renting to homeownership. Furthermore, homeownership counseling helps reduce the likelihood of foreclosures because: 1) applicants who are not strong candidates for mortgages are given step-by-step action plans to becoming better qualified (i.e. improving credit history, savings, income) 2) it provides opportunities to handhold clients through the mortgage process and reinforce their impending financial obligation, and scrutinizes loan documents prior to approval. Each homeowner is reviewed for eligibility by Wayne County staff prior to approval.

## **Homebuyer Assistance Program**

Wayne County contracts with two nonprofit sub-recipients to provide the homebuyer assistance in combination with homeownership counseling. Both entities are HUD certified counseling agencies. The nonprofit sub-recipients conduct comprehensive marketing campaigns with targeted outreach to eligible community members. In addition, the homeownership counseling provided by the sub-recipients prepares families for the increase and change in responsibilities that come with the transition from renting to homeownership. Furthermore, homeownership counseling helps reduce the likelihood of foreclosures because: 1) applicants who are not strong candidates for mortgages are given step-by-step action plans to becoming better qualified (i.e. improving credit history, savings, income) 2) it provides opportunities to handhold clients through the mortgage process and reinforce their impending financial obligation, and scrutinizes loan documents prior to approval.

During PY 14, \$513,150.88 was expended on homebuyer assistance for 68 income eligible individuals and families within Wayne County.

### **Artspace Dearborn Lofts**

Wayne County has partnered with the City of Dearborn and Artspace on an adaptive reuse of the former City Hall in East Dearborn. The building is currently in the process of being converted to a live-work space for income qualified artists and will contain between 45 to 50 loft units when completed, as well as commercial, studio, community, and entrepreneurial space. Groundbreaking for the project took place during the winter of 2014, with estimated project completion by the end of 2015. A total of \$500,000 was invested in the project using 2013 and 2014 HOME Consortia funds.

### **Pinewood Condominiums-Taylor**

In 2014 the City of Taylor completed Phase 1 of their rehabilitation of 6 condominium units in order to provide safe and affordable housing to low-income seniors. Phase 2 of this project broke ground in August 2015 with the goal of creating another 4 units of housing.

### **Hartford Village-Detroit**

Wayne County has committed \$1,000,000 in 2014 HOME funds towards the creation of Hartford Village, an 84 unit senior housing facility in Detroit. The project is a collaborative effort between Hartford Memorial Baptist Church and Presbyterian Villages of Michigan with a total development cost over \$14,000,000. Out-Wayne County residents are expected to occupy over 20% of the total units after completion.

### **Countywide Down Payment Assistance Program**

National Faith Homebuyers administers the First Time Homebuyer Down Payment Assistance Program for Wayne County, and provides homebuyers with the required HUD approved purchase counseling. In 2014, \$400,000 of HOME funds were committed to the project, assisting 49 families in becoming first time homeowners.

Through the Home Rehab program, along with the Consortia Home rehabilitation programming, \$1,962,234.99 was expended in 2014 for income eligible homeowners.

### **HOME Match Requirement**

Wayne County must make contributions to housing that qualifies as affordable housing under the HOME program, throughout the fiscal year. The contributions must total not less than 25 percent of the funds drawn down during the Federal Fiscal Year (October 1 through

September 30), excluding funds drawn for administration and CHDO operating expenses. Wayne County has met this match requirement through the recognition of a variety of contributions towards HOME-Funded Projects and Programs.

Excess match carried over from fiscal year 2013 was \$307,976.04, and match contributions during the year were \$2,200,000.00 for total matching funds. The match liability amount for the year was \$1,134,647.59, resulting in a carry forward of \$1,373,328.45. The HUD 40107-A is included with this report

### **HOME Affirmative Marketing Plan Requirement**

Wayne County has an Affirmative Marketing Plan that is applied to all rental and homebuyer projects containing 5 or more HOME-assisted housing units. The Affirmative Marketing Policy is included in applicable written agreements between Wayne County and the entity carrying out the project. The policy requires advertising that includes the equal housing opportunity logo and special outreach measures to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing. The project owner or manager must maintain records tracking these efforts and the outcomes.

As part of its monitoring review process, Wayne County requires that those HOME projects containing five (5) or more HOME-assisted units submit a current copy of their Affirmative Marketing Plan annually.

### **PY 2014 HOME Activity Summary**

PY 2014 HOME Funds Available:	\$2,266,533.00
HOME Funds Expended in Program Year 2014:	\$5,020,391.21
Match Liability FY 2014:	\$1,134,647.59
Matching Funds FY 2014:	\$2,200,000.00

Total number of assisted units: 116

### **Affirmatively Furthering Fair Housing**

The Wayne County Community Wellness Program continued implementing steps outlined in the most recent Analysis of Impediments that was updated in 2011. The Fair Housing Center of Metropolitan Detroit is Wayne County's contractual partner and acts as the responsible entity for managing and investigating fair housing discrimination cases. Additionally, Wayne County funds the Fair Housing Center of Metropolitan Detroit with CDBG funds. The Fair Housing Center of Metropolitan Detroit has continued to investigate, "test" and monitor fair housing complaints.

As of July 15, 2014 there were approximately fifty (50) open cases. Two (2) of those cases are pending litigation and it is expected that the remainder of the open cases will be handled administratively through HUD, MDCR or otherwise. In 2014, the Fair Housing Center of Metropolitan Detroit received 33 complaints in the Wayne County area. Of those 33 complaints, 14 complaints were allegations of racial discrimination and/or national origin, 12 were mortgage/sales based, 6 complaints were allegations based on disability status, 4 complaints were allegations of age discrimination and 1 complaint was an allegation of discrimination on family status.

## **Describe Other Actions in Strategic Plan or Action Plan Taken to Address Obstacles to Meeting Underserved Needs**

In Wayne County, the underserved populations include persons that are “cost burden” – paying in excess of 30 percent of their income towards housing. In addition, the underserved population also includes persons at-risk of being homeless including persons with physical disabilities and the frail elderly. Ensuring housing for the underserved population continued to be a priority during the PY 2014. Wayne County Community Wellness Program continued to partner with local agencies such as National Faith Homebuyers, Lutheran Social Services, Wayne Metropolitan Community Action Agency, Pointe Area Assisted Transportation Service (PAATS), Detroit Recovery Project and First Step. Additionally, Wayne County has continued to partner with for-profit and non-profit developers.

Wayne County continues to assist with the underserved population through Down-Payment Assistance through the Wayne County HOME Program. Wayne County contracts with nonprofit agencies to provide the homebuyer assistance in combination with homeownership counseling. Homeownership counseling prepares families for the increase and change in responsibilities that come with the transition from renting to homeownership. Furthermore, homeownership counseling helps reduce the likelihood of foreclosures because: 1) applicants who are not strong candidates for mortgages are given step-by-step action plans to becoming better qualified (i.e. improving credit history, savings, income) 2) it provides opportunities to handhold clients through the mortgage process and reinforce their impending financial obligation, and scrutinizes loan documents prior to approval.

In addition to Wayne County utilizing CDBG and HOME funds, Wayne County also utilizes ESG funds to serve the underserved population of Wayne County. Wayne County has collaborated with Lutheran Social Services of Michigan (LSSM) to provide support for this target population. The Wayne County Family Center, which is located in Westland, Michigan houses 24 families (108 individuals) at maximum capacity. Services include: food and shelter, case management, housing location, employment assistance, educational services (including tutoring for children), and aftercare case management work. All of these components work together to help the families remain together and achieve the goal of obtaining, then maintaining, independent housing. Reason for homelessness: DHS cuts, job loss, eviction, spouse abuse, landlord fraud, and family issues.

The Wayne County family shelter also provides supportive programming that includes; childcare, transportation, life skills programming and financial literacy. These services work to ensure continued success in housing as families transition out of the shelter.

Wayne County is working closely with the Out-Wayne County Continuum of Care (CoC) to identify barrier and gaps in service to homeless families. Wayne County attends the CoC’s monthly meetings and has engaged homeless service agencies in the ESG planning process for supplemental funding and 2014 program planning. This collaborative effort has allowed Wayne County to more effectively allocate funding based on relevant needs of specifically identified target population.

## **Managing the Process**

In program year 2014 Wayne County continued to ensure compliance with program and comprehensive planning requirements. The 2014 CAPER provides information on activities implemented by Wayne County Community

Wellness Program during the fourth year of the 2011-2015 Consolidated Plan. Annually, Wayne County is responsible for administering federal funding allocations for the CDBG, HOME and ESG Programs for 34 communities in Wayne County.

Wayne County continued to provide information and assistance to local units of government in identifying funding opportunities aimed at developing viable community development projects, provide decent affordable housing, and providing resources to individuals and families who are homeless or at-risk of being homeless.

Wayne County continues to focus on coordination with the 34 sub-recipient communities through the Wayne County CDBG Advisory Council. Through the Advisory Council elected officials from sub-recipient communities are able to participate in the administrative process.

The County also provides comprehensive trainings yearly. The training enables representatives from the sub-recipient communities to ask questions and share knowledge with each other. By training the County's sub-grantees and providing more individual attention, the County better ensures compliance with program regulations and requirements. By providing a forum for discussion at the trainings, the County enables its sub-recipients to exchange information and ideas. When communities can provide technical assistance to each other, it better ensures overall compliance with public services and administration caps and comprehensive planning requirements. Wayne County also benefits from the feedback gained at the training and is better able to assist sub-recipient communities and implement effective policies. In 2014 Wayne County also offered Labor requirements training to all participants in partnership with the HUD local field office.

### **Citizen Participation**

In an attempt to generate public comments on the 2014 CAPER, Wayne County invited the public to participate and comment on the DRAFT 2014 CAPER from August 21<sup>st</sup>, 2014 to September 21<sup>st</sup>, 2014. Additionally, the CAPER was posted at the Wayne County Community Wellness Program Website at [www.waynecounty.com](http://www.waynecounty.com). Copies of the CAPER were also provided to the local units of government in the Wayne County area and two (2) Public Hearings were held at 10:00am on August 26<sup>th</sup> and 10:00am September 21<sup>st</sup>, 2015 at 500 Griswold, 6<sup>th</sup> Floor Conference room, Detroit, MI 48226.

### **Institutional Structure**

To ensure compliance with HUD, Community Development programs in Wayne County including CDBG, HOME, and ESG are administered by the Wayne County Community Wellness Program through the Department of Health, Veterans and Community Wellness Division within the Department of Health, Veterans and Community Wellness. The Community Wellness Program assists the 34 participating communities to meet community needs through the use of CDBG and HOME funds.

The Community Wellness Program also coordinates with the Advisory Council and local non-profit organizations. The Advisory Council, made up of elected officials from sub-recipient communities, grants extensions for the use of CDBG funds to fellow sub-recipients. The Council also provides input in the planning process.

Program staff continued to work in collaboration with 34 of the participating communities in order to make sure that project activities were in compliance with Davis Bacon, Section 3, SHPO 106 Review and Environmental Clearance with HUD.

## **Monitoring**

Wayne County continues to implement a monitoring policy designed to ensure that all CDBG, HOME, and ESG funds received by recipients were utilized in compliance with CPD grant requirements. Wayne County has three primary goals established as a basis for all monitoring visits which include evaluating project performance, ensure accountability for all expenditures and to ensure that all Federal, State and County requirements are being met.

### **CDBG Monitoring**

The Wayne County Community Wellness Program, the administrator for the CDBG program, has a multiple step process for monitoring compliance and is in the process of setting a year-round rotation to ensure comprehensive monitoring.

The first step of the monitoring process is to complete a desk review of vouchers, eligibility inquires and any other inquiries to determine any potential noncompliance issues. Once the compliance issue is determined to be monitored all thirty-four (34) sub-recipients are ranked according to a risk analysis. The risk analysis is based on the subrecipient's involvement in the target area, the timeliness of spending and other factors determined to affect possible noncompliance. After they are rank-ordered and assigned a value, they are selected and monitored.

At each community we looked at the overall systems of management and the procurement of the contracts for the CDBG program. For the procurement component we review contracts that required procurement, under each of the procurement monetary guidelines available, and conduct an extensive review of the procurement procedures and policies. At the visits the county reviews the construction files for documentation of the procurement for compliance with procurement regulations. For the monitoring we utilize Exhibit 3-17 6509.2 Rev-5 for the Overall management and Exhibit 3-20 6509.2 Rev-5 Chg-2 for Procurement.

Whenever occurrences of compliance issues are determined, Wayne County Community Wellness Program issues a written statement to the sub-recipient addressing all concerns. Sub-recipients are required to address and correct issues generally no later than 30 days from the time of notice. For PY 2014; the following communities were monitored for the CDBG program: Allen Park, Highland Park, River Rouge, Wyandotte, Van Buren.

In addition to the on-site monitoring the County reviews:

Any contracts requiring procurement, the county does an extensive review of the activity's procurement. All construction activities over \$2,000 are monitored for prevailing wage and equal employment opportunity laws and provisions.

All thirty-four (34) sub-recipients complete a semi-annual contract and subcontract activity report reporting information regarding contractors used for CDBG funded projects. This is completed in September. In addition, all thirty-four (34) sub-recipients complete a quarterly program income report verifying program income receipts and communicate program expenditure activities.

This formal monitoring compliance is reinforced by technical assistance and intensive desk voucher reviews. Given the current economic hardships that several participating communities are going through, many participating communities rely on technical assistance from Wayne County staff. The County has provided technical assistance to several of these communities and this has resulted in remarkably improved spending and compliance documentation. In addition the County provides regular contact with community representatives regarding administrative, programmatic and regulatory issues. Further, regularly scheduled subrecipient training, on-site technical assistance visits based on community requests and staff turnover, and programmatic review elements complement these monitoring efforts.

### **HOME Program Monitoring**

Under the HOME Program regulations, entitlement funding must be expended within 60 months from the last day of the month in which HUD signed a HOME Partnership Agreement. To track this performance indicator, Community Wellness staff reviews expenditure reports on a regular basis. Additionally, individual projects are reviewed for drawdown activity. In an effort to keep new projects moving forward, performance deadlines are clearly stated in written agreements for all projects and programs.

As a part of the due diligence process, grantees are required to submit all construction documents for review and approval before any funds are disbursed. Specific items include land surveys certified to Wayne County, final construction drawings and specifications, building permits, and all necessary insurance coverage's with the County named as an insured party. Furthermore, waivers of liens are required for all construction draws.

The HOME Agreement also affirms that the property meet and maintain all applicable local housing codes as well as HUD Housing Quality Standards, along with the right of the County to perform all necessary inspections throughout the Affordability period.

For homebuying assistance, the affordability requirements are secured with the property through a second mortgage under the recapture guidelines. The mortgage is secured as lien with the property. When the owner decides to sell the property, the lien is called up in the review of title. At that point, the owner must comply with the affordability requirements in order to sell the property. In light of changes to the region's housing market and mortgage industry dynamics, the HOME program has adopted a flexible, multi-tiered policy to recapture funds in and when net proceeds are available. Each transaction is assessed on a case-by-case basis and a reasonable payoff amount is determined based on the options allowed in 24CFR92.254 (a) 5ii. In 2014, Wayne County completed an on-site monitoring visit of the non-profit entity that provides homebuyer assistance to verify compliance with these regulations.

For each rental housing development, a lien is placed with the property to secure the affordability requirements for the required length of time. In addition, the Community Development Division staff creates a monitoring plan designed to meet the HOME regulations that correspond to the particular characteristics of the project. Custom-made plans are important because certain characteristics such as the number of HOME-assisted units and new construction versus rehabilitation will dictate the length of time and frequency a project is monitored. Some of the HOME requirements that projects are monitored for include but are not limited to affordability, property standards, and income qualifications of the tenants. A database management system is used to track the periodic monitoring requirements of the HOME-assisted units throughout their affordability periods.

In addition, the Community Wellness staff conducts annual in-house audits of all grantees with projects and programs that are underway. After such review, a determination will be made whether an on-site monitoring review is necessary. This determination will be made based on prior findings that remain open, closed findings which need to be verified, outstanding independent audit findings, performance reporting issues, fiscal issues, and/or other appropriate areas that warrant additional monitoring.

If it is determined that an expanded monitoring review is necessary, staff shall conduct such a review. After completing this review, the results will be provided in writing to the grantee within 30 days. The monitoring review letter will outline concerns and/or findings resulting from the review, recommendations and/or corrective actions to resolve these issues, along with an anticipated timeframe for addressing them. If no findings or concerns are noted as a result of the monitoring review, the grantee will receive a letter stating such.

If concerns and/or findings are identified, the grantee must submit a written response within four weeks of receipt of the monitoring review letter. The response will be reviewed by staff to determine if the information provided or actions taken are adequate to clear the findings or concerns. Staff will continue to work with the grantee until all issues are resolved. During the 2014 Program Year, Community Wellness Program staff continued its monitoring review schedule for HOME rental projects. A rental compliance survey is sent to the property management staff at HOME rental projects for completion. The completed survey, along with the necessary support documentation (income certifications, tenant leases, etc.), provides current information for the tenants at each HOME-assisted unit at the property. Community Wellness staff reviews the completed surveys and support documentation that are submitted to ensure compliance with all applicable HOME program requirements, such as income qualifications, rent limits, affirmative marketing, tenant lease requirements, etc.

### **Emergency Shelter Grant (ESG) Program**

The County requires monthly status reports from the operators of the Wayne County Family Center, of which all of the ESG funds are utilized, along with filing the Annual Progress Report for competitive homeless assistance programs. Reports are compiled using the Homeless Management Information System (HMIS). The County also completed one on-site technical assistance and monitoring visit during 2014 to work with Lutheran Social Services on outcome measurement and program reporting. Wayne County did not document any findings during that monitoring visit. Lutheran Social Services of Michigan (LSSM) is reimbursed based on submission of monthly bills with back up documentation. Additionally, LSSM is required to submit an annual audit. Additionally, as members of the Continuum of Care, Wayne County is updated monthly on progress, trends and challenges presented in the homeless services community and works closely with partners to address any concerns.

### **Lead-Based Paint**

Wayne County requires that each housing unit funded with CDBG and HOME funds be inspected for the occurrence of lead-based paint prior to occupancy or rehabilitation. If lead-based paint is present, abatement measures must be taken in order to be eligible for CDBG and HOME activities.

Programmatic guideline protection efforts include aspects of the Office of Healthy Homes and Lead Hazard Control (OHHLHC) issues as presented on HUD's Healthy Home website. Requirements are expanded to include the new EPA's Renovation, Repair and Painting Rule (RRP) in addition to the existing HUD Lead Safe Housing Rule (LSHR) requirements.

Multiple efforts have been undertaken to provide technical assistance to communities and increase inspector/consultant awareness of the compliance requirements of the 2010 RRP.

In PY 2014, all persons participating in the Residential Rehabilitation Programs received information and copies of Lead-Based Paint brochures for compliance with HUD and EPA's RRP Lead-Based Paint Rule. These brochures help explain and warn against the dangers of lead in the home.

Housing Rehab programs provide a copy of the pamphlet to the Homeowner, "**Renovate Right: Important Lead Hazard, Information for Families, Child Care Providers and Schools**"

Housing repair programs with contracts for sale or lease must give an EPA-approved information pamphlet on identifying and controlling lead-based paint hazards "**Protect Your Family from Lead in Your Home**" pamphlet. In addition, CDBG Housing Rehab Program activities have the opportunity to share and leverage repair costs with other programs like the weatherization programs, MSHDA loans and the MDCH Lead Abatement programs. Homeowners can review the other program benefits, submit applications to these programs and discuss concerns on the amount of funds available, including the estimated amount of proposed renovations to benefit low-moderate income residents.

Renovations in target (pre-1978) housing and child-occupied facilities must be conducted by certified renovation firms, using renovators with accredited training, and following the work practice requirements of the rule. Wayne County provided technical assistance to contractors by referring them to RRP training and becoming Certified Renovators and Certified RRP Firms regarding the EPA 2010 RRP Lead-Based Paint Rule. This is available to any community persons, contractors, or inspectors requesting it.

Multiple efforts are underway to not only increase the awareness of lead-based paint hazards but also to protect occupants from current and future hazards. The primary effort to protect citizens from lead-based paint hazards is the protection of residents in federally subsidized housing repair programs using Lead Safe Work Practices. In an effort to increase awareness of lead-based paint, Wayne County Community Wellness recently collaborated with the Wayne County's Green and Healthy Homes Initiative Program. Moving forward, homeowners that apply for Housing Rehabilitation will be referred to the Green and Healthy Homes department for lead assessment and/or lead abatement.

## HOUSING

### Housing Needs

The need for decent, safe and affordable housing is universal to all people. Yet people who find housing that meets their needs may be denied occupancy for a number of reasons. Potential renters and buyers are sometimes turned away based on age, sex, health, family size, income levels, cultural heritage, or sexual preference. This is housing discrimination.

In an effort to more clearly understand the impediments to fair housing, Wayne County completed an Analysis of Impediments to fair Housing in 2011. The Analysis included both demographic and community-based data collection through focus groups with targeted residents, survey completion by housing service providers and the 2011 Wayne County housing survey.

Data and analysis referred to in this section are derived from the "Wayne County Housing Needs Study". Review of the Housing Needs Study indicates the following key points related to current housing needs in Wayne County:

- Households earning between \$50,000 and \$74,999 had the highest percentage cost burden compared to all other income levels. This confirms that housing affordability is a serious issue for middle-income households in the County as well as lower-income households.
- Based on the available 2000 census data, cost burden is a greater housing problem than either substandard housing or overcrowding;
- As of 2000, approximately 12 percent of Wayne County households faced severe cost burdens, paying up to 50 percent of their income on housing;
- More renter households face cost burden and severe cost burdens in comparison to owner households;
- In general, the rates for renter households experiencing housing problems fall-off as incomes rise above 50 percent MFI;

Among the extremely low-income households, large-related households displayed the highest proportion of renter household housing problems followed by small-related households.

### **Public Housing Strategy**

In 2014, Wayne County sought ways to involve PHAs in the development of transitional housing models. Wayne County strives to identify creative solutions to the issues identified in the Analysis of Impediments to Fair Housing conducted in 2011, and the Housing Needs Analysis performed through the Consolidated Plan development process in 2011.

In addition, Wayne County has specifically targeted its NSP single family homes to the Wayne County PHAs as successive housing options. This effort has resulted in families transitioning from rental to homeownership.

### **Barriers to Affordable Housing**

The most significant barrier to affordable housing in Wayne County is the cost to purchase a home. Cost is a growing determinant of housing affordability in Wayne County, and to the extent that housing is available for those with the greatest need, it is highly concentrated in a few communities.

Wayne County contracted with National Faith Homebuyers to help eliminate barriers to affordable housing. National Faith Homebuyers facilitates training and educational workshops on homeownership counseling. In addition, National Faith provides resources, knowledge and financial assistance for individuals/families at need. National Faith Homebuyers offers Down-Payment Assistance through Wayne County HOME funds.

### **Fair Housing Needs: Affirmatively Furthering Fair Housing**

Through a partnership with the Fair Housing Center of Metropolitan Detroit (FHC), Wayne County continues to promote fair housing opportunities within the County's Community Development Block Grant (CDBG) jurisdiction. FHC provides a variety of fair housing programs including such activities as: fair housing counseling; assistance and referral services to low-income home seekers in locating subsidized housing or other suitable housing; landlord/tenant advice and referral services; mortgage pre-purchase and default counseling referral services; public information; education programs; and housing discrimination complaint reception, investigation and resolution services.

Wayne County continues to aggressively support fair housing practices in its participating communities. It continued the following actions in PY 2014 to address fair housing issues and practices:

- Worked with the Fair Housing Center and provided outreach and education to the general public and its participating communities through presentations and workshops.
- Supported collaborative efforts with community- and faith-based organizations to educate their constituencies.
- Used the Community Reinvestment Act to monitor the practices of local financial organizations.
- Maintained board membership on organizations, such as the Michigan Housing Trust Fund, Volunteers of America, and the Fannie Mae House Detroit Initiatives.

## HOMELESS

### Emergency Shelter Grants (ESG)

The Family Center houses 24 families (108 individuals) at maximum capacity. Services include: food and shelter, case management, housing location, employment assistance, educational services (including tutoring for children), and aftercare case management work. Additionally, a licensed daycare provides free services to the residents while they work or seek housing and/or employment. All of these components work together to help the families remain together and achieve the goal of obtaining, then maintaining, independent housing. Reason for homelessness: DHS cuts, job loss, eviction, spouse abuse, landlord fraud, and family issues.

The Wayne County family shelter also provides supportive programming that includes; childcare, transportation, life skills programming and financial literacy. These services work to ensure continued success in housing as families transition out of the shelter. In PY 2014, Lutheran Social Services of Michigan assisted total 108 adults and 197 children were served between.

Wayne County is working closely with the Out-Wayne County Continuum of Care (CoC) to identify barrier and gaps in service to homeless families. Wayne County attends the CoC's monthly meetings and has engaged homeless service agencies in the ESG planning process for supplemental funding and 2014 program planning. This collaborative effort has allowed Wayne County to more effectively allocate funding based on relevant needs of specifically identified target population.

In PY 2014, Wayne County Community Wellness expended approximately \$348,992.52 in funds for Shelter care through the Wayne County Family Center. Funding was slated for shelter operations, day care assistance, life skills programming and transitional housing. The Wayne County Family Center utilized the following funding sources and in-kind contributions in program year 2014. They were:

Wayne County allocated CDBG	\$408,049
Dept of Human Services Contract Income (through the Salvation Army)	\$158,700
HUD Supportive Housing Program (SHP)	\$148,455
HUD SHP Grant Aftercare	\$71,794
HUD SHP Client Transportation	\$26,757
HUD SHP Financial Literacy	\$7,031
MSHDA (case management – through Wayne Metro)	\$14,448

City of Westland (CDBG)	\$2,000
EFSP (United Way)	\$8,302
Salvation Army (per diem)	\$21,900
Private Contributions	\$15,000

## COMMUNITY DEVELOPMENT

### Community Development

During PY 2014, Wayne County identified goals in order to produce healthy communities within Wayne County. Factors such as jobs, public facility improvements, and public services are all integral to the success of a community. Community Wellness objectives coincide with the primary goals of the CDBG by creating decent housing and a suitable living environment and by expanding economic opportunities principally for low- and moderate-income persons.

During PY 2014, Wayne County expended approximately \$5,574,258.61 in CDBG funds. Of the \$5,574,258.61 in CDBG funds, approximately \$708,008.05 was expended in public services. These public services include; operating costs of homeless/AIDS patients programs, transportation services, services benefiting the battered and abused, employment training, senior services, youth services, crime awareness, health services, and mental health services. In PY 2014 Wayne County assisted approximately 406,645 persons.

Wayne County expended approximately \$1,679,034.86 in Public Facility and Improvements in PY 2014. These improvements included improvements to; senior centers, homeless facilities, neighborhood facilities, parks and recreational facilities, water and sewer improvements, sidewalk and street improvements, fire station equipment and Non-Residential Historic Preservation. In PY 2014, Wayne County assisted approximately 423,762 persons, public facilities, businesses and housing units.

In PY 2014, Wayne County expended approximately \$506,976.47 in the Acquisition and/or the demolition of properties. Approximately 22,313 persons and/or facilities benefited from this activity in PY 2014.

In addition, Wayne County expended approximately \$1,013,657.12 in Economic Development activities, while creating jobs and benefiting approximately 44,000 persons in communities who benefited from Economic Development activities.

In PY 2014, approximately \$814,593.34 was expended in Housing activities in Wayne County. Rehabilitation of single-family homes, multi-family homes and code enforcement activities helped approximately 76,674 persons throughout Wayne County and the 34 participating communities.

Wayne County does not directly decide project activities for which CDBG funds are awarded; however, it should be noted that Wayne County Community Wellness staff does determine project eligibility for funds for each proposed activity. In addition, Wayne County Community Wellness staff is responsible for making sure that each proposed activity meets a national objective per HUD regulations. Since the allocation of funds is proposed and decided upon each of the 34 participating communities in Wayne County, and the final approval coming from Wayne County Commission, all of the outcome and activities are not addressed every year.

Wayne County pursued all the resources indicated in the 2014 Annual Action Plan. These resources included HUD formula grants as well as HOME match, NSP, Section 108 loans, BEDI, foreclosed properties for redevelopment, brownfield funds, EPA loans, DOE grants, SBA loans and more.

Wayne County provides policies and procedures that are explained in a manual and mandated in written agreements. More over the County's monitoring instruments are designed to capture data that would reveal unfair or partial grant implementation. These measures then ensure the grant is being carried out in ways consistent with HUD regulations.

It should also be noted that Wayne County did not knowingly hinder the 5-Year 2011-2015 Consolidated Plan by action or willful inaction.

The County does not participate in Anti-displacement and/or Relocation activities. However, please note that although it is against Wayne County policy to participate in Anti-displacement and/or Relocation activities, CDBG funds were used towards the repayment of the acquisition of property and were inadvertently defined under the matrix code of the relocation activity. For PY 2014 and beyond, the Wayne County Community Wellness will use the correct matrix code to designate funds for repayment of property.

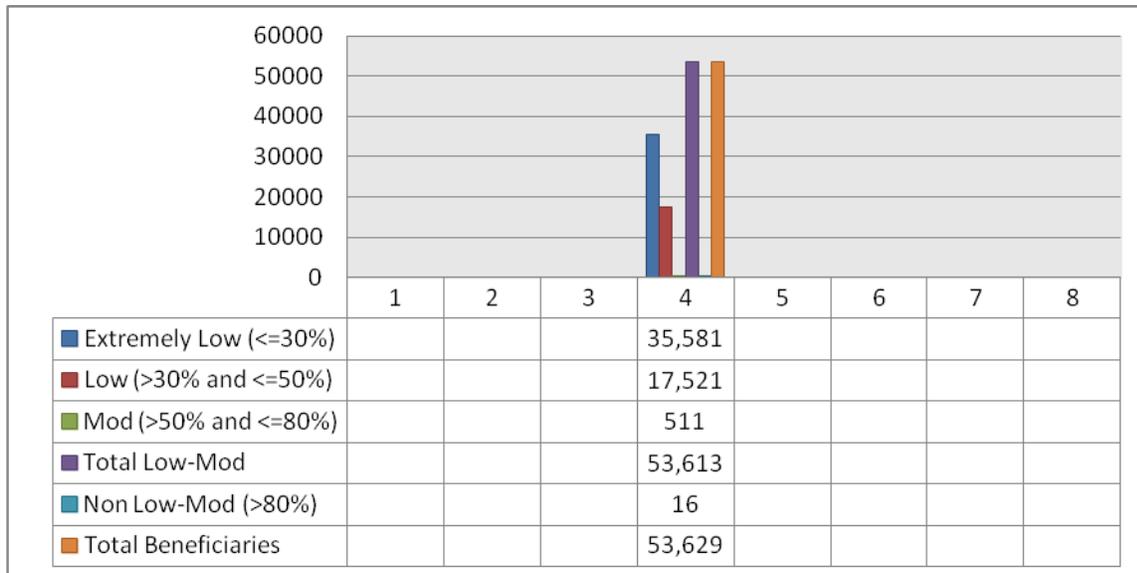
Per the policy of Wayne County, Wayne County does not participate in lump sum agreements.

### **Specific Housing Opportunities for Persons with HIV/AIDS (HOPWA) Objectives**

Wayne County does not receive CPD funds to administer the HOPWA program.

**APPENDIX A**

**Chart 1: Percent of CDBG Beneficiaries of Non-Housing (Households) By Income Category for Program Year 2014**



**Chart 2: 2014 CDBG Expenditures by Category for Program Year 2014**

