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CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT

City of Saginaw, Michigan

Community Development Block Grant for Program Year 2011-2012

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Consolidated Annual Performance Evaluation Report

City of Saginaw Community Development Block Grant

INTRODUCTION

The Consolidated Annual Performance and Evaluation Report (CAPER) for Entitlement Grantees is a United States Department of Housing and Urban Development (HUD) requirement for all Community Development Block Grant (CDBG) Entitlement communities. The CAPER is a three-part document consisting of the City of Saginaw CDBG expenditures for FY2011-2012, report on the City's progress in carrying out the objectives included in the Consolidated Annual Plan and provides the City with the opportunity to assess its annual performance in relationship to meeting its overall five-year Consolidated Plan priorities and objectives, and to discuss what actions or changes it contemplates as a result of its annual performance. This document has been prepared and made available by the City of Saginaw in its Development Office and on the City of Saginaw website.

Citizens' comments are encouraged for a fifteen-day public comment period. Any comments are made a part of the permanent CAPER file.

HOW TO READ THIS PLAN

Part I: Summaries for the Department of Housing and Urban Development (HUD)

Part I of the CAPER summarizes available resources, the status of expending those resources, and the number and characteristics of households assisted. The first chapter highlights funding resources and leveraging with non-Federal funds. The CAPER contains summarized data generated by the Integrated Disbursement and Information System (IDIS). The IDIS allows us to enter, maintain, and report on projects and activities that support our use of CDBG and HOME funds. Due to their volume, full IDIS reports are available upon request from the City of Saginaw's Department of Development. Copies of the Plan, Annual Action Plans, and previous CAPERs are also available upon request.

Part II: Program Summaries and Accomplishments

Part II evaluates performance in accomplishing the overall priorities of the Plan.

Part III: HOME Fund Activities

This section details the program activities and funding amounts for the HOME program.

Part IV: Emergency Shelter Grant Activities

This section details the dollars and activities for the Emergency Shelter Grant (ESG) program.

Part V: Federal Requirements

This section includes the necessary requirements from HUD regarding the grants administered by the City of Saginaw. Those grants are CDBG and HOME. Actions undertaken to address other objectives of the Plan are addressed in Part III. This chapter includes narratives describing the City's actions to affirmatively further fair housing; to foster and maintain affordable housing; to implement continuum of care, to reach out to minority and women owned businesses, etc.

Part VI Appendices

These appendices include financial reports, proofs of publication of Notices of Public Hearings, project boundary map, and project photographs. The Appendices includes a summary of public comments received during the comment period and at the public hearings.

CAPER PART I – FISCAL YEAR 2010 -2011 SUMMARY OF RESOURCES

During fiscal year 2011-2012 the City of Saginaw continued as an entitlement locality under the Community Development Block Grant (CDBG) program. As an entitlement community, the City directly receives CDBG funds from the Department of Housing and Urban Development (HUD). The specific use of CDBG funds in the City of Saginaw is detailed in the remainder of this report. In addition to CDBG dollars, the City of Saginaw is also a HOME Participating Jurisdiction (PJ) and receives an Emergency Shelter Grant. The City was also awarded NSP1, NSP2 and NSP3 funds. The City, through the Saginaw Housing Commission, also operates public housing, senior citizen housing, Section 8 Existing Certificates and Vouchers.

Use of CDBG Funds

Appendix A contains the City’s CDBG Financial Summary for fiscal year 2011-2012. The CDBG Financial Summary is a HUD-required report that lists the prior year unspent balance and adds it to the 2011-2012 CDBG Grant and CDBG-generated program income to identify the amount of funds available. The amount spent is subtracted from the amount available, to identify the remaining unspent balance of funds as of June 30, 2012. Also, the report calculates the amount spent towards the 15% public service cap and calculates the percentage of the amount of planning and administrative costs spent towards the 20% maximum allowed. During the reporting period \$2,739,884, of CDBG funds were available to spend in the 2011-2012 Fiscal Year. This amount includes current and prior year carryover funds \$16,118 as well as \$448,900 of Program Income generated by the CDBG program during the year.

Table 1: Resources Administrated by the City of Saginaw During the Reporting Period

Revenue Source	Administering Agency	Amount Received During 2011-2012 Program Year
CDBG	City of Saginaw	\$2,274,866
ESG	City of Saginaw	\$110,134
HOME	City of Saginaw	\$624,595
Reprogrammed CDBG Funds from Prior Year	City of Saginaw	\$16,118
Program Income	City of Saginaw	\$448,900
Total		\$3,474,613

Program income for 2011-2012 totaled \$448,900 as noted above. The income came from the following sources:

City Residential P&I	\$111,457
SEDC P&I	\$337,443
TOTAL	\$448,900

Nature and Extent of Changes in Program Objectives

There are no changes or proposed changes in program objectives. The City of Saginaw updated its Consolidated Plan in 2011.

Integrated Disbursement and Information System (IDIS)

IDIS is the system used by the City to draw down funds from the Treasury, and to report expenditures for CDBG and HOME programs. The system allows the City to request its grant funding from HUD and report on what has been accomplished with these funds. Production and financial activity for FY 2011-2012 are reflected in IDIS. HUD requires funding commitments and expenditures by program in the electronic database. The system produces a variety of standard reports for grantees to use in the CAPER. These reports describe financial status, performance and evaluation, and program beneficiaries for the CDBG and HOME programs. This section includes the following IDIS reports:

- CDBG Activity Summary Report IDIS CO4PR03
- Summary of Consolidated Plan Projects for Report Year 2011 IDIS CO4PR06
- Program Year 2011 Summary of Accomplishments IDIS CO4PR23
- HOME Match Liability (Not provided, no match liability)
- ESG Program for Grantee Statistics IDIS CO4PR19
- CDBG Financial Summary Report PR26

CAPER PART II – RELATIONSHIP OF THE USE OF CDBG FUNDS TO THE PRIORITIES, NEEDS, GOALS AND SPECIFIC OBJECTIVES IDENTIFIED IN THE CONSOLIDATED PLAN

The 2011-2012 Action Plan identified various housing, economic and community development strategies to meet local needs. The City used its 2011-2012 and prior year funds from the HOME Investment Partnerships Act (HOME), Emergency Shelter Grant (ESG) and Community Development Block Grant (CDBG) programs toward the accomplishments identified after each of the following strategies. The 2011-16 Consolidated Plan strategies are for the City's five year consolidated plan adopted in June of 2011. Several strategies in the initial plan were projected to cover a five-year period. The remaining strategies called for annual accomplishments. Several of the listed strategies address City accomplishments that use other sources of funding in addition to the HOME, ESG and CDBG programs. These additional programs are included in this report because they address community and housing needs and resources identified in the County's Consolidated Plan, as required by HUD.

City of Saginaw Priorities Fiscal year 2011-2012

Identified Priorities: City of Saginaw Consolidated Plan for Housing and Community Development

- Priority 1: Provide rehabilitation assistance to income-eligible homeowners so that they may be able to remain in their homes comfortably and continue to afford to live there without the structure deteriorating, priority for 0-50% of median family income.
- Priority 2: Concentrate community and economic projects to spur transformative efforts within the neighborhoods and compliment other redevelopment initiative, such as the Neighborhood Stabilization Program.
- Priority 3: Concentrate blight removal in target areas and within 400 yards of schools.
- Priority 4: Contribute to community policing efforts to help stabilize neighborhoods in decline.
- Priority 5: Affordable homeownership opportunities for low and moderate income homebuyers, particularly those in the 51-80% of median family Encourage income.
- Priority 6: Focus on Supportive Service programming that provides assistance to the City's low and moderate income households with housing problems.
- Priority 7: Supportive services and facilities to assist the Homeless, especially those with Special Needs.
- Priority 8: Supportive services and facilities for Special Needs Groups.
- Priority 9: Provide start-up support for new businesses.

Identified Objectives to be met through use of FY 2011-2012 Funds

In addition to the general priorities identified above, there are several specific priorities established for the use of CDBG, Emergency Shelter Grant and HOME Funds. They are as follows:

- Improve the quality of low and moderate income owner occupied housing stock to support community stability and neighborhood revitalization efforts by providing rehabilitation assistance.
- Reduce blighting influences in targeted neighborhoods by demolishing dilapidated/blighted structures with a focus on those blighted within 400 yards of schools.
- Transform neighborhoods that are in obvious decline and prevent housing negative housing cycle spreading to adjacent healthy housing stock.
- Provide financial packaging and technical assistance for economic development, especially those projects which will provide jobs for low and moderate income residents and those who are developmentally disabled.

Assessment of the City of Saginaw's Attempt to carry out the Planned Actions and Goals

Using the identified nine priorities and outlined objectives from the Consolidated Plan as a basis, the City of Saginaw of Saginaw's Consolidated Plan identified several strategies to address housing needs. The One Year Action Plan for FY 2011-2012 identified priority activities from the Five Year HUD Consolidated Plan. These include:

- Housing
- Public Services
- Public Facilities
- Economic Development

In order to evaluate how activities undertaken during the fiscal year succeeded in addressing these goals, program accomplishments are delineated in each of these four categories.

The City of Saginaw pursued any and all resources available to benefit low to moderate income individuals and households within its jurisdiction as outlined in the appendix, Page 147 Figure 20.

The City of Saginaw did not hinder planned implementation by action or willful inaction.

Goals and Program Summary for Priority 1: Provide rehabilitation assistance to income-eligible homeowners so that they may be able to remain in their homes comfortably and continue to afford to live there without the structure deteriorating, priority for 0-50% of median family income.

Activities: The City of Saginaw operates the CDBG, ESG, Public Housing, Senior Citizen Housing, Section 8 Existing Certificates and Vouchers and the HOME program. The purposes of these programs are to: provide funds for rehabilitating private housing occupied by low or moderate income households; operate housing for low income tenants and providing rental subsidies for low income households in private rental units; and assist homeless persons. The City of Saginaw's efforts to preserve and improve the existing housing stock are reflected in its support of housing rehabilitation activities.

For City operated CDBG and other federally funded housing activities effort was made to continue providing loans and grants to rehabilitate housing units for low and very low

income households. There has been significant decline in recent years in the loan activity and City staff has been actively working, and will continue to work toward, reversing this trend.

In FY 2011-2012 the City awarded twenty-four (24) rehabilitation loans and grants.

The Community Action Committee (CAC) provides a variety of social and housing services to low and moderate income Saginaw residents. In the area of housing these include Weatherization and the Elderly and Disabled home repair program.

Habitat for Humanity constructs houses for low-income family occupancy. Donated labor and material keeps costs low for each unit. Habitat for Humanity has also moved into housing rehabilitation in an effort to maintain affordable housing for existing homeowners.

Funds Committed for Priority 1: Provide Rehabilitation of Existing Housing for Very Low Income and Other Low Income Renter and Homeowner Households

Specification Writing	154,875
Residential Loans/Grants	526,386
Residential Grants	<u>297,338</u>
	\$978,599

Programs Descriptions:

Residential Grants Program: This is a grant program for very low income owner occupants limited to repair or replacement of existing heating, plumbing, and electrical and structural elements in single family properties. HOME funds support this activity. 3 single unit properties were completed.

50/50 Residential Loan/Grant Program: This is a loan/grant program for low and moderate income owner occupants limited to repair or replacement of existing heating, plumbing, electrical and structural elements in single family properties. Two units were completed.

Basic Needs Program: This is a grant and/or loan program that the city operates city wide. It offers basic repairs to owner occupied dwellings. It is for very low and low income owner occupants. Nineteen units were completed.

Elderly and Disabled Program: This is a grant program operated by Saginaw County Community Action Committee in a designated area. It makes repairs and improvements for the elderly and the disabled that allows them to remain in their homes. 22 units were completed.

HOME CHDO: This program assists low and moderate income first time home buyers to secure HOME funded housing construction/rehabilitation. Three units were completed using HOME funds.

Goals and Program Summary for Priority 2: Concentrate community and economic projects to spur transformative efforts within the neighborhoods and compliment other redevelopment initiative, such as the Neighborhood Stabilization Program.

Activities: The City administered NSP 1 and NSP 2 dollars. Vacant, abandoned and foreclosed properties were rehabbed for resale to income eligible households and other properties were demolished.

Goals and Program Summary for Priority 3: Concentrate blight removal in target areas and within 400 yards of schools.

Activities: The blight elimination program identified dangerous buildings in the targeted neighborhoods and was successful at demolishing 24 properties.

Goals and Program Summary for Priority 4: Contribute to community policing efforts to help stabilize neighborhoods in decline.

Activities: Community police officers are assigned to target areas. They are to establish close communication with neighborhood associations, coordinate community events involving children and involve themselves in programs that address preventive measures. The CPO districts saw a 38.61 decrease in crime from 2007 to 2011.

Community Policing \$ 221,570

Goals and Program Summary for Priority 5: Encourage affordable homeownership opportunities for low and moderate income homebuyers, particularly those in the 51-80% of median family income.

Activities: The Neighborhood Stabilization Program created 45 homeownership opportunities for households with income below 120% of area median income.

Neighborhood Stabilization \$6,600,000

Goals and Program Summary for Priority 6: Focus on Supportive Service programming that provides assistance to the City's low and moderate income households with housing problems.

Goals and Program Summary for Priority 7: Supportive services and facilities to assist the Homeless, especially those with Special Needs.

Goals and Program Summary for Priority 8: Supportive services and facilities for Special Needs Groups.

Goals and Program Summary for Priority 9: Provide start-up support for new businesses.

Activities: The Saginaw Economic Development Corporation provides start up support and technical assistance for new and existing businesses in the City of Saginaw.

Saginaw Economic Development Corporation \$602,000

Entities Responsible for Program Delivery within the Nine Defined Priorities

The information provided below describes the agencies and entities that are providing service and program delivery for the specific programs outlined above and in the City's Consolidated Plan.

Government

The *City of Saginaw* operates the CDBG, ESG, Public Housing, Senior Citizen Housing, Section 8 Existing Certificates and Vouchers and the HOME program. The purposes of these programs are to: provide funds for rehabilitating private housing occupied by low or moderate income households; operate housing for low income tenants and providing rental subsidies for low income households in private rental units; and assist homeless persons.

Saginaw Mental Health Center operates programs to treat, assist in providing housing for, and assist to become independent those persons with mental illness and mental and developmental disabilities.

Saginaw County Department of Public Health Lead Initiative is a program that works with at risk families for lead remediation in their homes. The City was able to partner with this program on three occasions. The County received \$3,100,000.00 from HUD for the Healthy Homes Project.

Saginaw County Department of Public Health provides two services.

- Referral of recognized substance abusers to the appropriate agencies for treatment.
- Counseling through the Health Department to assist clients in dealing with AIDS or their HIV positive status or other sexually transmitted diseases.

**There is no agency active in Saginaw to take the lead as advocate in providing housing assistance for AIDS patients.*

**The Saginaw County Department of Public Health has limited time and ability to do more than is currently being provided although to a limited extent the Health Department acts as an advocate to assist clients secure housing.*

The *Saginaw County Commission on Aging* provides services to and assistance for elderly persons. This includes meals, recreation, counseling, some help with daily needs and related kinds of help.

The *Saginaw County Extension Service* provides the Home Maintenance Self-Help activity through a subgrantee contract with the City of Saginaw.

The *Michigan Department of Social Services* provides support financially to several groups so individuals can achieve housing in standard units and can receive the services needed to deal with their problems. DSS provides financial support to individuals through these activities: Aid for Dependent Children; State Family Assistance; Disability Assistance; State Emergency Relief. Financial support is also provided via contract to these activities, which assist homeless persons: Assistance Vendor Program; Protective Payee; and Youth Protective Services.

Non-governmental Entities

City Rescue Mission provides overnight and extended stay shelter for homeless persons and families. Several groups of concern to the activities included in the Five year plan are assisting with shelter. These include mentally ill persons, substance abusers, families that could achieve economic independence, and elderly persons living at Community Village.

Underground Railroad provides emergency shelter for up to thirty days to women, with or without children, who are victims of domestic violence. Supportive services needed by this population, including counseling and housing assistance, are provided.

Innerlink Shelter has shelter and services to assist run-a-way youth to deal with deteriorated family conditions.

Restoration Community Outreach provides a comprehensive homeless program, which provides emergency shelter, transitional and long term housing for men. Supportive services include assistance to mentally ill persons, those who are HIV positive substance abusers, and persons with physical disabilities. A drop-in shelter is provided. Long term and permanent housing is provided to men and women through the shelter Plus Care activity. Persons threatened with homelessness are provided with one month's rent to forestall homelessness. Services provided to clients include: case management; employment assistance; meals; transportation; referral services; and counseling.

The Community Action Committee provides a variety of social and housing services to low and moderate income Saginaw residents. In the area of housing these include minor housing repairs, Weatherization and assistance to the elderly and disabled.

Habitat for Humanity constructs houses for sale to low-income households. Donated labor and material keeps costs low for each unit. Habitat has also begun the process of rehabbing vacant homes for sale to low income buyers.

Legal Services of Eastern Michigan will provide free civil legal services to low and moderate income people to assist them in securing mainstream resources so they can have an ongoing revenue stream that will stabilize their lives and increase their ability to attain and/or retain a home. LSEM is an organization, which assists low income persons, and provides legal help in a multi-county area including the City of Saginaw.

The Housing Resource Board is a private, non-profit 501(c)(3), agency. The agency provides housing discrimination complaint intake, investigation, advocacy and referral services for residents of the City of Saginaw as well as residents in Bay, Midland, and Saginaw Counties. Presentations to groups involved with providing housing and other educational activities are undertaken each year.

Economic Development Initiatives

As stated in the Consolidated Plan, the City is committed to improving the economic vitality of the City of Saginaw. The Saginaw Economic Development Corporation (SEDC) is the entity that makes and services CDBG funded loans to for profit businesses. The City's commitment to SEDC lending has been well established for over twenty (20) years.

SEDC staff makes numerous consultations and provides assistance throughout the year. Progress was achieved processing several loans that created jobs for CDBG defined low/moderate-income individuals over time. SEDC provided financing to five firms totaling \$243,517 and a total of 13 jobs are projected to be created.

Table 2: SEDC Loan Activity

Loan Amount	Company	Purpose	Projected Job Creation	Created to date	Closed	Term
54,982	Kimberly Maternity	Equipment/F&F	1.5	.5	Aug 2011	5 years
68,625	Saginaw Logistics	Equipment/F&F	2	2	Nov 2011	5 years
18,000	Burtrum Furs	Inventory	Retain 2	2	Nov 2011	4 years
61,053	Sabai Sabai Thai	Equipment/ Inventory/Class C Liquor License	8	8	Apr 2012	7 years
40,856	Home Party Diva	Equipment/Real Estate & Inventory	1.5	2	June 2012	7 years

The program income from SEDC principal and interest for the 2011-2012 Program year was \$337,443.

No CDBG, ESG or HOME project involved acquisition or demolition of any occupied properties; therefore, no relocation activities were undertaken.

Extent CDBG Funds Benefited Low/Mod Residents

See the Appendix, IDIS Report CO4PR26

Section 215

All rental and homeownership activities assisted through the City of Saginaw HOME funding qualify as affordable housing as per the Section 215 guidelines. That is, rents are monitored according to the annual information provided through HUD to the City for its HOME program rents.

Geographic Distribution and Locations of CDBG Funded Activities

See attached maps

HOME Fund Activities

The 2011-2016 Consolidated Plan identified a priority need for homeowner housing rehabilitation (Page 41) of non CHDO set-aside in the Home program is devoted to single family owner-occupied rehabilitation projects. The dollars are being used for a high priority Consolidated Plan objective. There are three categories of housing needs identified in the Consolidated Plan. The activities and their respective funding amounts are detailed in Table 3, below.

Table 3: HOME Activities and Funding Amounts

Activity	Funding	Percent of Total
Single Family Rehab	\$441,301	79%
CHDO Activities	\$105,835	18%
Operations	\$ 15,000	3%
Total	\$562,136	100%

Our Five Year Plan identified housing rehab as a high priority in plan table 36, on page 111. Likewise our 2011-2016 Consolidated Plan on page 106, identifies a priority need for homeowner housing rehab.

A large portion of non CHDO set-aside in the HOME program is devoted to single family owner occupied rehab. The dollars are being used for a high priority Consolidated Plan objective.

The City of Saginaw does not have a HOME match liability, therefore no match report is provided. The appendix includes the HOME report. The City has no projects of five or more units; therefore no affirmative marketing is required.

Emergency Shelter Grant Activities

A complete list of Emergency Shelter Grant Activities is provided in the Appendix. Funds totaling \$109,844 were distributed to a total of four different agencies. During FY 2010-2011 the City of Saginaw used CDBG monies and Emergency Shelter Grant (ESG) monies to fund programs that serve the homeless population in the City. The ESG grant provided a total of \$109,844 for homeless activities to area agencies: Underground Railroad \$31,122, Youth Protection Council \$31,122, Restoration Community Outreach \$31,124, and Underground Railroad HMIS \$16,476. These funding allocations were consistent with the priorities identified in the Continuum of Care plan.

Table 4: ESG – Dollars Used As Match

Innerlink, YPC	\$366,876	State FIA
City Rescue Mission	\$18,700	Capital Campaign
Restoration Community Outreach	\$178,000	State FIA, MSHDA Chronically Homeless
Underground Railroad	\$69,488	Donations

Agencies receiving funding are detailed below:

Saginaw County Youth Protection Council – Innerlink: A 10 bed emergency shelter for runaway and homeless youth (ages 10 to 17) is provided by Council. Minor teen parent mothers and their children can also be housed. Youth also receive counseling, medical assistance, education services, meals, information and referral services. Youth are allowed to stay until housing is provided (this is usually accomplished within 14 days of intake).

Restoration Community Outreach (RCO): RCO provides a drop-in warming center and an overnight shelter for men. This shelter has 28 beds and residents are allowed to stay until other arrangements for housing are made. Clients also receive transportation, job development, medical service and referrals, and out-patient treatment.

Underground Railroad: Underground Railroad provides emergency shelter to victims of domestic violence and their children. The agency has a capacity of 26 beds and offers rooms of varying size to accommodate families. Clients also receive counseling, child care, PPO assistance, a crisis telephone services legal advocacy, transportation, on-site schooling, support groups, parent groups, financial assistance, case management, civil legal assistance, community education and nursing care.

CAPER PART V – FEDERAL REQUIREMENTS

Affirmatively Furthering Fair Housing

The City of Saginaw continues to implement its existing Analysis of Impediments to Fair Housing Choice (AI), which was updated in January 2008. The AI describes the City's strategies to address specific barriers to housing choice, recommends solutions to overcome these barriers, whether real or perceived, and provides fair housing information. In accordance with its existing Fair Housing Action Plan, the City continues to annually fund and support nonprofit public service agencies that help its residents in addressing and resolving fair housing problems. Several programs have been ongoing over the past several years they are as follows:

The Saginaw Code Enforcement and Neighborhood Improvement Co-operative (SCENIC) program continues to work in targeted neighborhoods throughout the City to alleviate problems that negatively impact housing values and housing in general. This program is a multi-departmental program that has involved the Police Department, Fire Department and Inspections Department. As a result of our efforts, several activities that negatively impact housing have been reduced or eliminated. Some of the notable results of the program include: elimination of many neighborhood dumping sites, reduction in arson of vacant homes, a reduction in crime throughout the city and more specifically in the targeted neighborhoods, and elimination of general property code violations. All of these items improve the quality of life and the housing stock throughout the City.

The Neighborhood Stabilization Program (NSP) funds have been utilized to create additional housing opportunities for low and moderate-income households. Prior to the occupation of the new houses for the low and moderate-income households, the potential participants attend housing counseling sessions.

The MSU Extension program offers home maintenance classes for all city residents, but is targeted for low and moderate-income participants of the single-family rehabilitation program. These classes provide homeowners an opportunity to maintain their homes, thereby preserving the housing stock in the City.

In the past fiscal year the following activities took place.

Form HUD-928.1 has been posted in the City Hall and has been distributed to Saginaw sub-grantees of CDBG, HOME, and ESG funds. The poster and equal housing opportunity logo have been incorporated onto documents distributed by the Development Department in conjunction with HUD-related activities.

In January 2012 the City of Saginaw participated in a Housing Forum titled Show Me the Money hosted by United Way. It was an outreach opportunity to let citizens know about City of Saginaw opportunities as well as promote the many housing programs available to low-moderate income households throughout the area. A copy of the agenda for the event is attached.

In March 2012, the City of Saginaw re-entered into two separate contracts with Legal Services of Eastern Michigan (LSEM) to assist with the city's fair housing activities. The

two contracts include the following activities: outreach and education, and testing and referral. LSEM's contracts with the City of Saginaw are for a 12-month period, after which time the results will be evaluated to determine if the contracts will be renewed or relent for bid.

Outreach to Minority and Women Owned Business

The City is again experiencing difficulties recruiting women and minority owned businesses to compete for available contracts. As in the past, the City has performed outreach in its efforts to attract women and minority businesses. However, recently those efforts have not produced the desired results. In the upcoming program year, the City will increase its efforts to expand minority participation by hosting an information session where area contractors and subcontractors will be invited to hear about our programs and contracting opportunities. The City is also going to reach out to the Home Builders Association. The City will also seek referrals from the contractors we are currently involved with.

Continuum of Care

The City of Saginaw continues to participate with regional and local private and public organizations in Saginaw County's Continuum of Care planning process. The goal of this effort is to implement an integrated and humane approach to prevent and eliminate homelessness in Saginaw County. The Saginaw County Consortium of Homeless Assistance Providers (SC-CHAP) was organized in 1995 to collaboratively write and submit an application for HUD's first Super-NOFA for the homeless. While initially consisting of only ten homeless service agencies, SC-CHAP has grown to include over 30 agencies that include organizations that provide direct services to the homeless along with other key groups that can assist the homeless (housing developers, government organizations, funding sources, e.g.). Since its inception, SC-CHAP has been the only planning group in Saginaw County that is devoted toward the development of a continuum of care for the homeless.

Efforts of the group (Continuum of Care Planning Document) are shared with the City of Saginaw to assist in its development of the Consolidated Plan and with the County's Multi-Purpose Collaborative Body (Saginaw County Human Services Collaborative Body). It is important to note that SC-CHAP is the "official" homeless planning work group as designated by the Saginaw County Human Services Collaborative Body. The Collaborative Body (established by the State to plan for human services in each county) is comprised of the largest public and private human service providers in the County (39 total members). SC-CHAP provides its final Continuum of Care planning documents to this group twice each year for review. The Collaborative Body has accepted each submission as presented.

SC-CHAP members have been benefiting from MSHDA funding to prevent and end homelessness since it was formed in 1995. Monies go to Underground Railroad to provide coordination support and services including: agenda development, fax and mailing of meeting notices and minutes, grant writing assistance for MSHDA and HUD, and development of a "homeless resource manual". During FY 2011-2012 the City of Saginaw used CDBG monies and Emergency Shelter Grant (ESG) monies to fund programs that serve the homeless population in the City. The ESG grant provided a total of \$110,134 for homeless activities to area agencies: Restoration Community Outreach (\$27,234); HIMS (\$16,788); Underground Railroad (\$35,000) and Youth Protection Council, (\$31,112).

CDBG dollars were also allocated for priorities identified in the Continuum of Care plan and Priority 7 of the Consolidated Plan.

Other Actions

Actions taken to address Obstacles to Meeting underserved needs

The City's efforts to increase and maintain the supply of affordable housing and to meet the objectives identified in the Consolidated Plan described in the general narrative sections of this report are all directed to meeting underserved needs. In addition, the criteria for target population and alleviation of affordable housing needs employed in the allocation of HOME and CDBG funds for housing establish a priority for projects which reserve a portion of the units for extremely-low income and/or special needs populations.

Actions taken to Eliminate Barriers to Affordable Housing

See Affirmatively Furthering Fair Housing

Actions taken to Overcome Gaps in Institutional Structures and Enhance Coordination

During the past five years there have been numerous shifts in organization at the City of Saginaw. The staff consistency and their combined institutional knowledge has allowed for service to remain consistent or improve even with changes in the overall city as an organization. During fiscal year 2011/2012 measures were taken to improve collaboration amongst agencies.

- Public Agencies Providing Housing Resources
- Non-profit Agencies and the City
- Private and Governmental Mental Health, Public Health and MSU Extension

Public agencies providing housing resources include the City of Saginaw Rehab and Block Grant Services, Inspections units and the Saginaw Housing Commission. Coordination here occurred during the CAPER and Consolidated Plan preparation, preparation of the annual budget, ongoing staff communications to address challenges and solve problems, and Section 8 inspections of housing units. Coordination also occurred with non-profit agencies and the City. This was through the preparation of this CAPER, meeting CDBG contract requirements, and ongoing communication between City staff and staff at the agencies regarding programs and funds available.

Activities: The Saginaw Housing Commission and other local agencies provide administration of the rental vouchers.

Housing Choice Rental Vouchers	6,701,600
Senior High Rise & Family Hsg. Units	1,668,647
CFP	1,679,691
Other	527,793

Actions taken to improve Public housing and resident initiatives

The Saginaw Housing Commission has recently undergone a tremendous amount of scrutiny due to their recent OIG audit, personnel and Board changes. The City has to reestablish its working relationship with the new administration. However the following historical data is still relevant to the investment they have made to the City of Saginaw and is therefore included. The Saginaw Housing Commission operates and manages five high-rise developments, totaling 478 units. Three of the high-rises are designated elderly, one high-rise is designated disabled, and one high-rise is designated mixed population. The Saginaw Housing Commission also operates and manages a family

development of 92 units and 82 scattered site units. The Saginaw Housing Commission also provides Tenant Based vouchers including 1,144 Section 8 vouchers, 121 participants in the Family Self-Sufficiency Program; 35 clients in the VASH Program, and 151 units leased in the Family Unification. Actions taken to improve public housing are delineated below by program:

Capital Funds

- Continue to contract for security services
- Community room furniture at Maplewood Manor
- Carpet replacement at Maplewood Manor
- Installation of new windows at Maplewood Manor
- New painting in the hallways at Elmwood Manor
- Community room furniture at Elmwood Manor
- Concrete repair at Elmwood Manor

Stimulus Funds (ARRA)

- Bathroom renovations at Town & Garden
- Hardwiring of smoke detectors at all high-rise locations
- Fire Prevention devices installed in all units
- Elmwood Manor elevator upgrade
- Floor tile installation at Elmwood Manor
- New Energy Star ranges and refrigerators at Elmwood Manor
- Installation of Central Air Conditioner Units at all Scattered Site Units
- Roof Replacement at Pinewood Manor
- Window Replacement at Pinewood Manor

2009 CAPITAL FUND PROGRAM

Obligation End Date 9/16/2011

Operations

Staff Training

Advertising/Marketing

Security Services

Administrative Salaries

Architectural and Engineering Services

Maplewood Manor Masonry Signage/Landscaping

Maplewood Manor Window Replacement

Maplewood Manor Cycle Painting

Maplewood Manor Carpet Replacement

Maplewood Manor Parking Lot Control Entry

Maplewood Manor Community Room Furniture

Rosien Towers Cycle Painting

Rosien Towers Exterior Masonry Repair

Elmwood Manor Exterior Masonry Repair

Elmwood Manor Cycle Painting

Elmwood Manor Interior Hall Painting

Elmwood Manor Community Room Furniture

Pinewood Manor Cycle Painting

Davenport Manor Cycle Painting

Scattered Site Landscaping

Scattered Site Carpeting

Scattered Site MI 6-8 Cycle Painting
Scattered Site MI 6-13 Cycle Painting
Scattered Site MI 6-14 Cycle Painting
Scattered Site MI 6-15 Cycle Painting
Scattered Site MI 6-16 Cycle Painting
Scattered Site MI 6-17 Cycle Painting

Total 2009 CFP

Housing Operations

- Completed Uniform Physical Condition Standards (UPCS) inspections of all Saginaw Housing Commission properties.
- Updated and submitted the Annual Agency Plan to HUD in cooperative effort with the Resident Advisory Board.
- Updated the Public Housing Admissions and Continued Occupancy Policy
- Coordinators to the high rise developments.
- Continue to maintain standard performance through HUD PHAS.
- Implemented Asset Management, as directed by HUD.
- Management offices operating at each high-rise building.
- Continued Contract with Omni for maintenance services.

Section 8 – Housing Choice Voucher (HCV) Program Improvements

- Successfully implemented Homeownership Training Program through HUD
- Increased enrollment in the Family Self-Sufficiency Program and successfully assisted (1) program participant in a new home purchase.
- Increased lease up ratio to assist more families in the City and County of Saginaw.

Other Improvements

- Improved grant management and monitoring for all Support Service Programs.
- Reduced vacant unit prep time.

The Saginaw Housing Commission conducted Activities assisting Very Low Income residents. These activities assisted residents in improving their quality of living and in the delivery of services were conducted in a timely and efficient manner. Housing applicants and residents requiring subsidized housing were assisted via the Section 8 Voucher Program and Family and Senior High-Rise Housing. Other activities conducted by the Saginaw Housing Commission included the Annual Beautification Day for all High-Rises and Town and Garden.

The Saginaw Housing Commission continues to collaborate with the Saginaw County Mental Health Authority in providing supportive housing units for persons with special needs. There are four units located on Joslin Street.

Actions taken to Evaluate and Reduce Lead-based Paint Hazards

In terms of evaluation of lead-based paint risks, there has been progress in screening programs. The County Health Department blood lead level screening programs, which identifies children and housing units with lead paint problems, is continuing with implementation. Lead based paint testing was completed in Saginaw Housing

Commission units. No lead paint was found and thus no abatement has been necessary. The Saginaw Housing Commission prepares and distributes pamphlets on lead based paint to applicants and residents. Fair Housing Services and Legal Services Housing staff was prepared to help low income renters persuade their landlords to remove lead paint when it occurred in their units. Legal Services Housing staff advises tenants and homeowners of lead paint risks, testing and abatement options. Pamphlets on the subject are prepared and distributed. In terms of reducing lead-based paint hazards, in addition to the above mentioned public outreach and education efforts, City housing inspectors are continuing with training to identify and write corrective specifications for lead paint surfaces and are looking for lead paint hazards as part of ongoing housing inspections. We continue to meet HQS for lead reduction in rehabilitation programs and codes. Rehabilitation activities staff are continuing to learn more about lead-based paint hazards and best practices in terms identification of such hazards and their removal.

Action taken to Ensure Compliance with Program and Comprehensive Planning Requirements

As indicated in the discussion on leveraging, the City diligently pursued resources identified in the annual Action Plan and Consolidated Plan. During FY 2011-2012, the City supported efforts by nonprofit organizations to obtain additional federal resources for affordable housing development and programs and projects to assist the City's homeless populations by working with applicants to ensure consistency with the currently approved City of Saginaw Consolidated Plan and providing the required certifications. The City has worked with the Saginaw Housing Commission to ensure that its Five-Year and Annual PHA Plans are consistent with the Consolidated Plan. In addition to certifications, Block Grant and Development Department staff works with other City departments to coordinate efforts in providing comprehensive services and programs that assist in implementation of the Consolidated Plan goals.

Action taken to Reduce the Number of Persons Living below the Poverty Level

Three components comprise the City of Saginaw's anti-poverty strategy. These are goals of the strategy:

- programs to assist in reducing poverty
- policies to follow in reducing poverty
- coordination efforts.

There were no changes in the three goals regarding the anti-poverty strategy. No additional goals were added to these.

Several programs were relied on to create or retain jobs, prepare poor persons for jobs or put them in jobs.

- SEDC provided loans to firms in 2011-2012 which created or retained jobs for low or moderate income persons
- Michigan Works continued its successful job training and placement program and has begun construction of an office in downtown Saginaw.
- Delta College continued providing its education programs in downtown Saginaw.
- MESA continued its job placement efforts
- Efforts continued by state or Federal agencies to investigate and resolve complaints of discrimination in hiring or employment

Several policies outlined in the 2011-2012 Annual Plan were followed in carrying out the Anti-Poverty Strategy. These policies are the following:

- Continue integrating social services and housing services to ensure that Very Low Income persons receive a continuation of help tailor made to their specific needs.
- Encourage continuation of apprenticeship programs on sites where housing or other construction is undertaken. This is being done to provide poor persons with the various job skills and opportunities for placement which apprenticeship offers. The City implemented a Section 3 plan. The City worked with First Ward Community Center to help recruit low income citizens for work opportunities.
- Barriers that prevented persons from overcoming poverty were evaluated. Specifically, the Fair Housing Needs Assessment described some of these barriers.

Coordination of the City's housing strategy with other programs to reduce poverty occurred via these means:

- Preparation of the CAPER;
- CAPER annual report development;
- Ongoing management of Federal CDBG and ESG programs;
- City-County Liaison Committee.

Self-Evaluation and Assessment of Five Year Goals

The City of Saginaw has followed the priorities and goals established in the 2011-2016 Consolidated Plan for Housing and Community Development for the City of Saginaw. One hundred percent of the City's CDBG and HOME funds have been used to address these identified priorities and carry out activities benefiting low and moderate income persons.

In terms of City-run CDBG and other federally funded housing activities, effort was made to continue providing loans and grants to rehabilitate housing units for low income and very low income households. However, the loan activity has experienced significant decline in recent years. The City will continue to market its programs in an attempt to reverse this trend. The City has also begun to explore other product types including life liens.

The HOME program continued to fund the City Rehabilitation Grants activity. By the end of the reporting period 3 units were completed. The City of Saginaw has pursued other resources available to benefit low/moderate income individuals and households within its jurisdiction.

The Saginaw Housing Commission conducted activities assisting Very Low Income residents. These activities assisted residents in improving their quality of living and in the delivery of services were conducted in a timely and efficient manner. Housing applicants and residents requiring subsidized housing were assisted via the Section 8 Voucher Program and Family and Senior High Rise Housing. Activities have continued at the computer Learning Center. Other activities conducted by the Saginaw Housing Commission included an Annual Beautification Day for all high-rises and Town and Garden.

The Weatherization Program operated by Saginaw County Community Action Committee (CAC) was expanded with the award of recovery funding creating jobs and weatherizing many more houses.

There has been some success in addressing homelessness. The City Rescue Mission's operating methods successfully reduced the average number of Saginaw homeless from 100 to 80 at any given time. The overall homeless population was never significantly increased as a result of reductions in the State's General Assistance program on October 1, 1991. The Mission continued operating its renovated shelter for men, assisted homeless women and children to access services at area agencies providing help and further developed its Discipleship Program for individual and economic independence. The Mission completed a building addition during the 1999-2000 Program Year.

Emergency Shelter services are provided by a number of agencies:

Saginaw County Youth Protection Council – Innerlink: A 10 bed emergency shelter for runaway and homeless youth (ages 10 to 17) is provided by Council. Minor teen parent mothers and their children can also be housed. Youth also receive counseling, medical assistance, education services, meals, information and referral services. Youth are allowed to stay until housing is provided (this is usually accomplished within 14 days of intake). Innerlink has secured funding from places like Target for the renovation of the shelter.

Restoration Community Outreach (RCO): RCO provides a drop-in warming center and an overnight shelter for men. This shelter has 28 beds and residents are allowed to stay until other arrangements for housing are made. Clients also receive transportation, job development, medical service and referrals, and out-patient treatment.

Underground Railroad: Underground Railroad provides emergency shelter to victims of domestic violence and their children. The agency has a capacity of 26 beds and offers rooms of varying size to accommodate families. Clients also receive counseling, child care, PPO assistance, a crisis telephone services legal advocacy, transportation, on-site schooling, support groups, parent groups, financial assistance, case management, civil legal assistance, community education and nursing care.

There is need to plan transitional housing programs for persons with different needs, including those who are victims of domestic violence. This need has been identified in the five-year plan for persons who are chronically in crisis and substance abusers. In the past year there have been steps taken by Restoration Community Outreach to provide transitional housing for these particular groups. These steps include acquiring another house and operating funds for the house. The Underground Railroad renovated its recently acquired larger building to house victims of domestic abuse and their children. The two organizations mentioned above along with remaining emergency assistance providers in the City formed the Saginaw County Consortium of Homeless Assistance Providers (SC-CHAP). This group has extended their initial mission to

include transitional and permanent housing for the homeless and near homeless as a goal. Several of the organizations have implemented transitional/permanent housing activities and are applying for funds towards reaching set goals.

The activities to provide housing for runaway youth are proceeding on schedule in the past year and the Youth Protection Council is carrying out its plans according to the 2011-2012 One-Year Plan. The transitional housing structure at 2601 Prescott Street houses up to 6 youths at a time and continues to operate successfully.

The Saginaw Housing Commission continues to collaborate with the Saginaw County Mental Health Authority in providing supportive housing units for persons with special needs. The four units are located on Joslin Street.

For persons with AIDS, counseling and referrals were provided by the County Department of Public Health. The Wellness Network was reactivated in 1992-1993 and continues operating in 2011-2012 in the County. More diverse help was provided to persons with AIDS or who were HIV positive. Restoration Community Outreach (RCO) provides emergency shelter and supportive services for substance and alcohol abuser as well as veterans with chronic problems and mentally unstable persons.

Future actions proposed or changes in the five-year CHAS as a result of assessing the 2011-2012 year progress. The City is not proposing any changes in the five-year CHAS at this time for City run CDBG funded housing activities receiving resources via City contracts. Any problems noted in the fifth year of the Consolidated Plan implementation can be incorporated in the new five year plan. However, these concerns are noted.

- Resolve management issues in order to substantially improve productive flow in the division that will extend to the sub-grantees through monitoring and technical assistance.
- Provide better communication and coordination between loan clerks and specification writers.
- Provide additional on site monitoring by specification and code enforcement personnel to improve corrections and workmanship.
- Recruit, train and acclimate additional contractors creating a larger, more informal contractor pool.

The City is not proposing any changes in the five-year CHAS at this time for City Housing Commission activities assisting Very Low Income tenants. Should problems noted continue while implementing the Consolidated Plan then changes can be considered, in the new five year plan.

There are no proposed changes in the Five-Year CHAS or the Consolidated Plan at this time as a result of assessing 2011-2012 progress for this activity for activities assisting housing provided by community agencies.

There are no proposed changes in the Five-Year CHAS or in the Consolidated Plan at this time as a result of assessing 2011-2012 progress in helping homeless persons.

There are no proposed changes in the Five-Year CHAS or in the Consolidated Plan at this time as a result of assessing 2011-2012 progress in helping persons with special needs.

Leveraging Resources, FY 2011-2012 Resources Made Available within the Jurisdiction

Table 5, below, details additional funds leveraged through private resources. This table is intended to be representative of the majority of non-HUD funds used within the City.

Table 5: Local Dollars Leveraged through Federal Funds.

Leveraged Resources

Other monies leveraged through the use of CDBG, HOME, ESG Funds

Service Provided	Dollars Leveraged	Source
Innerlink, YPC	\$345,119.00	MSDA, County and Local
City Rescue Mission	\$ 65,982.00	Title 19
City Rescue Mission	\$ 24,523.00	MSDA ESG MSHDA
Restoration Community Outreach	\$148,000.00	State FIA, County Mental Health, Saginaw Salvation Army
Shelter Plus, RCO	\$ 30,000.00	Rental Income
Underground Railroad	\$ 68,500.00	Agency owned real estate and donations
Total Funds Leveraged	\$690,156.00	

The Michigan State Housing Development Authority (MSHDA) funds Saginaw nonprofit housing development organizations, including the Community Action Center.

In addition to the funds referenced above, several of the subrecipients of CDBG, ESG, and HOME funds also received grants or other assistance from regional foundations. By budgeting \$1,867,866 in local funds annually, the Saginaw County Department of Mental Health is able to receive \$8,113,574 from State Mental Health programs. Services to seniors and elderly are supported by the County Senior millage. This millage raises \$1,867,866 locally, which is used to secure \$165,000 in funds annually from two state activities.

Self Evaluation Performance Measures

During the time this department was implementing HUD’s guidelines at CPD Notice 03-09, the City was establishing performance measures of its own. A City-wide effort was put forth to create more outcome based performance measures. This system is called Citi- Stat and has received assistance from consultants from Michigan State University. The current performance measurement system focuses on input and outputs and contains goals, strategies, expected and actual outputs. City staff, including the development department, attended multiple sessions on self evaluation utilizing performance measures.

Appendix:

HOME Report

IDIS Reports

CO4PRO3

CO4PRO6

CO4PR23

CO4PR26

CO4PR33

CO4PR19

Maps

Target Area Map

Areas Designated for Improvement
M09 MC260212
City of Saginaw
1315 S Washington
Saginaw MI 48601

HOME Report
2011-2012

In accordance with CPD-9238, we are providing HUD form 40107 and our annual HOME Report, which includes narrative statements for each of the four assessments required. Each of the four assessments starts on a separate page, as required, along with our PJ identification in the upper right hand corner; The required assessments include the following subjects:

- 1 CHAS
- 2 Affirmative Marketing
- 3 Minority Outreach
- 4 Shortfall Funds

Each of the assessments is addressed in the succeeding pages.

Inspections of rental units acquired and rehabed with HOME funds by subgrantees were inspected by the City Inspections Dept. Some minor violations were uncovered and remediated to the satisfaction of City codes.

1. Five Year Plan Affordability Strategy

a. CHAS Objectives

Our Five Year Plan identified housing rehab as a high priority in plan table 24, on page 57. Likewise our 2011-2016 Consolidated Plan on page 40, identifies a priority need for homeowner housing rehab.

A large portion of non CHDO set-aside in the HOME program is devoted to single family owner occupied rehab. The dollars are being used for a high priority Con Plan objective.

b. Different Categories

The HOME dollars are allocated to three activities. Each activity receives the following funding percentages.

<u>Activity</u>	<u>Dollars</u>	
1. Single Family Rehab Grants	\$441,301	79%
2. CHDO Operating Expenses	15,000	3%
3. CHDO Activities	105,835	18%
	\$562,136	

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2. Affirmative Marketing

We are not working on any buildings that have five or more housing units per building. Thereby, we have no affirmative marketing procedures and requirements to develop or report on.

3. Minority Outreach

a. MBE & WBE Participation

The number of contracts awarded continues to decline. When asked, prospective contractors report they are working on other jobs.

The recruitment and participation of women and minority contractors has not progressed the way the City had planned. Additional steps are being taken with limited success. The next steps will include personal contacts to determine and work to remove any barriers.

b. Actions

Previous actions by the City to increase participation has had limited success. Some meetings have been held with contractors, one to one. The City is planning an informational meeting to try for better recruitment. We will be inviting contractors, sub contractors and sub recipients to disseminate as much information about the programs and requirements.

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H O M E		
MBE/WBE	2011 -2012	Percentages
# of contracts	0/3	0
# of Dollars	0/173317	0
Minority Property Owners		
Black Owners	3/3	100
Black Contracts	173317	100
Hispanic Owners	0	0
Hispanic Contracts	0	0

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4. Shortfall Funds.

The City of Saginaw received more than \$500,000 in formula allocation, thus we have nothing to report in regard to a shortfall.