



# **CITY OF ANN ARBOR**

**5 YEAR CONSOLIDATED STRATEGY AND PLAN**

**FY 2005 – FY 2009**

**July 1, 2005 through June 30, 2010**

# Jurisdiction

Michigan

## Consolidated Plan

Strategic Plan for Years

2005

to

Annual Action Plan and

Consolidated Annual Performance and Evaluation Report

Presented to the U.S. Department of Housing and Urban Development

2009

Detroit

Field Office of Community Planning and Development

Strategic Plan Submission Date

16-May-2005

### Amendments:

MM/DD/YY

Name:

MM/DD/YY

Name:

MM/DD/YY

Name:

MM/DD/YY

Name:

MM/DD/YY

Name:

\* If Necessary

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Ann Arbor			Community Service Unit
Michigan	48107-8647	USA	Office of Community Development
Washtenaw County			Program Year Start Date 7-1-05

Employer Identification Number (EIN):	38-6004534
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Renewal applicant	Local Government: City	Specify Other Type
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"To the best of my knowledge and belief, all data in this application are true and correct, the document has been duly authorized by the governing body of the applicant, and the applicant will comply with the attached assurances if the assistance is awarded." Please update the date with each new Action Plan and CAPER submission.

Name:	Roger W. Fraser	Date: (MM/DD/YY	05/16/05
Title:	City Administrator	)	

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# 3-5 Year Strategic Plan

This document includes Narrative Responses to specific questions that grantees of the Community Development Block Grant, HOME Investment Partnership, Housing Opportunities for People with AIDS and Emergency Shelter Grants Programs must respond to in order to be compliant with the Consolidated Planning Regulations.

## **GENERAL**

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### **Executive Summary**

The Executive Summary is optional, but encouraged. If you choose to complete it, please provide a brief overview that includes major initiatives and highlights that are proposed throughout the 3-5 year strategic planning period.

#### 3-5 Year Strategic Plan Executive Summary:

As described in the Office of Community Development mission statement, the City of Ann Arbor is committed to the delivery of housing, economic development and human services to lower income city residents, particularly the disadvantaged and most vulnerable. This is accomplished through the provision of direct services, by providing technical assistance and oversight of contracts with nonprofit organizations, and by creating increased affordable housing and greater access to human services. Annual funding priorities are determined through public input, citizen participation committees, Community Development staff recommendations with final approval by City Council.

In October 2004, the City of Ann Arbor and Washtenaw County community development offices have co-located under one director at the County annex building at 110 North Fourth Avenue to facilitate a regional approach to housing and public service (support services) for low-income households. The new Office of Community Development (OCD) is making progress toward joint strategic planning, project development, programs and monitoring processes. The OCD issued a joint on-line Request for Proposal for public services and CHDO operating funds. The OCD has combined components of their respective single-family rehabilitation programs, multi-family development programs, CHDO certification process and contract compliance process.

The City of Ann Arbor continues to control a separate budget and decision-making process to allocate federal HOME and Community Development Block Grant (CDBG) funds and local general funds and Affordable Housing Trust (AHTF) funds. President Bush has recommended that the federal CDBG program, among other social service and housing programs, be revamped to focus on economic development and he has recommended a reduction in the funding. The recommendations have not been approved

by Congress, but could have a severe impact on the services funded by the City of Ann Arbor to the community.

The City and County have also experienced severe budget cuts over the past few years and are attempting to streamline services, reduce payroll expenses and reduce service levels. The City and County community development staff have been reduced with the merger of the departments, which has impacted service delivery. The combined offices are continuing to evaluate services and processes to increase efficiencies and customer service. The City Council has directed the OCD to work with three citizen boards, the Waiver and Review Board, Housing Policy Board and Executive Committee to streamline the citizen board process.

The City of Ann Arbor is moving toward a regional approach to planning and housing issues. People in the community are highly mobile when it comes to decisions about where to shop, work and socialize. Although physical municipal boundaries are not the primary factor impacting how people decide where to live, related factors such as taxes, school districts, perceived safety, infrastructure, commuting distance and housing costs do impact where people decide to live. All of these factors are shaping the housing patterns in Washtenaw County, leading to increasing socio-economic housing segregation. Ann Arbor's population is becoming wealthier and lower income households are moving farther away from the City where housing is more affordable.

The City will be commissioning a joint Housing Needs Assessment with Washtenaw County to determine both the housing needs and market demands in the community. The goal is to provide solutions to encourage socio-economic diversity in all the municipalities in Washtenaw County through public/private partnerships and strategic use of resources. The Housing Needs Assessment will guide future redevelopment and new development by recommending sites, amenities, tenure (owner or rental), income targeting, and unit sizes to meet the needs of everyone in the community from the homeless to lower income households to higher income households.

The City OCD has also been working with other City departments to address the needs of low-income households. The Public Services Unit is working with the OCD to defray the cost of disconnecting footing drains, as required for new construction projects, for affordable housing developments. In addition, Public Services is working with the OCD to help low-income homeowners convert to automated water meter reading, by paying for the cost of repairing damaged homeowner pipes that are discovered when the meters are changed over. In addition, the OCD is working with the Planning and Development Services Unit to encourage mixed-income housing developments through the City's Planned Unit Development and Planned Project ordinances. The Parks and Recreation Unit is working with the OCD to explore joint ventures to acquire property that preserves natural areas, while developing portions of that property that are not suitable for preservation to construct affordable housing.

The City OCD has implemented three new initiatives. The first is an analysis of services provided by Community Centers. The City Parks and Recreation Unit owns and manages

community centers as well as private non-profits. The OCD is working with these Community Centers to evaluate and coordinate the programs and services offered. Secondly, the OCD is re-evaluating low-income housing developments that the City funded 5-15 years ago and is reinvesting in those properties through refinancing and rehabilitating the properties to ensure the long-term financial stability.

The third initiative is the redevelopment of the former YMCA site on 5<sup>th</sup> Avenue. The YMCA has owned and managed a 100-unit hotel for short-term housing primarily for extremely low-income residents for many years. The YMCA has constructed a new recreational facility and sold the former site to the City. The YMCA will continue to manage the housing until the City sells the site to a private developer. A Request for Proposal was issued that required the respondents to include 100 units of very affordable units on the site. Six responses were received ranging from rehabilitating the site as a community center to redeveloping multiple sites adjacent to the YMCA as mixed-use, mixed income housing, parking and public space. A developer will be selected in 2005 and construction is likely to begin in 2006.

In addition, the OCD is working with other funders, such as the Michigan State Housing Development Authority (MSHDA), LISC, Ann Arbor Community Foundation, the New Center, Knight Foundation, Washtenaw County United Way and Pfizer to collaborate and streamline processes and procedures and to offer technical assistance to local nonprofits.

Washtenaw County contracted with the Washtenaw Housing Alliance (WHA) to develop a 10-year Plan to End Homelessness, following President Bush's national initiative. The WHA has brought together hundreds of community leaders, private and public organizations, for-profit and nonprofit businesses, service providers and service users to develop the "Blueprint to End Homelessness". The Blueprint has been incorporated into this document and the community is now working on implementing the Blueprint.

The City of Ann Arbor's 2005-2009 Strategy and Plan is intended to open opportunities for collaboration and collective problem solving by public and private agencies, other governmental units, the Ann Arbor Public Housing Commission, City departments, citizens, and other interested parties. The City of Ann Arbor has always encouraged broad participation and diverse community review of its many policies and programs relating to HUD requirements. This Strategy and Plan is predicated on extensive research, information, agency input and citizen participation.

The City of Ann Arbor 2005-2009 Strategic Plan includes the following components:

**1. ASSESSMENT OF THE HOUSING AND COMMUNITY DEVELOPMENT NEEDS OF EXTREMELY LOW, VERY LOW, LOW AND MODERATE-INCOME HOUSEHOLDS IN THE COMMUNITY, AND PROJECTION OF THESE NEEDS OVER A FIVE YEAR PERIOD.**

The City has established four goals for all of its community development activities:

- Increase housing stability

- Increase access to health and well-being
- Increase long-term success of at-risk youth
- Increase family economic stability

The City of Ann Arbor will seek to expand the supply of permanent and transitional rental housing and preserve the existing housing stock through programs and projects which will provide new construction of units, additional rental subsidies, and a continuing emphasis on acquisition and rehabilitation of existing rental structures. The City will continue to fund supportive services to enable low-income residents to stay housed. The City will seek to increase homeownership opportunities for low-income families by working with nonprofit entities to promote homeownership initiatives and exploring cooperative housing projects.

The City will seek to identify and utilize resources available to address housing needs by supporting regional efforts to develop affordable housing and seeking other revenue sources. The City will seek to facilitate public/private initiatives to develop affordable housing. The City recognizes important community issues relating to the expiring use restrictions at the housing cooperatives, proposed changes to CDBG funding, the future impacts of families under welfare reform and changes in policy at public housing to encourage occupancy by low-income families. The City may develop a program to offer move-in assistance funds, which are required in order to move into local housing cooperatives. To address the shortage of Section 8 rental subsidies, the City may develop a program to provide needed rental assistance for low-income households.

The City identified critical needs in the area of homelessness prevention and services, affordable childcare, employment training and support services, substance abuse prevention, mental health services, health care, services to seniors, and services to persons with disabilities.

## 2. ASSESSMENT OF THE EXTENT OF HOMELESSNESS, THE NEED FOR FACILITIES AND SUPPORTIVE HOUSING FOR HOMELESS PERSONS AND OTHERS WITH SPECIAL NEEDS.

Transitional housing and supportive services that focus on self-sufficiency for homeless families and individuals is necessary to help address homelessness issues. Despite the range of supportive services, permanent affordable housing options for the homeless and extremely low-income families are limited because of a high cost housing market. A range of services are available through the Continuum of Care network established within the County. The City of Ann Arbor, in collaboration with Washtenaw County, conducts a yearly Point-in-Time (PIT) survey to determine what those needs are and how to best address them. The City of Ann Arbor participated in developing “A Blueprint to End Homelessness” facilitated by the Washtenaw Housing Alliance.

The City supports the Blueprint to End Homelessness’ goals of:

- Keep people housed through the use of centralized housing services and prevention of eviction and foreclosure

- Increase the stock of permanently affordable supportive housing
- Secure reliable funding sources for supportive services
- Meet the needs for housing and treatment for persons with drug and alcohol addiction and co-occurring disorders
- Ensure adequate services for families and youth who are homeless
- Expand options for education and employment
- Ensure quality and accountability in services and improve outcomes
- Engage the entire community.
- Communicate needs and demonstrate progress

### 3. FEDERAL, STATE AND LOCAL RESOURCES ANTICIPATED TO BE AVAILABLE TO MEET THE NEEDS.

A key component of the Plan is to identify potential financial resources for housing. The City will utilize Community Development Block Grant entitlement monies, HOME Investment Partnership monies, the Ann Arbor Affordable Housing Trust Fund, DDA housing funds and General Fund monies. Area agencies will seek state-allocated Federal funding from the Emergency Shelter Grant program and other federal funds included in the National Affordable Housing Act. Other funding sources include: the Federal Emergency Management Act, Transitional Housing Program, Supportive Housing Program, Shelter Plus Care Program, Federal Home Loan Bank, Corporation for Supportive Housing, MSHDA Homeless Program Grants, Family Independence Agency Programs, Michigan Department of Mental Health, the Comprehensive Grant Program for public housing, private and foundation contributions, including the Michigan Housing Trust Fund, and Local Initiatives Support Corporation (LISC). Other local resources include the Washtenaw United Way, Washtenaw County, Pfizer, Religious Action for Affordable Housing and the Ann Arbor Area Community Foundation. Donations from private sector landlords will also be solicited for the Barrier Busters Eviction Prevention Fund.

### 4. AN ANNUAL ACTION PLAN, WHICH OUTLINES THE INTENDED USE OF FEDERAL CDBG & HOME RESOURCES FOR FY 2005.

The City has established annual goals based on available funding to address housing, public service and public facilities and improvement needs in the Community. The FY 2005 Annual Action Plan is provided as a stand-alone document.

## **Strategic Plan**

Due every three, four, or five years (length of period is at the grantee's discretion) no less than 45 days prior to the start of the grantee's program year start date. HUD does not accept plans between August 15 and November 15.

## General Questions

1. Describe the geographic areas of the jurisdiction (including areas of low-income families and/or racial/minority concentration) in which assistance will be directed.
2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) and the basis for assigning the priority (including the relative priority, where required) given to each category of priority needs (91.215(a)(2)).
3. Identify any obstacles to meeting underserved needs (91.215(a)(3)).

3-5 Year Strategic Plan General Questions response:

### ITEM 1. DESCRIBE THE GEOGRAPHIC AREAS OF THE JURISDICTION

The City of Ann Arbor is the largest City in Washtenaw County with a population of 114,000. The cities of Ann Arbor and Ypsilanti are the cultural, educational and business centers for the County. Ann Arbor is home to the University of Michigan, the largest employer in the City with a 2004 student enrollment of 35,000. The City has 15 Low-Moderate Income Census tracts, which means that more than 50% of the households have income less than 80% of the City Median Income, based on the 2000 Census. The greatest concentration of poverty in the City is in the downtown census tracts surrounding the University central campus and north campus, where the concentration of student residents ranges from 39% to 99%. Most of the poverty in these census tracts, as reflected in the Census, is due to self-reported student incomes, not parental incomes.

Many of the other low-mod neighborhoods qualify as low-income because of multi-family housing complexes that are owned by the local Public Housing Authority, privately-owned complexes with HUD mortgages that have income restrictions or complexes owned by the private sector without income restrictions. The City has small scattered neighborhoods of single-family housing that are low-income.

Of the 15 low-mod census tracts in the City, 7 census tracts are disproportionately racial/minority concentration. One of the 7 census tracts is disproportionately Black, five of those census tracts are disproportionately Asian, and one census tract is disproportionately Black and Asian. In addition, 4 census tracts are disproportionately racial/minority concentration that are not low-mod census tracts. Two of those census tracts are disproportionately Black and two are disproportionately Asian.

Of the 15 low-mod census tracts in the City, 4 census tracts are disproportionately low-income families. One of those census tracts has a high concentration of U-M married student housing, one census tract is adjacent to central campus where the U-M dormitories and Greek housing is located, one census tract contains two privately owned income-restricted cooperatives, and one census tract has both U-M married student housing and a large privately-owned low-income housing complex.



The City's goal is to encourage mixed-income neighborhoods and therefore is directing assistance City-wide.

## ITEM 2. DESCRIBE THE BASIS FOR ALLOCATING INVESTMENTS GEOGRAPHICALLY WITHIN THE JURISDICTION

Priority is assigned throughout the City to the extremely low-income and very low-income families who experience the greatest amount of need because of the gap between the number of low-income units that are currently available and the number of households who would be eligible for such housing if it were available. This priority category includes renters and homeowners experiencing housing difficulties due to age, financial hardship, unemployment, disability and/or illness. In addition, finding and maintaining housing city-wide for persons with substance abuse, mental illness, large families, poor credit history, limited or fixed income, and/or a criminal history continues to be a priority.

## ITEM 3. IDENTIFY ANY OBSTACLES TO MEETING UNDERSERVED NEEDS

**COST:** The greatest obstacles to providing additional affordable housing in the City of Ann Arbor is the cost of land, housing and related infrastructure and community development expenses. The housing stock in the lower price ranges tends to be older, in need of rehabilitation, and often has environmental problems such as lead-based paint. The City has been experiencing an outmigration of low-income households seeking lower cost housing in the greater metropolitan area. The City will make City-owned land and tax-reverted properties available for affordable housing projects when the property is suitable for residential construction. Non-profit service providers are also impacted by the high commercial rent and commercial property prices in Ann Arbor and tend to locate outside the City limits. This trend has also concentrated poverty in other municipalities. The challenge is to promote economic diversity and balance throughout the metropolitan area.

**INFRASTRUCTURE:** In 2003, the City amended the water and sewer ordinances to increase tap-in fees to over \$15,000 per unit, which added another financial burden to affordable housing developers. The City is also under a federal order to disconnect all of the storm water footing drains from sewer drains costing between \$5,000 and \$10,000 per disconnect. The Office of Community Development is working with the City's Public Services Unit to coordinate the City's footing drain disconnect program to offset the cost for new construction affordable housing units.

**PROPERTY TAXES:** Taxes for Ann Arbor residents are also a barrier to affordable housing. The City has attempted to offer relief from the tax burden by adopting affordable housing covenants in perpetuity which prevents an affordable housing unit from being sold at fair market value. Consequently, the taxable value is based on the restricted sales price instead of the market value. The City has also adopted a Payment in Lieu of Taxes (PILOT) ordinance to decrease the tax burden for rental property. The



PILOT program is available to owners of rental housing where the income of the tenants are 50% AMI or less and for senior housing.

**NIMBYISM:** Neighborhood opposition continues to be a problem for new affordable housing developments and in some cases, acquisition and rehabilitation projects. Developers are encouraged to work with neighbors to address concerns when projects are still in the planning process. Opposition can also occur for nonprofits that provide public services.

**PLANNED UNIT DEVELOPMENT ORDINANCE:** The City's Planned Unit Development (PUD) ordinance previously required new residential developments to include 20% of the units affordable to households at 80% AMI, if the proposed density is higher than the existing zoning allows. Since the PUD had not been frequently requested, the City formed a committee to analyze the impact of the PUD ordinance on both market rate and affordable housing developments. Based on the recommendations of this committee, City Council amended the ordinance in 2004 to give Council the discretion to allow developers to pay a fee to the Affordable Housing Trust Fund in lieu of including affordable units in the development and reduced the number of required affordable units to 10% or 15% depending on the relative increase in density.

**PURCHASE OF DEVELOPMENT RIGHTS (PDR):** In 2003, City residents voted for a parks acquisition and purchase of development rights millage to preserve the undeveloped land in and around the city. As this land is acquired there will be pressure to increase residential density. The Planning and Development Services Unit, along with the Citizens Planning Commission, is studying existing zoning regulations to accommodate greater density within the City limits. The Mayor's Downtown Development Housing Task Force recommended adding 1,000 additional housing units in the next decade, revising the downtown zoning to encourage increased density, and explore more cost effective infrastructure strategies.

**COMPETITION BETWEEN PROVIDERS:** Additional obstacles to providing public services to the community include competition for funds and communication between nonprofit service providers. The City participates in the Continuum of Care process with Washtenaw County. The Continuum of Care board includes non-profit and public participants who analyze the needs of the homeless population and create coordinated service service strategies. The homeless service providers on the Continuum of Care participate in the County Homeless Management Information System (HMIS) in order to strengthen operating procedures, revise and create user policies and training materials and build trust between agencies to allow for increased data sharing with client consent so that the goals of a comprehensive data system that serves as a vehicle for coordinated case management and streamlines access to services for clients can be realized. In addition, the City funds Barrier Busters, a network of providers working with emergency assistance funds. This network helps to increase communication between local non-profits (over 40 participate currently) by having a designated contact person who can assist individuals in getting help when there are access issues prohibiting effective outcomes (these issues can include, a time-sensitive need, a person not getting served by

an agency because of disagreement over whether they meet the agency's requirements, lack of knowledge about what each agency can provide, assistance in coordinating when a family needs help from more than one agency to get the situation resolved, a health or safety issue).

**FINANCIAL CONSTRAINTS:** In response to recent State, Federal and local budget cuts, the City Administrator has worked with City and County officials to consolidate the Community Development efforts of the City Community Development and Washtenaw Urban County Community Development staff. While federal funds and general funds are not co-mingled, staff collaborates to ensure that efforts between the two departments are not unnecessarily duplicated. In addition, the protracted planning process for affordable housing development has been addressed through the redesign of the functions of the Planning and Building Departments into the new Planning and Development Services Unit. The new organizational structure is intended to improve communication within the City and the public-at-large.

## **Managing the Process (91.200 (b))**

1. Lead Agency. Identify the lead agency or entity for overseeing the development of the plan and the major public and private agencies responsible for administering programs covered by the consolidated plan.
2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.
3. Describe the jurisdiction's consultations with housing, social service agencies, and other entities, including those focusing on services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, and homeless persons.

\*Note: HOPWA grantees must consult broadly to develop a metropolitan-wide strategy and other jurisdictions must assist in the preparation of the HOPWA submission.

3-5 Year Strategic Plan Managing the Process response:

### **ITEM 1. IDENTIFY THE LEAD AGENCY OR ENTITY FOR OVERSEEING THE DEVELOPMENT OF THE PLAN AND THE MAJOR PUBLIC AND PRIVATE AGENCIES RESPONSIBLE FOR ADMINISTERING PROGRAMS**

The City of Ann Arbor is the lead agency overseeing the development of the 5 Year Plan. Other public and private agencies responsible for administering the programs covered in the Consolidated Plan include Washtenaw County, Ann Arbor Public Housing Authority, the Continuum of Care Board, and the Washtenaw County Human Services Collaborative. The City contracts with over fifty nonprofit organizations to provide public services to the community.

The City of Ann Arbor collaborated with Washtenaw County, the Continuum of Care Board and WHA to develop the County's Consolidated Plan, the Continuum of Care Plan and the Blueprint to End Homelessness, along with over 350 community members that included nonprofit housing and human service providers, government officials, business leaders, and consumers.

The OCD will participate with the Washtenaw County Funding Forum to coordinate & implement a community-wide system of performance measurement/ outcome funding with Pfizer, the Ann Arbor Area Community Foundation, the Knight Foundation, the Washtenaw Community Health Organization, and Washtenaw County.

## ITEM 2. IDENTIFY THE SIGNIFICANT ASPECTS OF THE PROCESS AND WHO PARTICIPATED IN THE PROCESS

The City's 2005-2009 Strategy and Plan incorporates the needs assessments and strategies from these four community-wide plans. In addition, the City held a public hearing in December 2004 and March 2005 to gather additional input from the public about community needs. Three City of Ann Arbor citizen boards participated in the development and review of the Consolidated Plan and Annual Plan at meetings that were open to the public: the Waiver and Review Board, the Housing Policy Board and the Community Development Executive Committee. In addition, the Consolidated Plan was distributed for public review and comment to subrecipients and other interested parties by e-mail and by making copies available in public locations. A public hearing was held in April 2005 to solicit public comments on the draft Plan.

## ITEM 3. DESCRIBE THE JURISDICTION'S CONSULTATIONS WITH HOUSING, SOCIAL SERVICES AGENCIES AND OTHER ENTITIES

The following agencies were consulted about services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, and homeless persons in developing these plans: Avalon Housing, Ann Arbor Center for Independent Living, Community Support and Treatment Services (CSTS), Community Housing Alternatives (CHA), Dawn Farm, Habitat for Humanity, HIV/AIDS Resource Center (HARC), Helpsource, Homeplace Community Land Trust, Home of New Vision, Housing Bureau for Seniors, Interfaith Hospitality Network, Michigan Ability Partners (MAP), Neighborhood Senior Services, Ozone House, POWER, Shelter Association of Washtenaw County, Washtenaw Affordable Housing Corporation (WAHC), and Washtenaw Community Health Organization (WCHO).

The City of Ann Arbor also participated with the following agencies in development the 10-Year Blueprint to End Homelessness and the Continuum of Care Program: Washtenaw County, Washtenaw Housing Alliance (WHA), Washtenaw Community Health Organization (WCHO), Community Support and Treatment Services (CSTS), Washtenaw County Workforce Development Board, Ann Arbor Housing Commission, City of Ann Arbor Housing Policy Board, Avalon Housing, Ozone House, Food Gatherers, SOS Community Services, Family Support Network (FSN), Non-Profit

Enterprise at Work (NEW), St. Joseph Mercy Health Systems, Synod, Legal Services, Barrier Buster Agencies, LISC, Washtenaw Area Apartment Association, Ford School of Public Policy, Interfaith Hospitality Network, Catholic Social Services, Housing Bureau for Seniors, Dawn Farm, Shelter Association of Washtenaw County, Home of New Vision, Substance Abuse Advisory Council, HelpSource, Salvation Army, Washtenaw Community College, Community Corrections, Michigan Ability Partners, MSU Extension, Family Independence Agency, Food Gatherers, and County Health Services.

The Ann Arbor Housing Commission actively works with nonprofit agencies who advocate for persons with disabilities such as Community Support and Treatment Services, Ann Arbor Center for Independent Living, HARC, the Association for Community Advocacy and others.

## **Citizen Participation (91.200 (b))**

1. Provide a summary of the citizen participation process.
2. Provide a summary of citizen comments or views on the plan.
3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.
4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

\*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

3-5 Year Strategic Plan Citizen Participation response:

### **ITEM 1. PROVIDE A SUMMARY OF THE CITIZEN PARTICIPATION PROCESS**

The FY 2004-2005 planning process began in Fall 2004 and continued through April 2005 with eleven meetings of the Community Development Executive Committee (CDEC) and nine meetings of the Housing Policy Board. The City held a public hearing in December 2004 and March 2005 to gather input from the public about community needs. The CDEC formed two subcommittees to review proposals and met four times to discuss them. All of these meetings were open to the public and included public comment time. In addition, the Annual Plan was distributed for public review and comment to subrecipients and other interested parties by e-mail and by making copies available in public locations. A public hearing was held in May 2005 to solicit public comments on the draft Annual Plan.

The Plan was provided in draft form to the Housing Policy Board, CD Executive Committee and Waiver and Review Board in April 2005. The Ann Arbor City Council approved the Plan on May 16, 2005. The Plan is available on the City's website at [www.ci.ann-arbor.mi.us](http://www.ci.ann-arbor.mi.us).

01/08/04 - Washtenaw Housing Alliance (WHA) Meeting: 10-Year Plan Update - data overview, core strategies/focus areas, and plan development calendar.

01/15/04 - WHA Meeting: Reviewed work plan for 10-Year Plan and community forum; revised "feedback and involvement worksheet"; reviewed stakeholder list and added suggested names.

01/22/04 - WHA Meeting: Debriefed stakeholder interviews; discussed plan content development – next steps for focus areas; assigned OC member to focus areas; reviewed homelessness, housing, and funding data of the County; reviewed stakeholder communications.

1/26/04 - Continuum of Care (C of C) Board Meeting: 2003 HUD funding discussions for SHP & S+C; Point-in-Time (PIT) count; HMIS update; Ypsilanti Supportive Housing Ordinance discussion.

02/05/04 - WHA Meeting: 10-Year Plan Update: data overview, core strategies/focus areas, calendar, and community engagement feedback.

02/19/04 - WHA Meeting: Reviewed focus areas of 10-Year Plan; reviewed key milestones; confirmed communication to providers and to community.

03/04/04 - WHA Meeting: 10-Year Plan Update: overview of best practices from other community plans, data collection overview, interviews, provider input, and website usage.

03/11/04 - WHA Meeting: Each focus area small group reported to OC: snapshots of work underway; OC members gave feedback to small teams; brainstormed what the essentials are for this plan.

3/22/04 - C of C Board Meeting: HUD ranking & rating process; WHA survey and PIT process; HMIS update.

04/01/04 - WHA Meeting: 10-Year Plan Update: review of data, plan development highlights, community engagement action plan, and purpose of next meetings on April 29 and May 6.

04/29/04 - WHA Combined Board/OC Meeting: Presented the outline of 10-Year Plan to the board; Q & A time for the 10-Year Plan; Initiated the development of "community development."

04/26/04 - C of C Board meeting: Roundtable discussion of Point-In-Time Count process and data, lessons learned. Roundtable discussion of WHA two-week in-depth survey of area homeless persons, data/preliminary impressions, integration with PIT data, use for 10-Year Plan, consumer-defined needs and priorities.

05/06/04 - WHA Combined Board/OC Meeting: Reviewed community presentation – A Blueprint to End Homelessness in Washtenaw County PowerPoint review; discussed community engagement presenters, May 21 forum – overview, outcomes expected, and letter from County Administrator Guenzel.

05/20/04 - WHA Meeting: Walked through design/agenda for Provider Forum; dry run of main content of Provider Forum; reviewed roles for Forum.

05/21/04 - WHA “Blueprint to End Homelessness” Provider Forum: reviewed data and strategies; clarified questions; reviewed and refined strategies – small group session; reviewed highlights; impact voting.

05/24/04 - C of C Board Meeting: HUD renewal project presentations; New low-income transportation announcement.

06/01/04 - WHA Meeting: Reviewed feedback from forum; next steps overview and strategy review for the blue print to end homelessness.

06/22/04 - C of C Board Meeting: HUD renewal project prioritization process; Project timeline established; Renewal process questions addressed; HMIS update.

7/2/2004 - CDBG/HOME Management Analyst for Washtenaw County. Discussion of possible ways to align the goals and procedures seutilized by the the Washtenaw Urban County 2003-2006 Consolidated Plan with the preparation of the City of Ann Arbor Consolidated Plan.

7/6/2004 - Washtenaw Housing Education Program Committee Meeting. Meeting to report the status of potential homeowners in the area and which of those that enter the program are able to successfully purchase a house (50%+ AMI).

7/7/04 - Housing Policy Board Public Meeting. Discussion of the proposed PUD ordinance and guidelines. Public comment on how the Community Development Reorganization will affect the 2005-2009 Consolidated Strategy and Plan.

7/7/2004 - Meeting with the Ann Arbor Housing Commission Director. A review of the history of public housing in Ann Arbor, recent accomplishments and goals for the period of time covered in the 2005-2009 City Consolidated Plan.

7/7/2004 - Housing Gaps Committee Meeting. Reviewed the Continuum of Care Housing Gaps research and data.



07/07/04 - C of C Gaps Analysis Meeting: Reviewed housing inventory charts; Clarified gaps analysis methodology; Discussed lingering gaps questions.

07/12/04 - C of C Board Meeting: Public Health Presentation on emergency preparedness (Homeland Security initiative) for disabled and homeless populations; Presentations for new PH proposals; New proposal preliminary prioritization.

07/19/04 - C of C Board meeting: Finalization of “bonus” PH project selection process.

7/19/2004 - Meeting with the Washtenaw Housing Alliance Director. Reviewed the focus and current status of the proposed 10 Year Plan to End Homelessness.

7/26/2004 - Meeting with the Washtenaw Area Apartment Association Director. Discussion of how low mortgage interest rates nationwide have resulted in a 10% rental vacancy throughout the City.

7/29/2004 - Washtenaw Community Health Organization (WCHO) Meeting  
Discussion of how to utilize the local agency available data to interpret the Homeless and Special Subpopulation data for preparation of the City Consolidated Plan.

8/2/2004 - Meeting with the Director of First Martin Corporation. Discussed with local landlord regarding the loss of 32 LIHTC affordable units at Homestead Commons.

8/15/04 - University of Michigan Housing Capital Planner. Discussed the University of Michigan plans for student housing. No definitive information was gained.

8/20/04 - Housing Bureau for Seniors Director. Discussion of the newly instituted elderly eviction prevention program and the need for permanent supportive services for elders to remain independent.

9/8/04 -CDBG Executive Committee Public Meeting. Discussed the purpose of the Consolidated Strategy and Plan and how it can be used to identify gaps and determine funding priorities. Discussed how and who to contact for additional public input.

9/21/04 - Blueprint to End Homelessness Community Forum. Unveiling and Presentation of WHA proposal to end homelessness in 10 years attended by 350 community members, officials, and legislators.

10/6/04 - Housing Policy Board Public Meeting. Visioning session for the Consolidated Strategy and Plan where questionnaires were distributed to board members and the public. Responses were ranked by priority and listed for all to review. Following is a summary of the most common vision statements, with the strongest agreement listed first:

Core Values:

- Meet the needs of most vulnerable/highest need first
- Access to housing – affordable to all incomes

- Reduce/eliminate homelessness through improved housing options and services
- Blended and scattered affordable housing
- Affordable housing development should offer incentives to those building housing that Ann Arbor needs

Actions that would bring about the greatest improvement

- Diverse range of housing
- Streamlined housing for developers
- Expanded access of public transportation
- Increase capacity of non-profits
- Regional Planning

What should the community look like in 5 years?

- 500 plus new units of supportive housing for under 50% AMI
- More mixed use downtown
- Close the front door of the shelter – prevention – and open the back door – expand the supply of very low income housing
- Expand housing opportunities (especially rental) for moderate income (up to 60% AMI)
- Fully integrated housing community with respects to all types of housing—low, medium and high-income

10/20/04 - CDBG Executive Committee Public Meeting. Committee requested copies of the needs data gathered by staff to assist in setting funding priorities. Copies of the current Citizen Participation Plan were distributed.

10/27/04 - Housing Policy Board Public Meeting. Discussed need to coordinate preparation of the Consolidated Strategy and Plan between the Housing Policy Board and the CDBG Executive Committee.

11/17/04 - CDBG Executive Committee Public Meeting. Discussed progress of the Consolidated Strategy and Plan for input.

12/8/04: Housing Policy Board Public Meeting. Discussion of changes to the 2000-2004 Consolidated Strategy and Plan recommended by the Board for the 2005-2009 Consolidated Strategy and Plan.

12/20/2004: Public Hearing on Human Services Needs at City Council meeting.

1/26/05 Housing Policy Board Meeting. Discussed the resale formula and refinancing guidelines. HPB recommended amendment to the resale formula and adoption of refinancing guidelines.

1/26/05 Executive Committee Meeting. Discussion of the on-line universal application process for public services funding, moving to a two-year funding cycle, setting priorities and ranking those priorities, evaluation criteria for proposals, and appointing a youth member to the committee.



2/15/05 Executive Committee Meeting. Discussion of Request for Proposal process, pre-bidders conference, scheduling an additional public hearing in March, evaluation criteria including site visits and semi-annual performance reports, and scheduling an additional meeting to discuss scoring and allocation of funds.

2/18/05 Housing Policy Board Meeting. Discussion of the Housing Needs, Non-Homeless Special Needs, and Continuum of Care Homeless Population and Subpopulations tables in the Con Plan. Discussion of potential projects to be funded with HOME funds, using Down Payment Assistance funds for Arrowwood cooperative, and setting meeting times for a discussion about the citizen board participation process.

2/26/05 Executive Committee Meeting. Citizen committee members reviewed proposals for Human Services projects and worked on developing funding recommendations.

3/8/2005 Public Hearing on Human Service Needs. Nonprofit organizations and members of the public were invited to communicate pressing human service needs of low income households.

3/10/05 Executive Committee Meeting. Citizen committee members reviewed proposals for Human Services projects and worked on developing funding recommendations.

3/24/05 Executive Committee Meeting. Citizen committee members reviewed proposals for Human Services projects and worked on developing funding recommendations.

3/31/05 Executive Committee Meeting. Citizen committee members reviewed proposals for Human Services projects and worked on developing funding recommendations.

3/18/05 Housing Policy Board Meeting. Discussion of Consolidated Strategy and Plan including discussion of CHDO certifications, CHDO proposal evaluations and offering technical assistance to nonprofit housing providers to build their capacity.

4/4/05 Housing Policy Board Meeting. Discussion of Consolidated Strategy and Plan and FY 2005 One Year Action Plan. Discussion of priorities for HOME funds.

4/7/05 Executive Committee Meeting. Citizen committee members reviewed proposals for Human Services projects and worked on developing funding recommendations.

4/11/05 Executive Committee Meeting. Citizen committee members reviewed proposals for Human Services projects and worked on developing funding recommendations.

## ITEM 2. PROVIDE A SUMMARY OF CITIZEN COMMENTS OR VIEW ON THE PLAN

The following public comments are a summary from the December 20, 2004 public hearing. Representatives from several nonprofit organizations encouraged continued

support for services to prevent homelessness for families impacted by the economic conditions, high unemployment rate and high cost of housing in the area. Other comments included: continued support of youth programs that promote civic involvement; improve access to public transportation for youth re safety and extended evening hours; public recreational facilities need to be more youth-friendly; work with the Ann Arbor Public School (AAPS) system to address youth needs. Support job training programs for youth and employment programs in partnership with AAPS. Support youth programs that teach leadership skills needed for future careers in government and public service. Utilize youth as resources in decision-making similar to youth representatives on school board. Support for assistance to re-engage youth in school, need is great under zero tolerance policies.

Other statements at the December 20, 2004 public hearing included: the importance of maintaining the City's current support of the "social safety net;" in moving community development activities toward a regional approach, it is important to consider the effect on surrounding cities and towns which already have significant low-income populations; access to healthcare for uninsured; emergency assistance to prevent homelessness; more affordable housing, access to transportation and employment training for persons with disabilities.

The City held a public hearing for the Community Development Executive Committee on March 8, 2005 to solicit input for human services funding priorities. The following comments were made: the challenges facing the older adult population include cuts in Medicaid and new requirements for agencies providing services to older adults; studies have shown that a lack of oral health care leads to increased and more severe physical and mental health problems; when HUD made cuts in the Section 8 housing voucher program, it negatively impacted homeless families. Locally, Washtenaw County lost over 200 vouchers and homeless families leaving the shelter rely exclusively on Section 8 vouchers for housing; programs designed to help women help themselves, including mental health counseling, employment coaching, and empowerment need public support; the demand for literacy services has increased steadily; only 53% of African-American students are graduating from area high schools. Students need to graduate from high school to have a chance for a better future; approximately 400 Ann Arbor households go to Ypsilanti for services. There is a continuing affordable housing crisis in Ann Arbor and the demand for housing support services continues to grow; the demand for non-reproductive health clinic services for women who required translation services continues to grow; funds for routine and preventative dental care to developmentally disabled adults since Medicaid cuts have meant the loss of all dental services.

The City held a public hearing on April 4, 2005 to amend the resale formula for HOME funds for the FY 2004 Annual Action Plan. Comments were received from nonprofits that work with low-income homeowners that it is important to ensure the diversity of the community by offering homeownership opportunities to low-income minorities, to ensure that adequate equity is accumulated by the homeowner to enable them to move out of the HOME-assisted unit, and that it is important to work with these nonprofits on homeownership issues since they work directly with low-income buyers and know the

needs of this population. The Housing Policy Board proposed an alternative amendment that restricted the resale formula to one-half the increase in Area Median Income. Several homeowners with existing resale formulas expressed concern that the resale formulas on their units were too restrictive and would discourage future owners from purchasing the units. Council adopted the amended resale formula, which will also be used in the FY 2005 Annual Action Plan.

### ITEM 3. PROVIDE A SUMMARY OF EFFORTS MADE TO BROADEN PUBLIC PARTICIPATION IN THE DEVELOPMENT OF THE STRATEGY AND PLAN

This plan incorporates many elements of the Blueprint to End Homelessness Plan which brought together over 350 community members from consumers to legislators to discuss community needs and develop solutions to end homelessness. Sixteen workgroups have been formed to continue working on elements of the plan. The City has installed software called “World Lingo” on its website, which allows the user to convert the text from English to another language.

### ITEM 4. PROVIDE A WRITTEN EXPLANATION OF COMMENTS NOT ACCEPTED AND THE REASONS WHY

The Housing Policy Board proposed an amendment to the resale formula that limited the resale index to one-half the increase in the Area Median Income. The expressed purpose was to ensure that the units were increasingly affordable to lower income households because these household’s incomes increased slower than median household incomes. The OCD considered the proposed amendment and did not recommend it because the HUD HOME regulations require the resale formula to balance the offer a fair return to the owner at an affordable sales price to the buyer, as defined by the HUD. The currently adopted formula, and amendment adopted by Council, offer the first buyer and all subsequent buyers the same “deal”. The sales price is set at 2 times the income of a targeted household size and income and the resale price is set at the same targeted household size and income. Therefore if the sales price is affordable to the first buyer, it is affordable to subsequent buyers at the same targeted income level. HUD has determined that the return to the first buyer is not a “fair return” because the owner is not given credit for the “investment” in the property, including improvements. The OCD considered allowing credits for improvements but did not because the homeowner units are all condominiums and the improvements will not change the size of the units and will only change the materials and amenities. Additional amenities such as whirlpool tubs and high-end building materials would only create luxury units, which is not the intended outcome. The City of Ann Arbor also offers a down payment assistance program to homeowners who are mortgage ready, but need additional subsidies. HUD has determined that this formula must be amended before it is applied to future projects.

## **Institutional Structure (91.215 (i))**

1. Explain the institutional structure through which the jurisdiction will carry out its consolidated plan, including private industry, non-profit organizations, and public institutions.
2. Assess the strengths and gaps in the delivery system.
3. Assess the strengths and gaps in the delivery system for public housing, including a description of the organizational relationship between the jurisdiction and the public housing agency, including the appointing authority for the commissioners or board of housing agency, relationship regarding hiring, contracting and procurement; provision of services funded by the jurisdiction; review by the jurisdiction of proposed capital improvements as well as proposed development, demolition or disposition of public housing developments.

3-5 Year Strategic Plan Institutional Structure response:

### **ITEM 1. EXPLAIN THE INSTITUTIONAL STRUCTURE THROUGH WHICH THE JURISDICTION WILL CARRY OUT ITS STRATEGY AND PLAN**

The City's institutional structure will continue to evolve during FY 2005-2009. During FY 2003-2004, the Community Development Department became a service unit within the Community Services Area, a newly organized service area of the City that includes Parks and Recreation Services, City Clerk services, CTN Public Information services, Administration and Fiscal Management, and Planning and Development services. An intergovernmental team of representatives from the City and Washtenaw County met during the year to review existing housing and human services programs and evaluate opportunities for program improvement and collaboration between the two entities. The team recommended that the City and County initially combine offices and eventually combine programs. The City and County decided to co-locate offices at a County building. The City contracted with the County for a Director of both the City and County programs. The City and County are exploring opportunities to combine staff positions and eliminate duplicative processes. The City will be analyzing the possibility of joining the County HOME consortium and will be soliciting community feedback during the next fiscal year.

The City has several methods to provide and preserve affordable housing and human services in the community. The first is through contracts with over 50 nonprofit organizations. These programs are funded with \$396,000 in CDBG public service funds and approximately \$1.4 million in City general funds each year. In addition, the City primarily relies on nonprofit housing providers to construct new or acquire and rehab existing rental units for very-low and extremely-low-income renters. The City contributes Federal HOME Funds, CDBG and Affordable Housing Trust Funds to fund these projects. The City has four Community Housing Development Organizations (CHDO's) whose missions are to provide permanent supportive rental housing. In addition, the City

contributes Federal HOME Funds to two CHDO's and one non-profit to provide homeownership opportunities for very-low and low-income homeowners. The City also provides CDBG and general funds to homeless shelters and transitional housing facilities.

The second method used by the City is to operate direct service programs and benefits for low-income residents funded with City general funds, and federal CDBG and HOME funds. The Community Services Unit operates a community center, a senior center, and provides scholarships for recreational activities, summer camps, and after school care programs. The Public Services Unit provides assistance to owners that are not able to pay their water bill or costs associated with the City's new automated meter reading program. The City Office of Community Development operates a homeownership program to assist with down payment and closing costs for first time low-income homeowners as well as a housing rehabilitation program for extremely-low, very-low and low-income homeowners who are unable to maintain their homes. Funds are provided in the form of deferred loans to be repaid upon selling the home. The City also participates in a coalition that provides financial help for those in need to prevent tax and mortgage foreclosures.

The third method by which housing and human services are provided in the community involves the private sector and mainstream service providers. Private sector housing developers have developed housing for low-income residents without using City subsidies, they used federal subsidies and mortgage products through HUD directly. Private developers are also eligible to apply for funding and/or partner with a nonprofit CHDO. It is anticipated that the private sector will make additional contributions to affordable housing because of changes to the zoning ordinance. The City offers increased density in exchange for the inclusion of affordable units in market-rate developments or a cash-in-lieu contribution for affordable units in Planned Unit Developments (PUD's). Units can be rental or homeownership and target low-income households or below. The rental rates are established at or below Fair Market Rents to better enable Section 8 Vouchers to be utilized. Mainstream service providers such as WCHO and FIA are the primary public service providers in the community.

## ITEM 2. ASSESS THE STRENGTHS AND GAPS IN THE DELIVERY SYSTEM

The strength of the City's delivery system is the spectrum of housing choices that the City funds, and the wide array of public services and public infrastructure that the City funds. The City funds housing for the homeless in emergency shelters to housing for first-time homeowners. In addition, the City relies on general funds, grants and enterprise funds to pay for public infrastructure rather than using CDBG funds. The gap is that the need for affordable housing is significantly higher than the City can fund. Every category of housing has a significant gap in units available compared to need, especially for extremely low-income renters. In addition, every category of public service has a significant gap between people served and need.

An additional strength is that the City has a commitment to long-term affordability so that units don't convert to market-rate units as soon as the minimum HUD affordability period

expires. The City utilizes an in-perpetuity resale formula on subsidized homeowner units, which has the additional benefit of decreasing the tax burden on those units. Subsidized rental units have affordability periods from 30-99 years.

Another strength is the level of funding and the wide array of agencies that provide services to low-income households. The quality of care and commitment of community leaders strengthens the delivery system.

Another gap is the erosion of funding for City and nonprofit staffing, which impacts the ability to deliver services. The City's CHDO's need additional staff and funding to continue developing new projects. The City is contracting with Local Initiative Support Corporation (LISC) in coordination with MSHDA to increase the capacity of City staff and CHDO's. As the number of affordable units increases within the City, the administrative monitoring and oversight increases. There is a gap in funding City staff to administer these units in the long-term.

### ITEM 3. ASSESS THE STRENGTHS AND GAPS IN THE DELIVERY SYSTEM FOR PUBLIC HOUSING

As of January 2005, the Public Housing waiting list had 712 families, and 20 uncommitted vacant units. The Housing Commission administers 1304 Section 8 vouchers and certificates for area residents. This includes recent additions for Welfare to Work recipients as well as certificates for those with disabilities. In light of these certificates, the Commission maintains a Section 8 waiting list of 508 families, of which 353 or 69% have incomes less than 30% of area median. Both these total reflect the continuing need for affordable housing within the community. The Housing Commission expects to take no action to reduce the inventory of public housing by converting units to homeownership.

The strength of the Ann Arbor Housing Commission is that it is a stable organization with a long-time commitment to the community. However, there is a disproportionate number of potential candidates for housing in the <30% AMI category and these applicants are not always able to qualify for public housing assistance. In addition, the City of Ann Arbor Human Rights Ordinance states that landlords cannot discriminate against income source when selecting tenants. Many landlords have interpreted this to mean that there is an "all or nothing" provision preventing landlords from restricting the number of Section 8 tenants in a rental community. Landlords have responded to this by not renting to any potential tenants with Section 8 vouchers.

## **Monitoring (91.230)**

1. Describe the standards and procedures the jurisdiction will use to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.



3-5 Year Strategic Plan Monitoring response:

#### ITEM 1. DESCRIBE THE STANDARDS AND PROCEDURES USED TO MONITOR HOUSING AND COMMUNITY DEVELOPMENT PROJECTS

Prior to issuing Requests for Proposals (RFP) to utilize federal and local grant funds, the Office of Community Development holds a mandatory bidders conference to review the RFP's and regulatory requirements and provide potential applicants an opportunity to ask questions. Prior to the start of each program year, staff convenes a Contractors Meeting with all nonprofit organizations contracting with the City of Ann Arbor to provide housing, public services, and public facilities. Instructions relating to reporting requirements, grant draw procedures, applicable Federal regulations and compliance with the City Human Rights and Living Wage ordinances are explained with an opportunity to ask questions.

All federally-funded nonprofit organizations are required to provide independent audits and management letters that detail when fiscal and administrative controls are in need of improvement. Board of Director meeting minutes, financial reports and Federal 990 tax forms are also required. This information, along with the semi-annual and year-end performance reports, are used by staff to monitor contract compliance, program effectiveness, board oversight and administrative controls. Staff also conduct onsite monitoring reviews to ensure systems are in place to verify income eligibility and Ann Arbor residency as well as to discuss organizational challenges and general programmatic operations. When appropriate, staff may facilitate relationships among nonprofit organizations to fill service gaps, create efficiencies by sharing resources or to respond to customer complaints.

The City monitors multi-family rehabilitation and new housing developments through the coordination with City planning, building, engineering, utility and public safety staff during the site approval and construction phase. Before funds are committed to a new housing project, environmental reviews are conducted, legal due diligence is performed, the financial capacity of the organization is assessed and the long-term project feasibility is assessed. Affirmative marketing plans, human rights and living wages practices are reviewed for compliance. In addition, the City determines whether other federal regulations such as Davis-Bacon and Section 504 will apply. The City's Rehabilitation Specialist also provides technical assistance and support to nonprofit housing developers and homeowners who are receiving assistance for repairs to their housing unit. The Rehabilitation Specialist conducts on-site inspections, lead-based paint assessments, and monitors construction and rehabilitation completed by subcontractors. Ongoing monitoring occurs through annual Housing Quality Standard (HQS) inspections, income verifications, rent monitoring, financial auditing, and site visits.

The City monitors the homeownership program by coordinating with lenders, requiring homeownership education certification, analyzing the debt capacity of potential homeowners, and discouraging buyers from participating with predatory lenders.

Compliance to regulations is also ensured by staff attending HUD-sponsored trainings and conferences, subscribing to several community development publications, regular use of the HUD Office of Community Planning and Development website and consultation with local HUD District representatives. Michigan State Housing Development Authority (MSHDA) has been instrumental in providing technical assistance to train new staff, develop criteria for reviewing affordable housing proposals and assisting nonprofit developers to create sustainable developments. Local Initiative Support Corporation (LISC) has also provided technical assistance to nonprofit housing developers and has established a part-time local office to increase its ability to provide support. The City coordinates with the other funding sources for housing projects to increase efficiencies and increase consistency of monitoring procedures.

## **Priority Needs Analysis and Strategies (91.215 (a))**

1. Describe the basis for assigning the priority given to each category of priority needs.
2. Identify any obstacles to meeting underserved needs.

3-5 Year Strategic Plan Priority Needs Analysis and Strategies response:

### **ITEM 1. DESCRIBE THE BASIS FOR ASSIGNING PRIORITY GIVEN TO EACH CATEGORY OF PRIORITY NEEDS**

This assessment consists of statistical and analytical information which provides an overall picture of each need category. Included is information on owner and renter households by income status and type of households. While federal funding for housing assistance programs has been declining, the need for those programs and related services continues to increase in the City of Ann Arbor. Indicators of increasing need include the high demand for public housing, Section 8 rental assistance, and nonprofit-owned rental housing. Waiting lists at cooperative housing complexes with affordable monthly fees range from one to three years. As Washtenaw County's economy, and that of the City of Ann Arbor in particular, becomes more service-oriented, housing affordability for extremely-low and very-low-income families and individuals wishing to remain living in the City of Ann Arbor continues to be a serious problem.

### **HOUSING PRIORITY NEEDS**

The City of Ann Arbor needs analysis sets a high priority for extremely-low, very-low and low-income renters and homeowners with greater emphasis on extremely-low-income renters. The Comprehensive Housing Affordability Strategy (CHAS) Data indicates a large number of non-related households in this category. A review of Census data by census tract indicates that this is due to the large student population living in the City of Ann Arbor attending the University of Michigan.



## PUBLIC SERVICES PRIORITY NEEDS

**SPECIAL NEEDS OF THE ELDERLY:** An issue affecting a growing number of very low-income seniors is changes in family structure, which results in many seniors raising grandchildren. This places increased pressures on their finances and on their homes, which are often both inadequate. Mortgage companies and other predatory lenders focus on seniors to urge refinancing of their homes, which is not always to the seniors' financial advantage. In addition, seniors living on fixed incomes often have difficulty paying property taxes which can result in tax foreclosure. Since the passage of the tax law amendment, Michigan PA 123, property taxes become delinquent at the end of the first year of non-payment with foreclosure at the end of the second year if they are unable to pay their past due property taxes. The Washtenaw County Treasurer has instituted an aggressive outreach program to assist residents who are at risk of losing their homes to tax or mortgage foreclosure.

**SERIOUS MENTAL ILLNESS:** According to the U.S. Surgeon General, at least one in five individuals has a diagnosable mental disorder during the course of a year. This estimate yields a potential population of over 22,800 in the City of Ann Arbor that is experiencing the challenges of mental illness. This estimate includes all persons, from those whose illness does not substantially interfere with their activities of daily living to those who have been determined dangerous to themselves or others. Experts tend to identify certain mental disorders as serious and persistent, such as schizophrenia, bipolar disorder, severe forms of major depression and panic disorder, obsessive-compulsive disorder, and related disorders.

**PERSONS WITH DEVELOPMENTAL DISABILITIES:** Washtenaw County Community Support and Treatment Services (CSTS) has developed a support system to meet the needs of aging families with members who have developmental disabilities. This group estimated that there is a potential population of 678 persons with developmental disabilities residing with aging parents in Washtenaw County who are not connected to community living supports.

**PERSONS WITH PHYSICAL DISABILITIES:** There are many people with mental and/or physical disabilities that need safe and affordable housing which is barrier-free and near public transportation. In the 2000 Census, it was estimated that there were 13,828 persons aged 16 to 64 and 6,004 persons aged 65 years and older with a mobility or self-care limitation living within the City of Ann Arbor.

**PERSONS WITH ALCOHOL OR OTHER DRUG ADDICTIONS:** According to the U.S. Surgeon General, approximately 9% of the adult U.S. population has a diagnosable addictive disorder within the space of a year (3% with a co-occurring mental disorder and 6% with an addictive disorder alone). Using this methodology, one can estimate that there are 8,047 adults (over age 20) in the City of Ann Arbor with addictive disorders.

**PERSONS WITH HIV/AIDS:** Individuals that have Acquired Immune Deficiency syndrome (AIDS) are at risk of becoming homeless when their illness forces them to stop working and they are unable to meet rent or house payments. The HIV/AIDS Resource Center reports that many AIDS sufferers face difficulties in locating affordable housing in the Ann Arbor area, but that (to date) there is little evidence of homelessness among individuals with AIDS. However, as numbers of AIDS sufferers increase, this may become a greater community need. In 2002, there were an estimated 490 cases of AIDS reported in Washtenaw County, up from 391 in 1999. The number of cases of AIDS reported in the County is increasing due to the increasing prevalence of the disease in African-American, heterosexual and female populations.

## ITEM 2. IDENTIFY ANY OBSTACLES TO MEETING UNDERSERVED NEEDS

Barriers to meeting the underserved needs of the City of Ann Arbor are: a lack of funding for qualified CHDO's and service agencies; lack of support from the private sector; the high cost of building within the city limits; NIMBYism and lack of community support for affordable housing projects.

The public, private and non-profit sector need to strategically plan and partner in order to increase the supply of affordable housing and ensure that these properties are properly maintained and supportive services are available as needed. Current low density zoning, the scarcity of undeveloped land and high land costs within the City of Ann Arbor make building affordable units economically unfeasible without public subsidy or density bonuses for private developers. Neighborhood opposition to additional affordable housing developments continues to be a barrier in the City of Ann Arbor despite scattering units throughout the City with relatively few units at each location.

## **Lead-based Paint (91.215 (g))**

1. Estimate the number of housing units that contain lead-based paint hazards, as defined in section 1004 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, and are occupied by extremely low-income, low-income, and moderate-income families.
2. Outline actions proposed or being taken to evaluate and reduce lead-based paint hazards and describe how lead based paint hazards will be integrated into housing policies and programs.

3-5 Year Strategic Plan Lead-based Paint response:

## ITEM 1. ESTIMATE THE NUMBER OF HOUSING UNITS THAT CONTAIN LEAD-BASED PAINT HAZARDS

According to the 2000 Census, there are 47,214 units of housing located in the City. Of those 80%, or approximately 37,800 units were built prior to 1978 indicating that there is a high potential for lead-based paint hazards.

## ITEM 2. OUTLINE ACTIONS PROPOSED OR BEING TAKEN TO EVALUATE AND REDUCE LEAD-BASED PAINT HAZARDS

The Lead Safe Housing Regulations dictate the procedures which must be followed regarding renovations and who performs the different elements of renovation. The City will continue to take action to evaluate and reduce lead-based paint hazards in each housing unit assisted through its Rehabilitation Program. Lead-based paint hazard reduction is an integral part of the City's Housing Rehabilitation efforts.

In accordance with federal regulations, the City distributes the EPA/HUD "Protect Your Family From Lead In Your Home" pamphlet and provides other appropriate information to all housing rehabilitation assistance recipients. The information covers the dangers of lead-based paint, symptoms of lead paint poisoning, and provides instructions on actions to be taken if symptoms of lead-based paint poisoning are present. In November 2003, The Office of Community Development's two Rehabilitation Specialists attended the HUD sponsored "Lead Safe Work Practices Training for Trainers Course" and refresher courses on lead safe work practices. After completion of this course, the Rehabilitation Specialists were qualified to teach a one day course addressing lead-based paint hazards during renovation, remodeling, and rehabilitation in federally owned and assisted housing. To date the Rehabilitation Specialists have successfully trained 40 participants during three sessions, on February 13th, 2004, March 8th, 2004, and August 31, 2004.

Additionally, the Rehabilitation Specialists attended refresher training courses to update their State certifications; one certified as a lead inspector and risk assessor; and the other certified as a lead abatement contractor/supervisor. The City will continue working closely with HUD and other regional agencies to obtain necessary training, information, and funding for these required efforts.

Lead risk assessments will be completed by a licensed company for all housing units receiving assistance. The City is created maps with GIS and Census data to indicate the age of construction and prevalence of children in the homes to assist in prioritizing lead abatement efforts. When conditions are found which indicate a potential lead-based paint hazard, appropriate remedial action will be included as a part of the rehabilitation work. All lead work (interim control/abatement) will be conducted in accordance with federal regulations and performed by an appropriately licensed contractor. This regulation's implementation has impacted the cost of housing rehabilitation significantly.

## HOUSING

### **Housing Needs (91.205)**

\*Please also refer to the Housing Needs Table in the Needs.xls workbook

1. Describe the estimated housing needs projected for the next five year period for the following categories of persons: extremely low-income, low-income, moderate-income, and middle-income families, renters and owners, elderly persons, persons with disabilities, including persons with HIV/AIDS and their families, single persons, large families, public housing residents, families on the public housing and section 8 tenant-based waiting list, and discuss specific housing problems, including: cost-burden, severe cost-burden, substandard housing, and overcrowding (especially large families).
2. To the extent that any racial or ethnic group has a disproportionately greater need for any income category in comparison to the needs of that category as a whole, the jurisdiction must complete an assessment of that specific need. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least ten percentage points higher than the percentage of persons in the category as a whole.

3-5 Year Strategic Plan Housing Needs response:

**ITEM 1. DESCRIBE THE ESTIMATED HOUSING NEEDS PROJECTED FOR THE NEXT FIVE YEAR PERIOD FOR THE FOLLOWING CATEGORIES OF PERSONS**

**EXTREMELY LOW-INCOME HOMEOWNERS:** These homeowners are challenged by significant cost burdens, such as the cost of maintaining their homes while continuing to pay property taxes and prevent mortgage foreclosures. With property taxes, medical care, home maintenance and repairs increasing at a rate greater than fixed incomes, this population is vulnerable and often forced to make difficult choices. Because of the higher stability that homeownership offers, there is a high community need to offer homeownership opportunities to low-income residents and to help existing extremely low-income households retain their homes. An increasing trend for low-income homeowners is to refinance their homes every few years. Many have poor credit and appear to utilize predatory lenders to refinance. Over 1,200 low-income homeowners have utilized the City's single-family rehabilitation and homebuyer assistance programs. The City will not subordinate these loans when the homeowner is utilizing predatory lenders. The City works with the homeowners to ensure that their finances are feasible and their homes are safeguarded.

**EXTREMELY LOW-INCOME RENTERS:** Renters also have a significant housing cost burden. In 2004, the U.S. Department of Housing and Urban Development established Ann Arbor's median family income as \$77,700 and a Fair Market Rent of \$815 for a two-bedroom unit. To meet established affordability guidelines of spending no more than 30% of income on gross housing costs, a family needs a minimum gross monthly income of \$2,717, or \$32,600 per year to afford fair market rents. The HUD income limits for a family of four in the extremely low-income category is \$23,300 per year. This suggests an affordability gap of \$9,300 for a one-worker family of four renting a two-bedroom apartment. HUD fair market rent limits demonstrate that local housing is very expensive

for extremely low-income renters. Unfortunately, locating rental units priced at less than or equal to fair market rents is extremely difficult in the City. Many households with Section 8 Vouchers must rent outside the City limits. Voucher holders can locate units within the City but often find the units do not meet HQS standards or the landlord is not receptive to participating in the program. The City has a Human Rights Ordinance which prohibits discrimination based on income source, which should prohibit obvious discrimination against Section 8 tenants. However, landlords often use other methods to screen out Section 8 renters such as requiring a large security deposit.

Another complication of Section 8 Vouchers is that the maximum rent has been reduced by the Ann Arbor Housing Commission as a necessary response to budget cuts from HUD as of early 2005. This has resulted in families who currently have stable housing with Section 8 Vouchers being at risk of homelessness by having to come up with funds to locate and move to new housing that meets the lower rent limits. This has occurred even though landlords report that the rental market is “soft” and most rental rates have not increased significantly since 2004.

**LOW-INCOME HOMEOWNERS:** Low-income residents are often excluded from homeownership opportunities by an expensive housing market. The 2004 average selling price of a home listed with the Ann Arbor Area Board of Realtors was over \$225,500 with only a few single family homes selling for less than \$150,000. Households earning 50% of median income and below often have other issues such as low credit scores, high debt load, and insufficient savings which make homeownership options severely limited within the community.

**LOW-INCOME RENTERS:** There is a need for additional rent subsidies for low-income households. The Ann Arbor Housing Commission currently reports a waiting list of 712 for public housing units. When openings are available the Housing Commission has been accepting <30% AMI applicants because they have no other alternative, but the consequence of this is that the low-income renters cannot be adequately housed. There are often move-in constraints for very low-income families and individuals who are able to locate adequate affordable housing but have poor credit or lack security deposit money. Although the City has funded a program to provide move-in assistance and security deposits for low-income individuals, very low-income residents cannot locate housing in the City. There are few options among the City's service providers for security deposits and first month's rent. Typically, this money is either never obtained, or obtained from a combination of sources such as FIA (now Department of Human Services), Friends Indeed (non profit), Ann Arbor Thrift Shop (non-profit), Salvation Army (non-profit), or Employment, Training & Community Services (ECTS, County service provider), or churches. Requests over \$300 generally require assistance from more than one agency, thus making this process time consuming and overly complex for low-income residents and case managers. Barrier Busters is an emergency assistance fund that has been developed to try to reduce the number of agencies that individuals must go to for the same request.

**ELDERLY PERSONS:** It is expected that the demand for affordable housing for seniors will continue to increase at a rate comparable with the increase of this population in Ann Arbor. The 2000 Census indicates there were 9,809 persons over the age of 65 living in the City of Ann Arbor. The Southeast Michigan Council of Governments (SEMCOG) estimates that between 2005 and 2010 the population of individuals 65 years and older will be approximately 14%. The increase in the number of City residents who are senior citizens is expected to be similar to the national trend of an aging population. The City also attracts senior citizens because of the number and quality of its medical facilities, public facilities, universities and access to public transportation. However, with 61% of the current elderly population reporting some kind of disability or mobility challenge, there are concerns about gaps in health care, Medicare and Medicaid and a need for accessible units.

**PERSONS WITH DISABILITIES:** There are many people with mental and/or physical disabilities that need safe and affordable housing that is barrier-free and close to public transportation. In the 2000 Census, it was estimated that there were 13,828 persons aged 16 to 64 and 6,004 persons aged 65 years and older with a mobility or self-care limitation living within the city of Ann Arbor.

**PERSONS WITH HIV/AIDS:** According to the U.S. Department of Housing and Urban Development, “persons living with HIV or AIDS risk losing their housing due to compounding factors, such as increased medical costs or limited ability to keep work due to AIDS. Estimates indicate that one-third to one-half of the persons with AIDS in the nation are either homeless or in imminent danger of losing their homes. The lack of affordable and medically appropriate housing for persons living with HIV/AIDS and their families is an ongoing concern for AIDS housing providers, policy makers, and advocates across the country. Stable housing promotes improved health status, sobriety or decreased use of nonprescription drugs, and a return for some persons with AIDS to productive work and social activities. Stable housing is the cornerstone of HIV/AIDS treatment.”

**SUBSTANDARD HOUSING AND OVERCROWDING:** According to the 2000 Census the number of self-reported substandard units (lacking plumbing and/or kitchen facilities) is 442 or about 1% of the total housing units in the City of Ann Arbor. There are 570 renter housing units with greater than 1.5 occupants per room and 74 owner occupied housing units with greater than 1.5 occupants per room for a total number of overcrowded housing units of 644.

Over the next five years there will be a limited increase in housing opportunities for very low-income individuals, particularly for senior citizens, female-headed household families, the general homeless population, as well as individuals with substance abuse and mental health disorders. Local nonprofit housing developers are providing a limited number of affordable housing opportunities, but the need for affordable housing far exceeds the current ability of these organizations to develop enough affordable units and provide necessary supportive services to these vulnerable populations.



## ITEM 2. ANY RACIAL OR ETHNIC GROUP THAT HAS A DISPROPORTIONATELY GREATER NEED

Using 2000 Census data, African-Americans account for 9%, or 10,070 of total Ann Arbor households. 13.6% are very low-income, compared to 11.4% for the general population. As African-Americans are disproportionately represented in the very low-income category, there is an ongoing need to continue to direct housing programs to low and very low-income minority households and to assist existing African-American households to retain their homes through a variety of targeted programs.

Ann Arbor has a significant migrant worker population of both documented and undocumented workers. This population is underrepresented in the Census data. It is common for migrant families to live with several other families and individuals in overcrowded apartments. The City does not have a system to account for or address the needs of this population.

### **Priority Housing Needs (91.215 (b))**

1. Identify the priority housing needs in accordance with the categories specified in the Housing Needs Table (formerly Table 2A). These categories correspond with special tabulations of U.S. census data provided by HUD for the preparation of the Consolidated Plan.
2. Provide an analysis of how the characteristics of the housing market and the severity of housing problems and needs of each category of residents provided the basis for determining the relative priority of each priority housing need category.

Note: Family and income types may be grouped in the case of closely related categories of residents where the analysis would apply to more than one family or income type.

3. Describe the basis for assigning the priority given to each category of priority needs.
4. Identify any obstacles to meeting underserved needs.

3-5 Year Strategic Plan Priority Housing Needs response:

## ITEM 1. IDENTIFY THE PRIORITY HOUSING NEEDS IN ACCORDANCE WITH THE CATEGORIES SPECIFIED IN THE HOUSING NEEDS TABLE

HOUSEHOLD INCOME <30% AMI: There are 7,846 households in this category. Of those, 80% report having some kind of housing problem (Elderly Renters 5%; Small Related (1-4 persons) Renters 10%; Large Related (5+ persons) Renters 2%; All Other Renters 56%; Elderly Owners 2%; Small Related Owners 1%; Large Related Owners >1%; All Other Owners 4%). The remaining 20% of this income category do not report any housing problems.

HOUSEHOLD INCOME 30-50% AMI: There are 5,232 households in this category. Of those, 49% report having some kind of housing problem (Elderly Renters 2%; Small Related Renters 9%; Large Related Renters 1%; All Other Renters 30%; Elderly Owners 3%; Small Related Owners 2%; Large Related Owners >1%; All Other Owners 2%). The remaining 51% of this income category do not report any housing problems.

HOUSEHOLD INCOME 50-80% AMI: There are 6,530 households in this category. Of those, 36% report having some kind of housing problem (Elderly Renters 2%; Small Related Renters 7%; Large Related Renters 1%; All Other Renters 14% Elderly Owners 3%; Small Related Owners 4%; Large Related Owners 1%; All Other Owners 4%). The remaining 64% of this income category do not report any housing problems.

## ITEM 2. PROVIDE AN ANALYSIS OF HOW THE CHARACTERISTICS OF THE HOUSING MARKET AND THE SEVERITY OF HOUSING PROBLEMS AND NEEDS OF EACH CATEGORY DETERMINE THE RELATIVE PRIORITY

The 2000 Census reports the City of Ann Arbor housing tenure mix is 54% renter occupied and 46% owner occupied. This is atypical of other communities, and of the nation as a whole, where 34% of total households are renter occupied and 66% are owner occupied. This is primarily explained by the student population attending the University of Michigan, Concordia College, and Washtenaw Community College. Traditionally the University of Michigan has sought to house primarily freshman students and married families. Another explanation is that while it might be possible for a family in the 50-80% Area Media Income category to purchase a home, the costs related to owning a home such as maintenance, insurance and property taxes typically price marginal income homebuyers out of the homeownership market. This has also contributed to the relatively high rate of renter households.

Although HUD defines affordable housing as housing costs that do not exceed 30% of the gross household income, lower income households tend to have higher cost burdens exceeding the 30% limit, and often exceeding 50% of the household income. The lower the household income, the less discretionary funds are available for food, clothing, healthcare, childcare, car expenses and the like. As the unemployment rates increase, manufacturing jobs disappear and health care expenses increase, lower income households supplement their incomes by taking advantage of government and nonprofit programs such as food banks, food stamps, Medicaid, the County Health Plan, free and reduced dental services, counseling services and other services. Nonprofit service providers have reported that as the economy worsens, they are serving higher income families that are not able to make ends meet. Consequently, the City continues to prioritize extremely low-income households but also supports very low-income and low-income housing programs because these income levels are also experiencing financial difficulties. If preventive services are not offered to very low and low-income households, then these households will soon be in danger of becoming homeless and their needs and costs will substantially multiply.



### ITEM 3. DESCRIBE THE BASIS FOR ASSIGNING THE PRIORITY GIVEN TO EACH CATEGORY OF PRIORITY NEEDS

Every housing category was given a high priority because the need far exceeded the ability for the City to fund the category. The City will continue to place the highest priority on rental housing for extremely low-income and very low-income rental housing. There is a lot of competition within the <30% AMI category for affordable units. As mentioned in section 91.205, there is an affordability gap of \$9,300 between what households in this category can afford and the Fair Market Rent as set forth by HUD. While this means that 40% of the market rate units are below FMR, many of those units are occupied by households in the 30% - 100% AMI range, which further squeezes the private market for extremely low-income and very low-income households. This means the 7,846 households at <30% AMI and 5,232 households at the 30%-50% AMI have few market rate housing options available to them unless they double and triple up with other households. The student population often fits this description. However, the City does not prioritize student housing as a high priority, because most self-reported low-income students are temporarily in poverty and have parents that are not low-income. The City supports University efforts to expand its housing stock to meet student needs.

### ITEM 4. IDENTIFY ANY OBSTACLES TO MEETING UNDERSERVED NEEDS

The greatest obstacle to providing affordable rental housing for these residents is the reluctance of landlords to accept Section 8 vouchers or lower their rents because of the availability of the University of Michigan student population that is willing to pay fair market rent or above for the convenience of living close to central campus. Furthermore, the housing located in the center of the city is old, has a high incidence of lead-based paint, and is in need of rehabilitation.

The City has commissioned the Fair Housing Center to conduct an “Analysis of Impediments to Fair Housing”. This analysis has not been completed, but following are some of the initial findings by the Fair Housing Center that will be reported in the study when it is completed in the summer of 2005:

1. Given the increase in diversity within the City of Ann Arbor, the City's use of Weblingo on the web site is good; the City should continue to identify ways to translate key documents into the most common non-English languages in the City.
2. The City should continue to work to make itself user-friendly to people with disabilities. Although some buildings are old, and others are new, whenever possible accommodations should be made to allow wheelchair users independent access to buildings and bathrooms; counters that allow wheelchair users to see administrative staff are critical. In addition, the City should be able to accommodate residents' (and potential residents') needs, for instance through ensuring the availability of TTY phone lines for the hearing-impaired, American Sign Language interpretation at public meetings if requested, through Braille or recorded tapes for people with visual impairments, and other accommodations. It should be easy for residents to access these services.

3. Zoning definitions that address the kind of facilities in which senior citizens and people with disabilities live should be reviewed and revised, as necessary, to ensure that: a) they are compatible with civil rights laws (including FHAA and the Elliott-Larsen Civil Rights Act), state law, and the Americans with Disabilities Act; and b) they are respectful of the populations served.

3. The City's family definition is problematic and needs to be revised. According to the Coalition to Preserve the Fair Housing Act, good family definitions treat both functional and traditional families equally, and do not set occupancy limitations. Rather, they use the building code to set occupancy limitations. According to the Local Officials Guide to Fair Housing, published by the Coalition to Preserve the Fair Housing Act and the National League of Cities, "a zoning ordinance may violate the FHA if it defines family units or maximum occupancy differently for related or unrelated people" (p. 6). The result is that this definition has prevented some disabled individuals from living together so that they can share household expenses and support people. Even though the individuals function as a family, they have been denied rental housing, even though a traditional family of the same size, as defined by the zoning ordinance, would have been eligible to rent to.

4. Staff and elected officials must work to ensure that the planning process is free of bias. The City must be able to apply these regulations fairly. The planning process should proceed without bias so that a planning commission would not approve majority White churches but deny a majority African-American church, or approve a private preparatory school but deny a private parochial school, unless there are defensible zoning reasons to do so.

5. Federal Fair Housing Act Accessibility Guidelines for new construction of multi-family dwellings should be made available from local building departments. In addition, while localities are not at this time responsible for enforcement, they should consider ways to make the law more clear to those going through the multi-family building process. We recommend that building department staff place warnings on permits and applications that state, "This project may be subject to building accessibility requirements set out by the federal Fair Housing Amendments Act of 1988." The US Department of Justice concurs, suggesting that incorporation of fair housing and ADA requirements into building codes would improve compliance with these laws.

6. The City of Ann Arbor should continue its work toward publicly accessible parks. The City should have as its goal the provision of access to all residents to parkland. Thus, if private parkland is part of a PUD or other planning process, access to the park by all residents should in some way be codified. Alternatively, governmental units should seek to acquire public parkland, preserving access for both current and future residents.

7. The City of Ann Arbor has done a good job with its housing policy and statement in the human services policy about protecting fair housing rights, and its local ordinance protecting housing discrimination based on source of income.

8. The City of Ann Arbor should investigate their banks' banking practices, and either choose banks based on their community-mindedness, or encourage their current bank to invest significantly in their community. Any investigation of a jurisdiction's banks should include their Community Reinvestment Act (CRA) record, but should not be limited to that alone. The City should not place its funds in any bank that has received less than a CRA rating of Satisfactory, and a rating of Outstanding is preferable.

## **Housing Market Analysis (91.210)**

\*Please also refer to the Housing Market Analysis Table in the Needs.xls workbook

1. Based on information available to the jurisdiction, describe the significant characteristics of the housing market in terms of supply, demand, condition, and the cost of housing; the housing stock available to serve persons with disabilities; and to serve persons with HIV/AIDS and their families.
2. Describe the number and targeting (income level and type of household served) of units currently assisted by local, state, or federally funded programs, and an assessment of whether any such units are expected to be lost from the assisted housing inventory for any reason, (i.e. expiration of Section 8 contracts).
3. Indicate how the characteristics of the housing market will influence the use of funds made available for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units. Please note, the goal of affordable housing is not met by beds in nursing homes.

3-5 Year Strategic Plan Housing Market Analysis responses:

### **ITEM 1. BASED ON INFORMATION AVAILABLE, DESCRIBE THE SIGNIFICANT CHARACTERISTICS OF THE HOUSING MARKET**

The Housing Market Analysis Table in the Needs workbook does not reflect the current housing market conditions in the City of Ann Arbor because it is 5 years old. Recent rental vacancy rates are reported to be approximately 10% as a result of the low mortgage interest rates of the past five years. Landlords have tried to recruit new tenants with one-month of free rent, but they have not reduced the monthly rent levels. The effect is that annual rent is less, but the reported monthly rents remain at high levels. Recent record low mortgage interest rates have led to many renters to become first time homebuyers. Landlords are maintaining their high rent rates in anticipation that this trend will taper off as mortgage interest rates increase. Furthermore, the rental vacancies in the City of Ann Arbor are in the Class A units which rent for more than twice what an extremely low-income or very low-income family can afford. The result is that even with a high vacancy in rental units, they are beyond the affordability of the targeted priority needs population. This is also true of potential homebuyers whose income level is at 80% AMI. According to the Ann Arbor Area Board of Realtors only 18 homes sold at less than

\$150,000 in 2004. Therefore, these households are moving out of the City to purchase their homes.

**ITEM 2. DESCRIBE THE NUMBER AND TARGETING OF UNITS CURRENTLY ASSISTED AND AN ASSESSMENT OF WHETHER SUCH UNITS ARE EXPECTED TO BE LOST FROM THE ASSISTED HOUSING INVENTORY**

In 2004, the City of Ann Arbor determined through records and interviews there are 3,610 units of affordable housing restricted to low-income residents within the City limits. Of those, 355 units or 10% are public housing units; 1,044 or 29% are private nonprofit housing units; 392 or 11% are owned by private for profit companies and 1,817 or 50% are limited-equity cooperatives. It is predicted that at least 55 of the private subsidized units will convert to market rate housing in the next five years. In addition, 338 Section 8 vouchers are being utilized in Ann Arbor. The Section 8 budget is threatened at the federal level, which directly impacts the number of vouchers utilized at the local level.

**ITEM 3. INDICATE HOW THE CHARACTERISTICS OF THE HOUSING MARKET WILL INFLUENCE THE USE OF FUNDS MADE AVAILABLE FOR RENTAL ASSISTANCE, PRODUCTION OF NEW UNITS, REHABILITATION AND ACQUISITION OF EXISTING UNITS**

Efforts to meet the gap in available affordable rental housing for the next five years are primarily directed at the extremely-low and very low-income categories. Avalon Housing, a nonprofit CHDO, began construction in 2004 of 30 permanent supportive rental units. City Council has approved and issued a Request for Proposals to replace the 100 single room occupancy units at the former Ann Arbor YMCA site on the corner of Fifth and William. Additionally, Michigan Ability Partners has approval to construct 10 new units of permanent supportive rental units in 2005. Other projects aimed at relieving the affordable housing gap are a proposed 120 unit rental property targeted at households from 30% - 80% AMI on Burton Road, continuation of the annual CDBG single family rehabilitation program and Homeownership Assistance. The Homeplace Community Land Trust (HCLT) has a contract to purchase student built housing units at cost from Washtenaw Community College and is also working with a private developer to include affordable units in a market-rate development.

The cost to acquire and rehabilitate small housing units of 12 or less units is often as expensive as new construction once the lead-based paint, relocation, code issues and other rehabilitation needs are included. Larger acquisition and rehabilitation projects can be more cost effective than new construction but it is difficult to compete with the private sector to acquire these properties in a timely manner. The remaining vacant land in the City is usually undesirable for new construction due to challenging site conditions. The City plans to assess the feasibility of converting city-owned properties to affordable housing. The Office of Community Development is working with other City departments to acquire property for housing.

The City is also exploring restarting the Rental Rehabilitation Program in combination with a tenant based rental assistance to house very low-income tenants in existing privately-owned vacant and/or substandard housing units.

## **Specific Housing Objectives (91.215 (b))**

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve over a specified time period.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.

3-5 Year Strategic Plan Specific Housing Objectives response:

### **ITEM 1. DESCRIBE THE PRIORITIES AND SPECIFIC OBJECTIVES THE JURISDICTION HOPES TO ACHIEVE OVER A SPECIFIED TIME PERIOD**

HIGH PRIORITY categories have been determined to have the greatest need in the City of Ann Arbor and will be funded during the next five year period. The estimated housing needs projected for the next five year period by category and assigned a HIGH PRIORITY for funding are:

#### **YEAR ONE: 182 ADDITIONAL OR PRESERVED AFFORDABLE HOUSING UNITS**

33 units in the <30% AMI Small Related/Individual Rental Category.

4 units in the <30% AMI Elderly Owner Category

3 units in the <30% AMI Small Related Owner Category

57 units in the 30-50% AMI Small Related/Individual Renter Category

48 units in the 30-50% AMI Large Related Renter Category

3 units in the 30-50% AMI Elderly Owner Category

5 units in the 30-50% AMI Small Related Owner Category

5 units in the 30-50% AMI Large Related Owner Category

12 units in the 50-80% AMI Small Related/Individual Renter Category

2 units in the 50%-80% AMI Elderly Owner Category

2 units in the 50-80% AMI Small Related Owner Category

8 units in the 50-80% AMI Large Related Owner Category

**YEAR TWO: 86 ADDITIONAL OR PRESERVED AFFORDABLE HOUSING UNITS**

30 units in the <30% AMI Small Related/Individual Renter Category

3 units in the <30% AMI Small Related Owner Category

4 units in the <30% AMI Elderly Owner Category

20 units in the 30-50% AMI Small Related/Individual Renter Category

3 units in the 30-50% AMI Small Related Owner Category

5 units in the 30-50% AMI Small Related Owner Category

5 units in the 30-50% AMI Small Related Owner Category

2 units in the 50%-80% AMI Elderly Owner Category

4 units in the 50-80% AMI Small Related Owner Category

10 units in the 50-80% AMI Large Related Owner Category

**YEAR THREE: 110 ADDITIONAL OR PRESERVED AFFORDABLE HOUSING UNITS**

30 units in the <30% AMI Small Related/Individual Renter Category

12 units in the <30% AMI Elderly Renter Category

3 units in the <30% AMI Small Related Owner Category

4 units in the <30% AMI Small Related Owner Category

20 units in the 30-50% AMI Small Related/Individual Renter Category

3 units in the 30-50% AMI Elderly Owner Category

5 units in the 30-50% AMI Small Related Owner Category

5 units in the 30-50% AMI Large Related Owner Category

2 units in the 50-80% AMI Elderly Renter Category

10 units in the 50-80% AMI Large Related Renter Category

2 units in the 50-80% AMI Elderly Owner Category

4 units in the 50-80% AMI Small Related Owner Category

10 units in the 50-80% AMI Large Related Owner Category

**YEAR FOUR: 156 ADDITIONAL OR PRESERVED AFFORDABLE HOUSING UNITS**

50 units in the <30% AMI Small Related/Individual Renter Category

20 units in the <30% AMI Large Related Renter Category

4 units in the <30% AMI Elderly Owner Category

3 units in the <30% AMI Small Related Owner Category

20 units in the 30-50% AMI Small Related/Individual Renter Category

20 units in the 30-50% AMI Large Related Renter Category

3 units in the 30-50% AMI Elderly Owner Category

5 units in the 30-50% AMI Small Related Owner Category

5 units in the 30-50% AMI Large Related Owner Category

10 units in the 50-80% AMI Large Related Renter Category

2 units in the 50-80% AMI Elderly Owner Category

4 units in the 50-80% AMI Small Related Owner Category

10 units in the 50-80% AMI Large Related Owner Category

**YEAR FIVE: 180 ADDITIONAL OR PRESERVED AFFORDABLE HOUSING UNITS**



50 units in the <30% AMI Small Related/Individual Renter Category

20 units in the <30% AMI Large Related Renter Category

12 units in the <30% AMI Elderly Renter Category

4 units in the <30% AMI Elderly Owner Category

3 units in the <30% AMI Small Related Owner Category

20 units in the 30-50% AMI Small Related/Individual Renter Category

20 units in the 30-50% AMI Large Related Renter Category

10 units in the 30-50% AMI Elderly Renter Category

3 units in the 30-50% AMI Elderly Owner Category

5 units in the 30-50% AMI Small Related Owner Category

5 units in the 30-50% AMI Large Related Owner Category

10 units in the 50-80% AMI Large Related Rental Category

2 units in the 50-80% AMI Elderly Rental Category

2 units in the 50-80% AMI Elderly Owner Category

4 units in the 50-80% AMI Small Related Owner

10 units in the 50-80% AMI Large Related Owner Category

LOW PRIORITY categories are those needs that exist but are either not significant or will not be funded. Given the current affordable housing gap in the City of Ann Arbor there are no LOW PRIORITY categories at this time.

**ITEM 2. DESCRIBE HOW FEDERAL, STATE AND LOCAL PUBLIC SECTOR RESOURCES WILL BE USED TO ADDRESS IDENTIFIED NEEDS**

The Office of Community Development (OCD) administers and monitors the Community Development Block Grant (CDBG), the HOME Program, the Affordable Housing Trust Fund and City General Fund Human Services allocations. The OCD coordinates funding decisions with the County, MSHDA, LISC, FHLB, the Ann Arbor DDA and other funders of affordable rental housing. The City is establishing relationships with Fannie Mae and local banks for homeownership housing. OCD staff attend HUD, MSHDA,



MCDDA, and CEDAM trainings to network with other funders, learn about new products and programs and learn about resources to address the identified needs.

The OCD will maintain regular contact with area services providers and citizen groups through participation in various task forces, and by providing staff assistance to the Community Development Executive Committee, the Waiver and Review Board and the Housing Policy Board. The City will also continue its cooperation with Washtenaw County, The Ann Arbor Downtown Development Authority, the Ann Arbor Area Community Foundation, Washtenaw United Way, the Washtenaw Housing Alliance and other local entities in addressing housing and human service funding needs. This includes participation on the local Continuum of Care Board, the Blueprint on Aging Services Partnership, the Blueprint to End Homelessness, Eviction Reduction Coalition, the Funders Collaborative, Lead Task Force, Interagency Coordination Meeting, City Planning ACT meetings, Michigan Housing Rehabilitation Specialists Network, Poverty Task Force, Shelter Neighborhood Advisory Committee, Tax and Mortgage Foreclosure Prevention Committee, Washtenaw County Human Services Collaborative Council, and the Washtenaw Homeownership Education Partners Committee.

## **Needs of Public Housing (91.210 (b))**

In cooperation with the public housing agency or agencies located within its boundaries, describe the needs of public housing, including the number of public housing units in the jurisdiction, the physical condition of such units, the restoration and revitalization needs of public housing projects within the jurisdiction, and other factors, including the number of families on public housing and tenant-based waiting lists and results from the Section 504 needs assessment of public housing projects located within its boundaries (i.e. assessment of needs of tenants and applicants on waiting list for accessible units as required by 24 CFR 8.25). The public housing agency and jurisdiction can use the optional Priority Public Housing Needs Table (formerly Table 4) of the Consolidated Plan to identify priority public housing needs to assist in this process.

3-5 Year Strategic Plan Needs of Public Housing response:

### **ITEM 1. DESCRIBE THE NEEDS OF PUBLIC HOUSING INCLUDING THE NUMBER OF PUBLIC HOUSING UNITS, AND PUBLIC HOUSING PROJECTS**

The mission of the Ann Arbor Housing Commission is to provide desirable, affordable housing by building cohesive residential communities, creating an atmosphere of pride and developing an environment that fosters responsibility and accountability while cultivating a partnership between the Commission staff, residents, the Board and the community.

The Ann Arbor Housing Commission (AAHC) serves overwhelmingly the extremely low-income population of the jurisdiction, more than meeting the HUD income targets of

40% in public housing, and 75% in Section 8. However, given the scattered site nature of public housing in Ann Arbor, with no family site exceeding thirty units, deconcentration of poverty is de facto. To more adequately promote income mixing however, it has established a working preference to reach more families in the 30-50% AMI. Waitlists for Public Housing indicate a strong demand from families with disabilities (50% of waitlist); in Section 8, the greatest need is families with children (80% of waitlist). The Commission actively works with nonprofit agencies who advocate for persons with disabilities (Community Support and Treatment Services, Ann Arbor Center for Independent Living, HARC, ACA and others). The AAHC has received two Section 8 special funding awards in the 1998/99; 100 Vouchers/certificates for the disabled; and 250 vouchers under the Welfare to Work initiative. Currently the Section 8 waitlist is closed except for Welfare to Work referrals from the local FIA/TANF agency.

The Ann Arbor Housing Commission has 355 occupiable units with 5 apartments approved by HUD for Resident Self-Sufficiency and Resource Centers. The Housing Commission passed the first preliminary PHAS Physical Inspection in May, 1999. Annually the Commission submits a Comprehensive Grant Program (CGP) annual and five-year plan and the annual funding for modernization and management improvements is approximately \$538,000. The Commission has no severely distressed units or site, and has no plans for demolition, disposition, or conversion. The Commission has Section 504 modified units at 6 public housing sites, primarily in one-bedroom units. However, it developed two of 17 units under its last development grant as Section 504 modified three-bedroom units. Additionally, with the use of CGP funding it created 2 two-bedroom modified units from 3 one-bedroom units. In total there are 2 three-bedroom modified units, 2 two-bedroom modified units; and 12 one-bedroom modified units for accessibility. Several other one-bedroom units have modifications for hearing or sight impaired residents. All these units are occupied by residents needing the accommodation. The Commission is planning to modify all resource centers for accessibility; three are currently accessible, and two more sites are included in the 5-year plan for modification as CGP funding is available.

## **Public Housing Strategy (91.210)**

1. Describe the public housing agency's strategy to serve the needs of extremely low-income, low-income, and moderate-income families residing in the jurisdiction served by the public housing agency (including families on the public housing and section 8 tenant-based waiting list), the public housing agency's strategy for addressing the revitalization and restoration needs of public housing projects within the jurisdiction and improving the management and operation of such public housing, and the public housing agency's strategy for improving the living environment of extremely low-income, low-income, and moderate families residing in public housing.

2. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake to encourage public housing residents to become more involved in management and participate in homeownership. (NAHA Sec. 105 (b)(11) and (91.215 (k))
3. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation. (NAHA Sec. 105 (g))

3-5 Year Strategic Plan Public Housing Strategy response:

#### ITEM 1. DESCRIBE THE PUBLIC HOUSING AGENCY'S STRATEGY

In March, 2000, the Ann Arbor Housing Commission completed its five Year Comprehensive Plan, with consultation from various City departments, residents and the public, which outlines needs and resources to address these various needs. Substantial amounts have been spent on rehabilitation/modernization of units in the past but because of ongoing needs, updating and intense use of many of the units, amounts continue to be projected for future use. The Housing Commission Plan identifies needed physical improvements and management improvements at each of its building locations.

As of January, 2005, the Public Housing waiting list has 712 families, and 19 uncommitted vacant units. The Housing Commission administers 1,304 Section 8 vouchers and certificates for area residents. This includes recent additions for Welfare to Work recipients as well as certificates for those with disabilities. In light of these certificates, the Commissions maintains a Section 8 waiting list of 508 families, of which 353 or 69% have incomes less than 30% of area median. Both these total reflect the continuing need for affordable housing within the community.

#### ITEM 2. DESCRIBE THE MANNER IN WHICH THE PUBLIC HOUSING PLAN WILL HELP ADDRESS THE NEEDS OF PUBLIC HOUSING AND ACTIVITIES IT WILL UNDERTAKE TO ENCOURAGE PUBLIC HOUSING RESIDENTS TO BECOME MORE INVOLVED IN MANAGEMENT

The Ann Arbor Housing Commission expends approximately \$550,000 per year and projects \$584,000 over the next five year capital improvements/modernization. This information is detailed in the Housing Commission's Five Year Plan. The AAHC has two resident organizations that have received HUD funding grants under the Tenant Opportunities Program (TOP). The Miller Manor Resident Organization has received funding for various business initiatives as well as local foundation support to cover start-up costs. CIRCLE (Community Impact for Resident Leadership and Education) the resident organization at North Maple Estates has also received a grant for Welfare to Work efforts. Unity Resident Management Corporation, a public housing resident group, expects to continue to apply for funding for Resident Initiative Programs to expand

business development programs. The Housing Commission expects to take no action to reduce the inventory of public housing by converting units to homeownership.

**ITEM 3. IF THE PUBLIC HOUSING AGENCY IS DESIGNATED AS "TROUBLED" BY HUD, DESCRIBE THE MANNER IN WHICH IT WILL PROVIDE FINANCIAL OR OTHER ASSISTANCE IN IMPROVING ITS OPERATIONS**

This item is not applicable to the Ann Arbor Housing Commission.

**Barriers to Affordable Housing (91.210 (e) and 91.215 (f))**

1. Explain whether the cost of housing or the incentives to develop, maintain, or improve affordable housing are affected by public policies, particularly those of the local jurisdiction. Such policies include tax policy affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment.
2. Describe the strategy to remove or ameliorate negative effects of public policies that serve as barriers to affordable housing, except that, if a State requires a unit of general local government to submit a regulatory barrier assessment that is substantially equivalent to the information required under this part, as determined by HUD, the unit of general local government may submit that assessment to HUD and it shall be considered to have complied with this requirement.

3-5 Year Strategic Plan Barriers to Affordable Housing response:

**ITEM 1. EXPLAIN WHETHER THE COST OF HOUSING OR INCENTIVES TO DEVELOP, MAINTAIN OR IMPROVE AFFORDABLE HOUSING ARE AFFECTED BY PUBLIC POLICIES**

**ANTI-DISCRIMINATION:** The City of Ann Arbor has adopted a Human Rights Non-Discrimination Ordinance that prohibits landlords from discriminating against, among other things, a person's source of income. The City Attorney has ruled that the ordinance covers discrimination by landlords against Section 8 voucher holders. A HUD study ("Targeting Housing Production Subsidies", December 2003) found that local non-discrimination ordinances significantly improve outcomes for voucher holders-- that "voucher enrollees in jurisdictions with laws that bar discrimination based on source of income ... were found to have a significantly higher probability of success" in obtaining decent housing. This study is consistent with a March 2003 report from the City's Housing Policy Board that endorsed more active enforcement of the ordinance by the City's Human Rights Department in conjunction with the exploration of landlord outreach, education, and incentive programs. A local landlord has argued that the ordinance actually discourages landlords from accepting

section 8's-- and has asked the City to repeal or modify the ordinance. The Washtenaw Housing Alliance is working with this landlord and others to see if any local program changes could increase voucher holders' access to private housing stock in the community.

**ACCESSORY DWELLING UNITS:** One vehicle to help provide additional affordable housing is to allow single family homeowners to rent accessory dwelling units. The City of Ann Arbor zoning ordinance prohibits the use of these accessory dwelling units. The Housing Policy Board recommended that Council adopt an amendment to the zoning code to allow for accessory dwelling units. Neighborhood opposition led to City Council rejecting the proposed amendment.

**GREENBELT MILLAGE AND DENSITY:** In 2003, City residents voted for a parks acquisition and purchase of development rights millage to preserve the undeveloped land in and around the City. As this land is acquired there will be pressure to increase residential density and the ramifications for the cost of current rental and ownership housing within this "green belt" are unknown. The Downtown Development Housing Task Force has recommended adding 1,000 additional housing units in the next decade. Additionally, current zoning and land use ordinances do not allow for higher density development unless the developer applies for a Planned Unit Development (PUD). This restricts the number of units that can be built unless a PUD is granted and leads to developers building larger and more expensive units to ensure a return on their investment.

**UTILITIES:** In 2003, the City amended the water and sewer ordinances increasing tap in fees to over \$15,000, which added another financial burden to affordable housing developers. The City is also under a federal order to disconnect all of the storm water footing drains from sewer drains costing between \$5,000 and \$10,000 per disconnect. The Community Development Unit is working with the City's Public Services Area and Planning and Development Services Unit to coordinate the City's footing drain disconnect program to offset the cost for affordable housing units.

**PROPERTY TAXES:** Taxes for Ann Arbor residents are also a barrier to affordable housing. The City has attempted to offer relief from the tax burden by adopting affordable housing covenants in perpetuity which prevents an affordable housing unit from being sold at fair market value. Consequently, the taxable value is based on the restricted sales price instead of the market value. The City has also adopted a Payment in Lieu of Taxes (PILOT) ordinance to decrease the tax burden for rental property. The PILOT program is available to owners of rental housing where the income of the tenants are 50% AMI or less and for senior housing. In addition, the City has offered Brownfield Redevelopment Tax Increment Financing and Downtown Development Authority Tax Increment Financing for developments with affordable housing included.

**RENTAL REHABILITATION:** The Office of Community Development previously administered a successful rental rehabilitation program. This program provided incentives for private landlords to maintain and rehabilitate their properties and rent them to low-

income households. Landlords were required to accept tenants with Section 8 certificates, which were primarily extremely low-income households. Without this program, landlords were not collecting enough rent from low-income households to build up a replacement reserve fund to rehabilitate their units. Consequently, the units either went into disrepair or the landlord converted the units to market rate units after spending their own funds to rehabilitate them. This program was previously funded under HUD's Rental Rehabilitation program which was discontinued when the HOME program was created. The Rental Rehabilitation program can be revitalized under the HOME program with public support. In addition, the program can be coupled with a Tenant Bases Rental Assistance Program, in addition to Section 8, so that landlords can rent to extremely low-income tenants.

**DOWN PAYMENT ASSISTANCE:** The Office of Community Development administers a Homeownership program to provide down payment and closing cost assistance to first time homebuyers. This program provides an incentive for low-income renters to become homeowners in the City of Ann Arbor. Without this incentive, many of these households would not be able to afford to purchase in Ann Arbor and would purchase homes outside the City limits, where housing is more affordable.

## **ITEM 2. DESCRIBE THE STRATEGY TO REMOVE OR AMELIORATE NEGATIVE EFFECTS OF PUBLIC POLICIES**

The City of Ann Arbor's Planned Unit Development (PUD) ordinance had required residential developments to include 20% of the residential units, affordable to households at 80% AMI, if the proposed density is higher than the existing zoning allows. The PUD had not been frequently requested and the City formed a committee to analyze the impact of the PUD ordinance on both market rate and affordable housing developments. Based on the recommendations of this committee, City Council recently amended the ordinance to allow developers to pay a fee in lieu of affordable units based on the financial feasibility of the project, and reduced the required affordable units to 10% or 15% depending on the relative increase in density.

The Planning and Development Department along with the Citizens Planning Commission are studying existing zoning regulations to accommodate greater density within the City limits and exploring more cost effective infrastructure strategies. In addition, the Planning and Development Department is working with developers to analyze City policies and their impact on housing development. The goal is to develop a best practices model.

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## **HOMELESS**

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## Homeless Needs (91.205 (b) and 91.215 (c))

\*Please also refer to the Homeless Needs Table in the Needs.xls workbook

Homeless Needs— The jurisdiction must provide a concise summary of the nature and extent of homelessness in the jurisdiction, (including rural homelessness where applicable), addressing separately the need for facilities and services for homeless persons and homeless families with children, both sheltered and unsheltered, and homeless subpopulations, in accordance with Table 1A. The summary must include the characteristics and needs of low-income individuals and children, (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered. In addition, to the extent information is available, the plan must include a description of the nature and extent of homelessness by racial and ethnic group. A quantitative analysis is not required. If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates.

3-5 Year Strategic Plan Homeless Needs response:

### ITEM 1. JURISDICTION MUST PROVIDE A CONCISE SUMMARY OF THE NATURE AND EXTENT OF HOMELESSNESS INCLUDING CHARACTERISTICS AND NEEDS AND METHODOLOGY

The Washtenaw County/City of Ann Arbor Continuum of Care 2004 Planning Process conducted a Point-in-Time (PIT) count in March, 2004 and 2005 using surveys and interviews to gather data about the extent of homelessness in the community. In addition the Washtenaw Housing Alliance (WHA) in conjunction with member organizations and service providers conducted 334 in-depth interviews with individuals who were homeless. 664 persons were counted on the night of March 18, 2004. This included 527 adults, 110 children, and 27 unaccompanied youth. Of those counted, 457 agreed to participate in a brief survey.

The Priority Needs of the community are predicated on the responses to these two surveys.

#### I. CHARACTERISTICS OF HOMELESS INDIVIDUALS

- 61% of the homeless are male
- 43% are African-American
- Average age is 40 years old
- 12% (54) of adults who are homeless have children with them
- Overall, 26% of the persons who were homeless are families with children
- 39% sleep in emergency shelters
- 50% or half of those interviewed report it was their first time experiencing homeless in the last three years

- 20% (86 of those interviewed) have been homeless four or more times in the last three years
- 33% are employed, either part or full time
- Chronic substance abuse and mental illness are common challenges of those individuals who are homeless with 44% of those interviewed reporting substance abuse and 42% reporting mental illness

Length of current homelessness:

- 54% of those interviewed were homeless for three months or less
- 82% were homeless for a year or less
- 8% were homeless for two or more years
- 136 or 41% were homeless for the first time.

Of those who were homeless for the first time:

- 52% were homeless for three months or less
- Another 30% were homeless for less than a year
- Another 18% were homeless for more than one year.

Employment:

The WHA survey data closely matched the Point-in-Time survey data with 34% (or 115 people) reporting they were employed.

- 52% of the employed worked full time
- 56% of the employed earned \$200 or less a week
- Another 143 were seeking employment

Education:

- 121 individuals comprising 36% of those surveyed had less than a High School education
- 28% had a High School diploma or GED
- 24% had some college education
- 10% attended a Technical school or graduated college

Medical care:

- 337 individuals (71%) were able to see a doctor when they were sick, while 15% were not able to see a doctor
- 78 individuals (23%) saw a dentist

Main form of transportation:

- 210 individuals (63%) of individuals use public transit as their main form of transportation
- 32 (10%) walk or bike
- 74 (21%) use their own or a family or friend's vehicle

Reasons for homelessness:

- Unemployment (38%)
- Unable to pay rent/mortgage (40%)



- Argument with family/friends (35%)
- Alcohol/drug abuse (33%)
- Family/domestic violence (18%)
- Physical or mental disabilities (17%)
- Released from hospital, jail/prison, or foster care (16%)

Barriers to stable housing:

- Budgeting/planning my expenses (45%)
- Keeping a job (44%)
- Family problems (36%)
- Staying clean or sober (30%)
- Getting to work (26%)

## II. CHARACTERISTICS OF HOMELESS FAMILIES

The following information is based on a sample size of 55 from the WHA in-depth survey.\*

- Families who are homeless are made up largely of women with children (82%, 45 women)
- 56% are experiencing homelessness for the first time
- 56% are African-American
- 62% are between the ages of 22 and 40
- 40% report domestic violence as a reason for homelessness
- 71% have been turned down for housing

Employment and transportation:

- 60% have a job compared to 34% of single individuals who are homeless
- Transportation (45%), lack of needed skills (33%) and caring for children (31%) are barriers of getting/keeping a job for these families
- 38% use their own car as primary form of transportation and 38% (compared to 68% of single individuals) rely on public transportation as their primary form of transportation

Use of services:

- Families who are homeless are more likely than single individuals to use the following services: case management (73% vs. 61%), transitional housing (36% vs. 15%), and food stamps (58% vs. 28%). Single individuals are more likely to use emergency shelter (48% vs. 33%), mental health care (30% vs. 13%), and food (54% vs. 25%).
- Families are less likely to receive mental/emotional treatment (18% vs. 47%) and substance abuse treatment (16% vs. 43%) than single individuals who are homeless. However, 49% of families (heads of households) feel or have been told they need mental/emotional treatment.

\* Data on families was collected from an adult in the family and data reported here refers to that adult when looking at job status, mental health care, etc.

### III. GENDER DIFFERENCES BETWEEN HOMELESS INDIVIDUALS

Below are some of the differences between men and women who are homeless.

Barriers to stable housing:

- Men: Keeping a job (49%), Budgeting/planning my expenses (39%), and Staying clean and sober (36%)
- Women: Budgeting/planning my expenses (49%), Family problems (43%) and Keeping a job (40%)

Work status:

- Women who are homeless are more likely to have jobs than men who are homeless (44% vs. 23%)
- Men are more likely to report disability or illness (combined 46%) as reasons for being unable to work than women (18%)
- Women are more likely to report having been turned down for housing than men (60% vs. 38%)

### IV. PEOPLE WHO ARE HOMELESS FOR THE FIRST TIME

Below are some of the differences between people who are homeless for the first time and persons who have been homeless multiple times

- Women are more likely to be homeless for the first time than men (63% vs. 45%)
- 42% of individuals who are experiencing homelessness for the first time are employed (compared to 29% of individuals who have experienced homelessness multiple times)
- Persons who have been homeless multiple times appear to have more physical challenges: 21% report physical/mental disabilities (vs. 13%) and 12% report physical illness (vs. 7%) as a reason for homelessness; 26% (compared to 13%) report disability as a reason they are unable to work
- Individuals who are experiencing homelessness for the first time have more education; 45% have attended or graduated from college or technical school compared to 30% of those who have experienced homelessness multiple times

### V. PERSONS WITH A CO-OCCURRING DISORDER

Using data from the Point-In-Time Count, a group of 100 survey respondents were identified who indicated they experienced both mental illness and chronic substance abuse (loosely defining co-occurring disorder). In looking at the responses to survey questions for this group, the following differences stood out. People with both mental illness and chronic substance abuse:

- 32% have been homeless for two or more years (compared to 21% overall)

- 47% report they are unable to work (compared to 30% overall)
- 83% report alcohol/drug abuse was a primary reason for becoming homeless, and 33% report physical/mental disabilities were a primary reason (compared to 41% and 33% of all the respondents)

## Priority Homeless Needs

1. Using the results of the Continuum of Care planning process, identify the jurisdiction's homeless and homeless prevention priorities specified in Table 1A, the Homeless and Special Needs Populations Chart. The description of the jurisdiction's choice of priority needs and allocation priorities must be based on reliable data meeting HUD standards and should reflect the required consultation with homeless assistance providers, homeless persons, and other concerned citizens regarding the needs of homeless families with children and individuals. The jurisdiction must provide an analysis of how the needs of each category of residents provided the basis for determining the relative priority of each priority homeless need category. A separate brief narrative should be directed to addressing gaps in services and housing for the sheltered and unsheltered chronic homeless.
2. A community should give a high priority to chronically homeless persons, where the jurisdiction identifies sheltered and unsheltered chronic homeless persons in its Homeless Needs Table - Homeless Populations and Subpopulations.

3-5 Year Strategic Plan Priority Homeless Needs response:

### ITEM 1. USING THE RESULTS OF THE CONTINUUM OF CARE PLANNING PROCESS, IDENTIFY THE JURISDICTION'S HOMELESS AND HOMELESS PREVENTION PRIORITIES

In 2005-06, the City will complete and/or assist with the following main projects/processes to help implement the Continuum of Care strategy for homeless services:

- Work with Washtenaw County and area homeless providers to implement the Homeless Management Information System (HMIS);
- Coordinate a point-in-time count of the Homeless;
- Complete MSHDA and HUD applications for SHP, ESG, and SPC funding;
- Provide technical assistance to agencies in completing their funding applications;
- Fund "enhanced management services" for tenants of Avalon Housing, Ann Arbor Housing Commission, Washtenaw Affordable Housing Corporation, Community Housing Alternatives and Michigan Ability Partners for Permanent Supportive Housing; and
- Fund the Project Outreach Team (PORT), a street outreach program staffed by Community Support and Treatment Services and community psychiatrists from the University of Michigan Department of Psychiatry. PORT specifically targets chronically homeless individuals who are on the street, living in tent communities in remote park areas, under bridges, in parking structures, etc., and works closely with the shelter, psychiatric emergency services and the CSTS ACCESS (intake and assessment) system.

- Work as an action group under the Human Services Collaborative Council to integrate the Continuum of Care administration, decision-making, planning, and evaluation of the homeless services in Washtenaw County.
- Work with the Washtenaw Housing Alliance to implement the County Blueprint to End Homelessness.
- Work with the County and several homeless service providers to implement a homelessness tracking system, Service Point, in order to provide better statistics related to homelessness and coordinate the delivery of services to this population.

## **Homeless Inventory (91.210 (c))**

The jurisdiction shall provide a concise summary of the existing facilities and services (including a brief inventory) that assist homeless persons and families with children and subpopulations identified in Table 1A. These include outreach and assessment, emergency shelters and services, transitional housing, permanent supportive housing, access to permanent housing, and activities to prevent low-income individuals and families with children (especially extremely low-income) from becoming homeless. The jurisdiction can use the optional Continuum of Care Housing Activity Chart and Service Activity Chart to meet this requirement.

3-5 Year Strategic Plan Homeless Inventory response:

### **ITEM 1. SUMMARY OF EXISTING FACILITIES**

#### **EMERGENCY SHELTER**

- 35 Family Units: Safehouse Center 13, Alpha House 6, Prospect Place 6, Staples Family Center 10
- 108 Family Beds: Safehouse Center 35, Alpha House 24, Prospect Place 24, Staples Family Center 25
- 84 Individual Beds: Safehouse Center 14, YMCA 4, Ozone House 6, Staples Family Center 10, Delonis Center 50

#### **TRANSITIONAL HOUSING**

- 26 Family Units: Father Patrick Jackson House 5, Home of New Vision 5, SOS Transitional Housing 16
- 89 Family Beds: Father Patrick Jackson House 10, Home of New Vision 15, SOS Transitional Housing 64
- 67 Individual Beds: Dawn Farm 13, Home of New Vision 31, Light House, Inc. 8, MAP Cross Street 6, Ozone House 7, YMCA 2

#### **PERMANENT SUPPORTIVE HOUSING**

- 480 Units: Ann Arbor Housing Commission 237, WAHC 83, MAP 8, CHA 10, Avalon 143 units

## Homeless Strategic Plan (91.215 (c))

1. Homelessness— Describe the jurisdiction's strategy for developing a system to address homelessness and the priority needs of homeless persons and families (including the subpopulations identified in the needs section). The jurisdiction's strategy must consider the housing and supportive services needed in each stage of the process which includes preventing homelessness, outreach/assessment, emergency shelters and services, transitional housing, and helping homeless persons (especially any persons that are chronically homeless) make the transition to permanent housing and independent living. The jurisdiction must also describe its strategy for helping extremely low- and low-income individuals and families who are at imminent risk of becoming homeless.
2. Chronic homelessness—Describe the jurisdiction's strategy for eliminating chronic homelessness by 2012. This should include the strategy for helping homeless persons make the transition to permanent housing and independent living. This strategy should, to the maximum extent feasible, be coordinated with the strategy presented Exhibit 1 of the Continuum of Care (CoC) application and any other strategy or plan to eliminate chronic homelessness. Also describe, in a narrative, relationships and efforts to coordinate the Conplan, CoC, and any other strategy or plan to address chronic homelessness.
3. Homelessness Prevention—Describe the jurisdiction's strategy to help prevent homelessness for individuals and families with children who are at imminent risk of becoming homeless.
4. Institutional Structure—Briefly describe the institutional structure, including private industry, non-profit organizations, and public institutions, through which the jurisdiction will carry out its homelessness strategy.
5. Discharge Coordination Policy—Every jurisdiction receiving McKinney-Vento Homeless Assistance Act Emergency Shelter Grant (ESG), Supportive Housing, Shelter Plus Care, or Section 8 SRO Program funds must develop and implement a Discharge Coordination Policy, to the maximum extent practicable. Such a policy should include “policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons.” The jurisdiction should describe its planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how the community will move toward such a policy.

3-5 Year Homeless Strategic Plan response:

(NOTE: THESE STRATEGIES ARE RECOMMENDED BY THE BLUEPRINT TO END HOMELESSNESS)

ITEMS 1, 2, 3. DESCRIBE THE JURISDICTION'S STRATEGY FOR DEVELOPING A SYSTEM TO ADDRESS HOMELESSNESS/CHRONIC HOMELESSNESS/HOMELESSNESS PREVENTION AND PRIORITY NEEDS OF HOMELESS PERSON AND FAMILIES. STRATEGY MUST CONSIDER THE HOUSING AND SUPPORTIVE SERVICES NEEDED IN EACH STAGE

1. Keep people housed through the use of centralized housing services and prevention of eviction and foreclosure.
  - a. Centralized Intake: Provide 24 hour/7 day housing crisis phone service, intake and assessment for families and individuals.
  - b. Crisis Intervention/Response: Offer a centralized gateway to multiple services including financial assistance, transportation, information, linkages to other services, including emergency shelters, legal services, etc. While this gateway is centralized, there will be multiple access points to centralized resources, regardless of where a person enters the system. (Note that all referrals would offer direct links providers or services, not general referrals.)
  - c. Emergency Shelter Access: Referral and transportation to meet emergency shelter needs based on confirmed access/availability.
  - d. Mobile Response and Outreach Teams: Crisis response and outreach teams will work to engage those who are homeless in services and shelter and respond to housing crises in the community in order to prevent homelessness. Those at risk of homelessness need access to on-going comprehensive case management and/or support services. These service teams will assess needs, advocate to landlords as needed, act as advocates with other service providers, and create plans with consumers to keep them housed or get them housed.
  - e. Special Populations: Ongoing case management and service delivery for homeless youth and domestic violence survivors will remain independent to keep specialization and follow best practices for those populations. Services for aging population, in terms of best practices, will be examined as well.
2. Increase the stock of permanently affordable supportive housing.
  - a. Develop and coordinate a private housing pool through strong partnerships with selected landlords using existing rental units. Provide these units access to guaranteed levels of service supports including the availability of a 24-hour crisis intervention. Provide support in establishing creative and accommodating relationships and contracts between landlords and tenants.
  - b. Host regular sessions for landlords and property managers for problem solving, informational sessions, and training on relevant issues including participation requirements of the Section 8 program.
  - c. Increase the number of Section 8 vouchers or similar housing subsidies available in Washtenaw County.
  - d. Recruit landlords to supplement Section 8 vouchers units with community-donated units to multiply the impact of federal dollars with local community private sector support.
  - e. Identify strategies with property owners to ensure that this housing remains affordable and available over time.

- f. Protect existing low-income housing options.
- g. Create more tenant-based and site-based low-income housing options.
- d. Work with the Ann Arbor Housing Commission to help reduce evictions and develop supportive relationships with tenants.
  - e. Secure additional Section 8 vouchers. Promote utilization of Section 8 vouchers by private landlords, investigate legislation requiring landlords to accept housing subsidies, and monitor discrimination around Section 8 vouchers.
  - f. Develop low-income housing options for people who can't access public housing (e.g., previously convicted felons, persons with poor credit history) and lobby/work with local and federal entities to examine exclusions and rigidity of their regulations.
  - g. Find ways to move beyond one-time eviction prevention payments to providing time limited housing subsidies until families become financially stable
  - h. Establish a centralized affordable / supportive housing database and housing resource coordinator(s).

3. Secure reliable funding sources for supportive services.

- a. Secure a locally supported and controlled funding stream for supportive service dollars.
- b. Conduct a vigorous community education campaign to communicate the need, the resources currently available, outcomes achieved and outcomes desired.
- c. Build on the Community Engagement and Education sessions from summer 2004.
- d. Focus on community, provider and consumer accountability. Build a sense of community potential by sharing successes of our community and other communities.

4. Meet the needs for housing and treatment for persons with drug and alcohol addiction and co-occurring disorders.

- a. Increase the number of detox beds to ensure detox treatment upon request.
- b. Coordinate the increase in detox beds with an increase in dry and clean transitional housing beds and access to needed treatment services for persons in recovery who can benefit from living in a supportive recovering community.
- c. Increase access to a full range of services for people with co-occurring disorders.
- d. Provide an adequate supply of housing and supportive services for individuals resistant to treatment, including:
  - (1) Access to treatment as desired
  - (2) Medical services
  - (3) Psychiatric support
  - (4) Immediate detox access
- e. Identify sheltering options for people for whom housing cannot be secured or for those who are not willing to move to housing.
- f. Provide immediate access to detox treatment. Until permanent housing stock increases, PORT and Shelter staff foresees a need for additional emergency shelter beds for people with addictions and co-occurring disorders.
- g. Assess need for increased outreach services (PORT) as increased detox services and transitional housing or permanent supportive housing become available.

5. Ensure adequate services for families and youth who are homeless.



a. Ensure adequate supply of 2-4 bedroom units in permanent supportive housing projects to match demographics of families in mixed income, scattered sites. Ensure that child-friendly environments are available in these units and that larger units of permanent supportive housing are in family friendly neighborhoods: safe, near public transit, child care and schools.

b. Develop an adequate supply of family emergency shelter units. Based on current utilization rates in comparison with our annualized estimate of families who are homeless, we can estimate a need for additional family shelter units. Shelter units must provide intense, short-term assessment and emergency support.

c. Ensure that providers of supportive housing services are familiar with community resources for families: parenting education, money management, childcare, nutrition, job training, job placement, and job retention. Ensure those needed community resources for families remain intact.

d. Ensure enhanced childcare supports (e.g. subsidies, therapeutic childcare) are available to help address the psychological trauma of poverty and homelessness. Childcare services must be available outside of regular business hours as many low-income families work evenings, nights and weekends. Access to after school programs is also essential to ensure academic and developmental success.

e. Secure affordable counseling services for families and youth who are homeless or at risk, with a focus on trauma, depression and affective disorders.

f. Engage volunteer groups to expand the network of supports for families in permanent housing.

g. Develop strong, active partnerships with public sector employment programs and private sector employers to link at-risk adults with needed skills, work supports such as childcare and transportation and jobs to help families break the cycle of poverty.

h. Advocate for changes in public assistance programs in order to reduce the numbers of families and children living in poverty.

## 6. Expand options for education and employment.

a. Improve flexibility in services and access to basic services. Seek more flexibility in existing job training services to meet the needs of people who are homeless. The co-location of the Michigan Works staff at the Delonis Shelter offers limited services which need to be enhanced in order to meet the employment support needs of homeless persons. Securing funding will help provide these basic services.

b. Increase employment opportunities through partnerships between the non-profit and the private sector to increase available job opportunities (perhaps through supported employment, subsidized wages, and/or internships/apprenticeships/etc). Ensure support for the whole continuum of employment needs.

c. Increased access to supportive services such as childcare:

(1) Expand availability of before and after school childcare, as well as childcare services for working adults who are homeless or near homeless

(2) Provide In-shelter childcare for working parents – possibly through expanded partnerships with other non-profits (faith-based agencies, community childcare, and/or expanded Head Start sites)

d. Increase availability of educational opportunities with a focus on industry specific, vocational, and/or technical job training.



e. Develop jobs through non-profit enterprises. The pending Culinary Program through Food Gatherers and the potential to work at the Delonis Center is an excellent example of nonprofit employment opportunities.

f. Establish a more flexible definition of work. Many people who are homeless have disabilities that may preclude maintaining a traditional job in the private sector. There are many work opportunities to help people achieve of self-sufficiency and contribute to the community.

7. Ensure quality and accountability in services and improve outcomes.

a. Develop and maintain a countywide HMIS system that includes:

(1) Continuous and accurate information on people being served by homeless assistance programs

(2) Readily available and easily accessible outcomes and evaluation information on an individual basis and an aggregate basis.

(3) Quality assurance measures

(4) HUD and/or HIPAA compliance

(5) Data integrity monitoring

(6) Information sharing according to the Social Work Code of Ethics

(7) Single point of data entry

b. Meet the projected timeline for additional agency involvement as outlined in the HMIS development plan for 04-05.

c. Critical customer requirements for HMIS have been identified throughout the planning process. HMIS personnel need additional input from the members of the Funders Forum to help identify what data reporting is most useful for them in completing a community-wide needs assessment, program specific evaluations and funding priorities. This should occur in the first half of 2005.

d. Use the Washtenaw System Integration Team to make clear progress on the significant tasks of system integration for our community. Priorities for integration should be identified and resources secured.

8. Engage the entire community. Communicate needs and demonstrate progress.

a. Develop an integrated funding process across public sectors, corporate giving programs and local foundations. Through this process and structure, funders would jointly develop requests for services that are based upon a community-supported set of priorities. For housing and services to address homelessness in the community, the Blueprint to End Homelessness will designate the funding priorities. Funding would be awarded for those proposals that provide significant and meaningful support for the most essential housing and support services, both new and existing (as identified in the Blueprint). Funding awards would also include resources necessary to conduct thorough, ongoing evaluation of programs and services.

b. Currently the Blueprint has identified the major service gaps, but the Blueprint must address, to some extent, all pieces of existing system – all services/special populations that are being served, not just gaps.

#### ITEM 4. INSTITUTIONAL STRUCTURE

The Washtenaw County/City of Ann Arbor Continuum of Care Board was created in 1998 by Washtenaw County government, in collaboration with the City of Ann Arbor. The Continuum of Care Board replaced the Interagency Shelter and Housing Council, which had been comprised entirely of non-profit housing and supportive services providers. The Continuum of Care Board is designed to be a broad-based community planning body to look at both short-term and long-range strategies regarding homelessness prevention and interventions, as well as long-term strategies for creation and retention of affordable housing. The goal is also to bring multiple community planning activities related to homelessness service planning into one comprehensive ongoing planning structure. Since 1998, Continuum of Care Board coordination has been funded by the Washtenaw County Administrator's Office. The Deputy County Administrator is a member of the Continuum of Care Board. The Human Services Coordinator of the City's Office of Community Development will represent the City of Ann Arbor on the C of C Board. The Director of the Office of Community Development chairs the C of C Board. The C of C Board provides representation from all community sectors, both public and private sector and consumer perspectives.

Membership includes individuals who also participate in the development and implementation of other community planning processes and activities. These include the City of Ann Arbor and Washtenaw County Consolidated Strategies and Plans, the Washtenaw County Comprehensive Plan, the 5-year plans for Ann Arbor and Ypsilanti Housing Commissions, the Human Services Plan by the Multi-Purpose Collaborative Body known as the Human Services Collaborative Council (HSCC), the Blueprint to End Homelessness and other local community plans. Board members are selected by the nominating committee to ensure balanced representation. Members are either ex officio, because of the position held e.g. Director of CSTS, or elected to represent a particular sector e.g. a representative from the Alliance for the Mentally Ill. The Human Services Collaborative Council (HSCC) and the Washtenaw Housing Alliance are the most direct planning partners of the Continuum of Care Board.

Board Structure: The Continuum of Care Board has three standing committees; the HMIS Steering Committee (for policy and development purposes) and the HMIS Users Group (for data entry and data management personnel at the individual agency level). These committees meet monthly. The third committee, Nominating, meets on an as-needed basis. In addition, the Continuum of Care establishes the Project Review Committee to assist in evaluation of new and renewal proposals and to make funding prioritization recommendations to the Board. In addition, two ad hoc work groups are appointed to review renewal projects, using program evaluation tools based on APR information to determine that projects are performing satisfactorily and effectively. The second ad hoc work group reviews new proposals to determine they meet HUD's criteria, have addressed match and supportive services resources satisfactorily and that they fit within the general framework of the Continuum of Care Plan. Finally, the Continuum of Care and the Washtenaw Housing Alliance have created a joint work group for purposes of data collection and analysis. This Joint Work Group provides detailed information that is then used to inform the Gaps Analysis and the 10-Year Plan.

The State of Michigan has mandated local “Multi-Purpose Collaborative Bodies” (MPCB’s) in order for localities to receive human services and related funding from state agencies. In Washtenaw, the MPCB is called the Human Services Collaborative Council or HSCC. The Continuum of Care has “affiliate status” with the Human Services Collaborative Council. This means the annual Continuum of Care plan is reviewed and accepted by the HSCC Steering Committee and recognized as the plan for homelessness for the County. The Continuum of Care Coordinator reports at least annually to the HSCC Steering Committee, most recently on the preliminary data gathered during the 2004 Point in Time count. The Directors of all mainstream agencies are members of the HSCC Steering Committee, and they are also members of the Continuum of Care Board. As such, they are able to maintain consistency of approach moving from the Continuum of Care to the HSCC (with its larger mandate, that includes homelessness) and back.

#### ITEM 5. DISCHARGE COORDINATION POLICY

In the past, the occasional discharge of persons from jails, hospitals, and other institutions into homelessness has arisen as a problem. No one organization coordinates all the available resources in the community to ensure that individuals will not become homeless after leaving an institution; each hospital, corrections facility, or mental health facility develops its own policy. However, over the past few years, several organizations have begun working together to improve coordination between programs to prevent discharging individuals into homelessness.

Community Support and Treatment Services (CSTS, formerly Community Mental Health Services), a division of Washtenaw County that serves seriously mentally ill and substance abuse populations, has an official discharge planning policy, as follows: “Programs shall initiate discharge planning processes as soon after services begin as clinically feasible, but no later than the point at which the client has achieved a level of functioning commensurate with the discharge criteria for that program. Discharge planning may include referral to other Washtenaw County Health Organization programs or to other community resources. Every effort will be undertaken to insure that members are provided the opportunity for maximum community inclusion with natural supports. Each program of the Comprehensive Specialty Services Network Provider [contract agency] shall develop a method for evaluating service outcomes for Members discharged from their program.”

CSTS is also collaborating with the University of Michigan Department of Psychiatry and several contract agencies to encourage proper discharge of patients. Any time CSTS discharges an individual, the case managers and a placement coordinator make sure the individual has someplace to go. In fact, as soon as the person is admitted, these professionals begin researching housing options. Often, they check with family members or a current landlord before investigating other transitional housing opportunities. Whenever individuals are discharged from one program (such as a hospital) to another, CSTS facilitates the transition. They also work to make smooth transitions to Crisis Residential House, a transitional housing program for people in psychiatric crisis. CSTS

has a full time housing coordinator, who assists in securing housing at the point of discharge or transfer.

Project Outreach Team (PORT), a unit of CSTS, has worked with the inpatient social workers at the University of Michigan hospital psychiatric unit to help them understand the options in the community that exist to prevent discharge of patients onto the streets. PORT had also established an ongoing work group with the Washtenaw County jail to address this issue; CSTS has now hired a supervisor at the jail to assist with prevention of inmates being released without a place to live.

Part of the Continuum of Care Board's current work plan for 2004-2005 is to identify and document the discharge planning policies of all institutions and systems of care in Washtenaw County. If an organization has no written policy, the Board will record their current practices to ensure that individuals are not discharged into homelessness. By creating a single record containing this information, the Board will be able to verify that practices similar to those of CSTS are being followed throughout the County. In addition, when preparing a community-wide discharge plan, the Continuum of Care Board will aim to include as many and as wide a range of organizations in the community as is possible. Not only will they reach out to hospitals and correctional facilities, but the Board will also work with local housing providers, police, and the City of Ann Arbor. As a result of this effort, a policy guideline will be developed for local use with law enforcement and local hospitals.

The Continuum of Care will also draw from the state-level initiative being conducted by MSHDA, and incorporate those policies into local policy and practice.

## **Emergency Shelter Grants (ESG)**

(States only) Describe the process for awarding grants to State recipients, and a description of how the allocation will be made available to units of local government.

3-5 Year Strategic Plan ESG response:  
NOT APPLICABLE (STATES ONLY)

## **COMMUNITY DEVELOPMENT**

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### **Community Development (91.215 (e))**

\*Please also refer to the Community Development Table in the Needs.xls workbook

1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community

Development Needs Table (formerly Table 2B), ( i.e., public facilities, public improvements, public services and economic development.

2. Describe the basis for assigning the priority given to each category of priority needs.
3. Identify any obstacles to meeting underserved needs.
4. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.

NOTE: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.

3-5 Year Strategic Plan Community Development response:

#### ITEM 1. IDENTIFY THE JURSDICTION'S PRIORITY NON-HOUSING COMMUNITY DEVELOPMENT NEEDS ELIGIBLE FOR ASSISTANCE BY CDBG IN THE COMMUNITY DEVELOPMENT NEEDS TABLE

**PUBLIC FACILITIES and IMPROVEMENTS:** The City expects to receive requests for the removal of architectural barriers, rehabilitation or expansion of existing public facilities from: the domestic violence shelter, a senior citizen center, a childcare facility, a youth center, a handicapped center, health facilities, two homeless facilities, two neighborhood facilities, an abused and neglected children facility, and an HIV/AIDS services facility. Funds may be allocated for costs of asbestos removal, environmental clean up of contamination and a parking facility associated with renovations of the 5<sup>th</sup> and William site to benefit 100 low-income households that will occupy rental units to be included in the new site plan. The City will consider funding for these requests as they are received in order to maintain adequate facilities to provide public services for low-income households.

The City generally does not fund public infrastructure improvements with CDBG funds as traditionally these projects are funded with city general funds, enterprise funds, grants, and special assessments. However, over the next five years it is anticipated to allocate CDBG funds for flood drain improvements and water/sewer improvements to benefit up to 180 low-income households. The need has been determined given that the City of Ann Arbor is currently under a court order to reduce the flow of stormwater into the sewer system. The Office of Community Development is working with the City Public Services Unit to coordinate services for low-income families who will be impacted by upcoming water/sewer utility issues. The most common method is to disconnect existing footing drains from homes in the same sewer district which will cost the homeowner from \$5,000 - \$10,000. In addition, all new developments must mitigate their additional sewer flow by reducing the stormwater on other developments that is flowing into the sewer system.

The Public Services Unit will allocate its own funds to defray this cost to new affordable housing developments, but CDBG funds will likely be needed to supplement this limited resource. In addition, the City is converting to an automated meter reading system which may require homeowners to replace damaged internal pipes. The OCD will respond to requests for financial assistance from qualified low-income owners who will then receive a CDBG grant to cover the cost of repairs needed to install the new water meter system. The OCD will verify household incomes of low-income homeowners and the Utility Department will pay for the expense as funding is available.

**ECONOMIC DEVELOPMENT:** CDBG funds are generally not used for economic development activities as those activities are generally funded through other sources such as the Washtenaw Economic Development Council, Community Action Agency, Workforce Development Council, Michigan Economic Development Council, Michigan Works, local Chambers of Commerce, Washtenaw County Planning Department, Brownfield Redevelopment Authority and local Downtown Development Authorities.

**PUBLIC SERVICES:** The City supports a variety public services with City general funds and the maximum allowed (\$396,000) in CDBG funds. The City contracts with over 50 nonprofit organizations which in turn leverage a significant amount of other funding to provide a full range of human services to the community. During each year of the Plan, the estimated number of households to benefit from public service CDBG funded programs and projects are: fifty general public services, ten senior services, twenty handicapped services, five legal services, fifty-five youth services, twenty-five substance abuse services, fifteen battered and abused spouses services, and five fair housing activities, five tenant counseling services, five child care services, twenty-five health services, one abused and neglected children, and twenty-five mental health services. The OCD's Single-Family Rehabilitation program will require CDBG funds for lead-based paint inspections and remediation for an estimated five homes per year.

**RELOCATION:** The City anticipates utilizing CDBG funding to assist fifty-five low-income households with relocation. An estimated thirty households will be assisted as a result of the renovations of the housing units at the 5<sup>th</sup> and William site; another five households may need to be temporarily relocated as a result of repairs provided through the OCD's Single-Family Rehabilitation Program.

**DIRECT HOMEOWNERSHIP ASSISTANCE:** CDBG funds will be used to benefit an estimated fifteen low-income households per year in the form of down-payment assistance and closing costs associated with purchasing a home.

**SINGLE-FAMILY RESIDENTIAL REHABILITATION:** The Office of Community Development expects to assist twenty-two low-income households each year to complete needed repairs to their homes. Other associated annual activities will include: five energy-efficiency improvements, four lead-based tests and abatement; and program administration.



**PUBLIC HOUSING MODERNIZATION:** The City anticipates receiving requests to rehabilitate three public housing facilities over the term of this Plan.

## **ITEM 2. DESCRIBE THE BASIS FOR ASSIGNING THE PRIORITY GIVEN TO EACH CATEGORY OF PRIORITY NEEDS**

In 1989, City Council formalized its commitment to human services with the approval of a Human Services Policy. The Policy stated that the City of Ann Arbor recognizes that it must invest in its human capital as well as its physical infrastructure, public safety or public works. To this end, the City must seek to assure that adequate levels of appropriate human services are made available to residents of the City, particularly the most vulnerable. This requires ongoing planning, communication and coordination with a variety of public and voluntary organizations, county, state and federal governments, the Ann Arbor Area Community Foundation, Washtenaw County United Way and community organizations such as the Washtenaw Housing Alliance and their planning process for the Blueprint to End Homelessness.

The City seeks to assure the availability of human services primarily by:

- Encouraging the delivery of appropriate services from organizations which can deliver and underwrite the cost of services.
- Entering into contractual partnerships with nonprofit organizations to ensure delivery of essential services using Community Development Block Grant or City General Funds;
- Providing other public funds to organizations which can deliver needed human services to Ann Arbor residents.

Funding priorities for human services are those services provided to individuals or families experiencing difficulty in meeting their basic human needs. Services shall be targeted to residents of Ann Arbor who are low, very low and extremely low-income as defined by the Department of Housing and Urban Development. Services may also be targeted geographically, by age group, or by specific need.

## **ITEM 3. IDENTIFY ANY OBSTACLES TO MEETING UNDERSERVED NEEDS.**

The greatest obstacle to meeting underserved needs is funding. The federal, state and local governments are all experiencing budget cuts and community development tends to be a low priority compared to other services perceived to be core services. Access to transportation is an obstacle to gainful employment and access to services. The City has a good public transportation system, but many of the lowest income residents in the metro area live outside the City limits and do not have access to good public transportation. In addition, the hours of availability severely limit the ability for low-income working households to rely on it completely. The lack of employment opportunities which include benefits is an obstacle because many of the needs would be reduced if households had adequate health care, disability, unemployment, retirement and other benefits through their employer. The needs would still exist but the cost would be borne by the private sector instead of the public sector.

#### ITEM 4. IDENTIFY LONG-TERM AND SHORT-TERM COMMUNITY DEVELOPMENT OBJECTIVES IN ACCORDANCE WITH THE STATUTORY GOALS IN SECTION 24 CFR 91.1

There are four main objectives which have been established by the City to meet the statutory goals. Annual outcomes to support these goals are as follows:

##### A) Increase Housing Stability

- The Barrier Busters Emergency Assistance Fund will prevent 60 households from becoming homeless;
- Washtenaw County-CSTS will assist 30 households living in public housing to maintain housing stability
- Avalon Housing Inc. will provide support services to 149 households
- Catholic Social Services will provide support services and transitional housing for 6 parenting teens and their children
- Community Housing Alternatives will provide support to 17 households
- The Domestic Violence Project will provide transitional housing and support services for 40 battered spouses and their children
- The Fair Housing Center will investigate 20 cases involving housing discrimination
- HIV/AIDS Resource Center will provide housing supports to 50 persons.
- Home of New Vision will provide transitional and housing support services to 25 women and their children.
- University of Michigan Housing Bureau for Seniors will assist 130 seniors to maintain housing stability.
- Interfaith Hospitality Network – Alpha House will provide support services to 20 families transitioning into permanent housing.
- Legal Services of South Central Michigan will provide tenant counseling services for 150 households and legal tools to prevent eviction for 250 households.
- Michigan Ability Partners will provide housing support services for 45 individuals recovering from substance abuse.
- Neighborhood Senior Services will provide support services for 400 seniors to maintain housing stability.
- Ozone House will provide transitional housing and support services for 15 youth.
- Washtenaw Affordable Housing Corporation will provide housing support services for 80 households.

##### B) Increase Access to Health and Well-being

- The University of Michigan Community Dental Center will provide reduced-fee dental services for 150 low-income individuals.
- The Corner Health Center will provide healthcare for 50 uninsured youth and their children.
- Food Gatherers will provide 2.5 million pounds of food to over 100 programs serving low-income households.
- Hope Medical Clinic will provide dental care for 100 low-income individuals.



- Packard Community Clinic will provide reduced fee health services for 110 low-income individuals.
- Planned Parenthood of Mid-Michigan will provide Spanish-speaking health services for 50 low-income women.
- St. Andrews Breakfast Program will provide a free breakfast and sack lunch for 100 individuals daily.

#### C) Increase Long-term Success of At-Risk Youth

- The Ann Arbor Community Center will provide after school programming and summer day camps for 90 low-income youth.
- Arrowwood Hills Cooperative will provide after school and day camps for 30 low-income youth.
- The Center for Occupational and Personalized Education will provide alternative education for 10 low-income youth expelled from public school.
- Community Action Network will provide after school and summer camps for 50 households at public housing sites.
- Community Leaning Post will provide after school and summer activities for 50 very-low-income youth.
- Family Learning Institute will provide reading and writing skill-building services for 100 low-income youth.
- Food Gatherers will offer employment opportunities for 20 low-income youth.
- Help Source will operate the Teen Parent Center to provide intensive case management for 20 pregnant teens and the Big Brother/Big Sister program to facilitate adult mentoring for 80 children from single-parent homes.
- Peace Neighborhood Center will provide after school and summer camp activities for 60 low-income youth.
- Student Advocacy Center will provide support services to assist 60 low-income households to access appropriate education and maintain their child's enrollment in school.
- The Women's Center of America will offer support and mental health counseling services to 60 low-income women.
- Youth Empowerment Project will offer enrichment activities to increase civic involvement for 100 low-income youth.

#### D) Increase Family Economic Stability

- Ann Arbor Center for Independent Living will provide support services for 150 persons with disabilities.
- Ann Arbor YMCA will provide job training activities for 30 developmentally disabled youth.
- Catholic Social Services will provide 600 low-income households with supplementary food and assistance for 700 seniors to access entitlements and Medicaid/Medicare benefits.
- Center for Empowerment and Economic Development will offer small business workshops and start-up loans for 15 low-income persons.
- Child Care Network will provide 60 childcare scholarships for low-income households.

- Motor Meals of Ann Arbor will provide home delivered meals to 40 disabled, home bound persons.
- Washtenaw Literacy will provide one-on-one and ESL group literacy training for 150 low-income individuals.

## **Antipoverty Strategy (91.215 (h))**

1. Describe the jurisdiction's goals, programs, and policies for reducing the number of poverty level families (as defined by the Office of Management and Budget and revised annually). In consultation with other appropriate public and private agencies, (i.e. TANF agency) state how the jurisdiction's goals, programs, and policies for producing and preserving affordable housing set forth in the housing component of the consolidated plan will be coordinated with other programs and services for which the jurisdiction is responsible.
2. Identify the extent to which this strategy will reduce (or assist in reducing) the number of poverty level families, taking into consideration factors over which the jurisdiction has control.

3-5 Year Strategic Plan Antipoverty Strategy response:

### **ITEM 1. DESCRIBE THE GOALS, PROGRAMS AND POLICIES FOR REDUCING THE NUMBER OF POVERTY LEVEL FAMILIES AND HOW AFFORDABLE HOUSING POLICIES WILL BE COORDINATED WITH OTHER PROGRAMS.**

In addition to the four Community Development objectives, the recent “Blueprint to End Homelessness” Plan has four goals: prevention, housing with services, system reform, and community engagement.

Under the goal of prevention there are a number of strategies being implemented including: establishing a centralized response system to those at risk of losing housing; centralizing and increasing dollars for prevention; increasing accessibility to legal services support; developing a mortgage foreclosure prevention program; increase supportive services in existing public and nonprofit managed housing.

Under the goal of housing with services there are a number of strategies being implemented including: securing at least 500 units of permanently affordable supportive housing for homeless persons in our community and secure it by increasing the number of permanently affordable apartments developed and managed by nonprofits and/or securing the use of existing, privately owned apartments combined with supportive services; ensure a match in sustainable service dollars and adequate funds dedicated to keep properties maintained in a manner that develops tenant and neighborhood pride; increase the number of affordable supportive housing units for young adults; increase the emergency shelter for families; increase services to people who suffer from addictions by increasing the number of detox beds, access to follow-up treatment services and

transitional housing units; secure access for a full range of treatment services for people with co-occurring disorders.

Under the goal of system reform there are a number of strategies being implemented including: developing common administrative and service standards and outcome measures across agencies; develop an integrated funding process across all sectors based on community-supported priorities; develop and maintain an integrated, countywide, Homeless Management Information System to help the community assess needs, coordinate care and evaluate the effectiveness of programs.

Finally, under the goal of community engagement there are a number of strategies being implemented including: advocate vigorously on issues related to homelessness at local, state, and federal levels; communicate the measurable effectiveness of our strategies to end homelessness to the entire community; and align community education campaigns within a strategic framework.

## ITEM 2. IDENTIFY THE EXTENT THIS PLAN WILL CONTRIBUTE TO REDUCING THE NUMBER OF POVERTY LEVEL FAMILIES

The “Blue Print to End Homelessness” Implementation Guide charges the sixteen workgroups to come up with results-oriented work plans that have the potential to contribute to reducing the number of people living in poverty. Examples of goals which will lead to higher wages and ultimately less poverty include: centralizing the response for people in housing crisis situations and increasing the capability to prevent evictions; providing better and stronger supportive services along with permanently affordable housing to make it more possible for families to focus on financial stability, attainment of stable jobs, education, job training, etc; addressing substance abuse and mental health disorders. The guide also addresses advocacy on many levels for increased affordable housing and more jobs at higher wages will result in a reduction of poverty in our community.

## **Low-income Housing Tax Credit (LIHTC) Coordination (91.315 (k))**

1. (States only) Describe the strategy to coordinate the Low-income Housing Tax Credit (LIHTC) with the development of housing that is affordable to low- and moderate-income families.

3-5 Year Strategic Plan LIHTC Coordination response:

NOT APPLICABLE (STATES ONLY)

## **Specific Special Needs Objectives (91.215)**

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve over a specified time period.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.

3-5 Year Non-homeless Special Needs Analysis response:

### **ITEM 1. DESCRIBE THE PRIORITIES AND SPECIFIC OBJECTIVES THE JURISDICTION HOPES TO ACHIEVE OVER A SPECIFIED TIME PERIOD**

The City proposes to serve each of the special needs populations through allocations to nonprofit entities. The City typically does not prioritize based on special needs populations but has established four goals for all of its community development activities:

- Increase housing stability
- Increase access to health and well-being
- Increase long-term success of at-risk youth
- Increase family economic stability

Estimated numbers of persons in each of the special needs categories to be served the first year are: 900 Elderly, 480 Frail Elderly, 350 persons with severe mental illness, 115 developmentally disabled, 535 physically disabled, 100 alcohol/other drug addicted, 50 persons with HIV/AIDS and 185 public housing residents. It is anticipated the number of special needs populations served will be increased over time as a result of cost-saving collaborations among nonprofit service providers including, but not limited to, shared administrative overhead expenses and improved transportation systems for clients.

### **ITEM 2. DESCRIBE HOW FEDERAL, STATE, AND LOCAL PRIVATE SECTOR RESOURCES WILL BE USED**

The Office of Community Development (OCD) administers and monitors the Community Development Block Grant (CDBG), the HOME Program, the Affordable Housing Trust Fund and City General Fund Human Services allocations. The OCD coordinates funding decisions with Washtenaw County, MSHDA, LISC, FHLB, the City DDA and other funders of affordable rental housing. The City is establishing relationships with Fannie Mae and local banks for homeownership housing. OCD staff attend HUD, MSHDA,

MCDDA, and CEDAM trainings to network with other funders, learn about new products and programs and learn about resources to address the identified needs.

The OCD will maintain regular contact with area services providers and citizen groups through participation in various task forces, and by providing staff assistance to the Community Development Executive Committee, the Waiver and Review Board and the Housing Policy Board. The City will also continue its cooperation with Washtenaw County, The Ann Arbor Downtown Development Authority, the Ann Arbor Area Community Foundation, Washtenaw United Way, the Washtenaw Housing Alliance and other local entities in addressing housing and human service funding needs. This includes participation on the local Continuum of Care Board, the Blueprint on Aging Services Partnership, the Blueprint to End Homelessness, Eviction Reduction Coalition, the Funders Collaborative, Lead Task Force, Interagency Coordination Meeting, City Planning ACT meetings, Michigan Housing Rehabilitation Specialists Network, Poverty Task Force, Shelter Neighborhood Advisory Committee, Tax and Mortgage Foreclosure Prevention Committee, Washtenaw County Human Services Collaborative Council, and the Washtenaw Homeownership Education Partners Committee.

## **Non-homeless Special Needs (91.205 (d) and 91.210 (d)) Analysis (including HOPWA)**

\*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Estimate, to the extent practicable, the number of persons in various subpopulations that are not homeless but may require housing or supportive services, including the elderly, frail elderly, persons with disabilities (mental, physical, developmental, persons with HIV/AIDS and their families), persons with alcohol or other drug addiction, and any other categories the jurisdiction may specify and describe their supportive housing needs. The jurisdiction can use the Non-Homeless Special Needs Table (formerly Table 1B) of their Consolidated Plan to help identify these needs.  
\*Note: HOPWA recipients must identify the size and characteristics of the population with HIV/AIDS and their families that will be served in the metropolitan area.
2. Identify the priority housing and supportive service needs of persons who are not homeless but require supportive housing, i.e., elderly, frail elderly, persons with disabilities (mental, physical, developmental, persons with HIV/AIDS and their families), persons with alcohol or other drug addiction by using the Non-homeless Special Needs Table.
3. Describe the basis for assigning the priority given to each category of priority needs.
4. Identify any obstacles to meeting underserved needs.
5. To the extent information is available, describe the facilities and services that assist persons who are not homeless but require supportive housing, and programs for

ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing.

6. If the jurisdiction plans to use HOME or other tenant based rental assistance to assist one or more of these subpopulations, it must justify the need for such assistance in the plan.

3-5 Year Non-homeless Special Needs Analysis response:

#### ITEM 1. ESTIMATE THE NUMBER OF PERSONS WHO ARE NOT HOMELESS BUT MAY REQUIRE HOUSING OR SUPPORTIVE SERVICES

Based on 2000 US Census data, there are 3,112 Elderly; 2,882 Frail Elderly; 2,088 Persons with Severe Mental Illness; 7,678 Developmentally Disabled; 4,364 Physically Disabled; 8,047 persons with alcohol or other addictions; 490 persons with HIV/AIDS; and 1,067 public housing residents who may need housing or supportive services.

#### ITEM 2. IDENTIFY THE PRIORITY HOUSING AND HUMAN SERVICE NEEDS OF NON-HOMELESS SPECIAL NEEDS POPULATIONS

Increase Housing Stability

- Reduce the incidence and onset of homelessness
- Provide homeownership or supportive housing opportunities

Increase Access to Health & Well-being

- Provide affordable primary and specialty medical, dental, pre-natal and mental health care, or substance abuse services for under or non-insured
- Provide emergency food and /or nutritional supplements

Increase Long-term Success of At-Risk Youth

- Provide after school/summer academic enrichment activities
- Provide job skills training
- Provide opportunities for community involvement, civic engagement and leadership training

Increase Family Economic Stability

- Provide access to quality, affordable childcare
- Assist persons with special needs to achieve and maintain maximum level of independence
- Provide services to increase employability and assistance needed to obtain employment

#### ITEM 3. DESCRIBE THE BASIS FOR ASSIGNING THE PRIORITY GIVEN TO EACH CATEGORY OF PRIORITY NEEDS

The Office of Community Development assigns priorities for human services funding through various information gathering activities such as: public comments shared at the annual public hearing on human services needs; reports issued by various state and local agencies and nonprofit organizations; and relative level of support needed in comparison to funds provided by other public and private entities. In addition, the Community Development Executive Committee citizen participation board and City Council are directly involved in the human services funding allocation process.

#### ITEM 4. IDENTIFY ANY OBSTACLES TO MEETING UNDERSERVED NEEDS

**ELIGIBILITY REQUIREMENTS:** Most likely the biggest barrier to meeting the human services needs is the process individuals must complete in order to be eligible to receive emergency services. Specifically, several nonprofit organizations providing homeless/eviction prevention services require individuals to apply for and receive a rejection for State Emergency Aid prior to receiving any emergency assistance funds from the local Barrier Busters project. The local State Emergency Aid office is in Ypsilanti and operates on a “first come, first serve” basis. For individuals with jobs, accessing help is relatively difficult without taking unpaid time off.

**TRANSPORTATION:** Although the City does have a relatively extensive public transportation system, the time required to travel across town, hours of operation and cost of use (\$1.00 per ride) is often prohibitive for individuals needing to access services.

**MARKETING:** The network of nonprofit organizations in the City and surrounding communities is quite extensive. Although public services may be available, often the general public is unaware of how to find the help they need. The local television stations are based out of Detroit and Lansing; advertising is prohibitively expensive for nonprofits. There is the locally-operated Community Access Television Network; however the programming consists mostly of news/political talk shows and public meetings held by City government. Posters on public busses and word-of-mouth appear to be the most often utilized method; calls are often made to the City which then the Office of Community Development refers to the appropriate nonprofit organization(s). To address this issue, Washtenaw United Way has developed a telephone referral service “2-1-1” to serve as a centralized location to connect individuals with non-emergency assistance.

**COSTS OF ADMINISTRATION:** There are over 50 nonprofit organizations which are regularly supported by the City. A significant amount of funding goes to support the infrastructure of the organizations as opposed to paying for direct services to low-income households.

#### ITEM 5. DESCRIBE THE FACILITIES AND SERVICES THAT ASSIST PERSONS WHO ARE NOT HOMELESS BUT REQUIRE SUPPORTIVE HOUSING, AND PROGRAMS FOR ENSURING ACCESS BY THOSE RELEASED FROM MENTAL AND PHYSICAL HEALTH INSTITUTIONS.

All of the nonprofit housing organizations supported by the City, including public housing, have systems in place for tenants to access supportive services. Most often, these services are provided through contracts with Catholic Social Services, SOS Community Services, P.O.W.E.R. Inc. or Washtenaw County–CSTS. Staff is available on site at the larger public housing sites and often works with the Housing Commission to approach tenants who are in danger of being evicted for rule violations. Programming for youth also enables staff to engage parents and suggest needed resources. Michigan



Ability Partners (MAP) and SOS provide case management for individuals utilizing Shelter Plus Care Vouchers or living in MAP-owned units scattered through the community.

The University of Michigan Housing Bureau for Seniors provides support through its Elderly Eviction program which works with landlords who are concerned about elderly tenants. Neighborhood Senior Services offers home repair, chore and maintenance services to senior homeowners which also provide an opportunity to assess and refer seniors to other needed services.

The Ann Arbor Center for Independent Living connects individuals with physical and/or mental disabilities to services needed in order for them to remain living in their homes and serves as a resource to relocate and/or equip individuals after accidents or illnesses that result in a disability.

Interfaith Hospitality Network (IHN) and SOS Community Services provide on-going case management for up to 6 months for families leaving the shelters. Home of New Vision and Dawn Farm also offer support groups for individuals recovering from substance abuse after exiting in-patient detox programs as continuing sobriety is crucial to maintaining both housing and employment stability.

There is no one program responsible for ensuring all persons leaving an institution will return to appropriate housing. Most often, individuals may be referred to a nonprofit organization based on eligible characteristics (i.e. physical or mental diagnoses, age) but the responsibility is most often left to the individual to access these services. Community-wide efforts have begun to collect and compare discharge plans among different institutions and service providers in order to identify gaps as well as to ensure each organization supported by the County or City has an established discharge plan. Washtenaw County CSTS is the lead agency contacted by the local hospitals psychiatric departments when patients appear to have limited or no appropriate housing options upon release. A work group has also been formed to work with the Michigan Department of Corrections to develop a pre-discharge planning process for persons being released from prisons and jail.

#### **ITEM 6. PROVIDE JUSTIFICATION FOR USING HOME OR ANOTHER TENANT BASED RENTAL ASSISTANCE PROGRAM TO ASSIST THESE SUBPOPULATIONS.**

The City plans to continue investigating the need for a new tenant based rental subsidy program in order to maintain an economically diverse community and prevent these vulnerable populations from declining into homelessness. The ability of the local Section 8 Voucher program operated through the Ann Arbor Housing Commission to continue to meet the local need is in question pending funding cuts and growing lack of participation by local landlords. Part of the reason for instituting a new program would be to decrease the stigma by private landlords of the Section 8 program related to the associated problems with households receiving this kind of assistance and the perceived level of

government involvement in the landlord-tenant relationship. In addition, the Section 8 waitlist is often over 2 years which makes it nearly impossible for eligible households to sustain themselves or to maintain contact with the AAHC at the time their name gets to the top of the list. Other reasons for developing a new program are the level of competition for rental housing with the student populations who can generally afford higher rents, preference of the Section 8 program for households with children and the increasing landlord practice to require 3 months rent up front.

## **Housing Opportunities for People with AIDS (HOPWA)**

\*Please also refer to the HOPWA Table in the Needs.xls workbook.

1. The Plan includes a description of the activities to be undertaken with its HOPWA Program funds to address priority unmet housing needs for the eligible population. Activities will assist persons who are not homeless but require supportive housing, such as efforts to prevent low-income individuals and families from becoming homeless and may address the housing needs of persons who are homeless in order to help homeless persons make the transition to permanent housing and independent living. The plan would identify any obstacles to meeting underserved needs and summarize the priorities and specific objectives, describing how funds made available will be used to address identified needs.
2. The Plan must establish annual HOPWA output goals for the planned number of households to be assisted during the year in: (1) short-term rent, mortgage and utility payments to avoid homelessness; (2) rental assistance programs; and (3) in housing facilities, such as community residences and SRO dwellings, where funds are used to develop and/or operate these facilities. The plan can also describe the special features or needs being addressed, such as support for persons who are homeless or chronically homeless. These outputs are to be used in connection with an assessment of client outcomes for achieving housing stability, reduced risks of homelessness and improved access to care.
3. For housing facility projects being developed, a target date for the completion of each development activity must be included and information on the continued use of these units for the eligible population based on their stewardship requirements (e.g. within the ten-year use periods for projects involving acquisition, new construction or substantial rehabilitation).
4. The Plan includes an explanation of how the funds will be allocated including a description of the geographic area in which assistance will be directed and the rationale for these geographic allocations and priorities. Include the name of each project sponsor, the zip code for the primary area(s) of planned activities, amounts committed to that sponsor, and whether the sponsor is a faith-based and/or grassroots organization.
5. The Plan describes the role of the lead jurisdiction in the eligible metropolitan

statistical area (EMSA), involving (a) consultation to develop a metropolitan-wide strategy for addressing the needs of persons with HIV/AIDS and their families living throughout the EMSA with the other jurisdictions within the EMSA; (b) the standards and procedures to be used to monitor HOPWA Program activities in order to ensure compliance by project sponsors of the requirements of the program.

6. The Plan includes the certifications relevant to the HOPWA Program.

3-5 Year Strategic Plan HOPWA response:

The City of Ann Arbor does not receive CDBG funding for the HOPWA Program. The HIV/AIDS Resource Center (HARC) administers the HOPWA Program to provide supported living services to persons living with HIV/AIDS in Washtenaw, Jackson, Lenawee, and Livingston Counties. Several goals in providing these services is to prevent homelessness, support independent living, and avoid costly institutional placement by maintaining medical adherence and the integrity of the family unit.

## **Specific HOPWA Objectives**

1. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.

3-5 Year Specific HOPWA Objectives response:  
NOT APPLICABLE (NO FUNDING RECEIVED)

### **OTHER NARRATIVE**

Include any Strategic Plan information that was not covered by a narrative in any other section.