

Special points of interest:

FY'08 CDBG funds available:
\$1,525,296

15% of the total allocation can be used for Public Services

20% of the total allocation can be used for program administration

✓ Funds must be used to benefit low- and moderate-income persons

City of Pontiac FY2008 Annual Plan Summary July 1, 2008 to June 30, 2009

Annual Planning Process

The City of Pontiac, Community Development Department, Block Grant Division began the Annual Plan process in October of 2007. In October, 2007, the City requested applications City Departments in the area of neighborhood revitalization and affordable housing opportunities. For FY2008, the City will receive \$1,525,296 in Community Development Block Grant funds. This is a decrease of \$59,924 from the current year's funding level. The City will also receive \$535,939 in Home Investment Partnership funds. The City reviewed 13 proposed projects requesting funding in the amount of \$2,195,628. With \$1,220,237 available for allocation, over \$975,000 in programming had to be cut from consideration.

On January 24, 2008, the City of Pontiac held a public hearing on the applications received to give the public an opportunity to comment on the proposed projects. A 30-day public comment was opened on January 25th and ended on February 25th. The City Council, after receiving the recommendations of the Coordinating Council and the Executive Office, made their final allocations on the proposed projects on March 27, 2008 by resolution.

The purpose of this public hearing for April 3rd is to present the draft of the annual plan which outlines the allocations for the federal funds to the public for their review and comment. After the close of the public hearing, a public comment period will run from Friday, April 4th to Monday, May 5th, 2008 at 5:00 pm. The final plan will be submitted to HUD on May 15, 2008.

All written comments received during this process will be included in the final document that is submitted to HUD. After the plan is submitted, the City will complete the required Environmental Review and request the release of funds. Once the funds have been released on or about June 30, 2008, the funded organizations can be spending their funds on July 1, 2008, the first day of the new program year.

National Objectives

In order to be eligible for funding, every CDBG funded activity must qualify as meeting one of three national objectives for the program:

Benefiting low and moderate (L/M) income persons;

Aiding the prevention or elimination of slums or blight; or

Meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to health or welfare of the community and other financial resources are not available to meet such needs.

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Community Development Block Grant Program Activities

City of Pontiac Engineering Division—Baldwin Road Reconstruction Project-\$200,000— The City of Pontiac Engineering Division was awarded \$200,000 to provide a portion of the local match requirement for the Baldwin Road Reconstruction Project. The project will leverage \$2,289,187 in additional funding for this project that will reconstruct Baldwin Avenue from Cesar Chavez on the south to Montcalm Road on the north.

City of Pontiac Engineering Division—FY'2008 Sidewalk Improvement Project—\$100,000—The City of Pontiac Engineering Division was awarded \$100,000 to continue their Sidewalk Project which eliminates hazardous and deteriorated sidewalks in our CDBG-eligible census tracts and block groups. The program will replace approximately 4,000 lineal feet of hazardous sidewalks.

City of Pontiac Engineering Division—FY2008 Local Street Resurfacing Program—The City of Pontiac Engineering Division was awarded \$300,000 for the milling and resurfacing of local streets in CDBG-eligible census tracts and block groups in the community. The program will also include the adjustment of drain structures, spot curb and gutter replacement, base repair and restoration. The program will replace 11,500 square yards of bituminous pavement.

City of Pontiac Engineering Division— Spot Slum and Blight Demolition-\$200,000—The City of Pontiac Engineering Division was awarded \$200,000 to continue their Spot Slum and Blight Demolition program which targets condemned and abandoned residential and commercial properties for demolition. The program will tear down approximately 20 structures. Funding also includes asbestos surveys for each property. Some matching funds will be provided the Cities of Promise Blight Elimination Grant.

City of Pontiac Engineering Division-Snow Removal and Pot Hole Patching Program-\$160,237-The City of Pontiac Engineering Division was awarded \$160,237 to provide interim assistance to address emergency snow removal and the patching of pot holes. The funds will be used to maintain the streets until such time that a permanent solution can be found.

Lighthouse Community Development –Foreclosure Prevention, Financial Management, and First-Time Homebuyer Counseling—\$50,000—Lighthouse Community Development was awarded \$50,000 for their Foreclosure Prevention and Homebuyer Counseling program. Lighthouse provides services to all Pontiac residents with their program and they will assist approximately 200 families with their foreclosure prevention and 445 persons with all of their services.

City of Pontiac Fire Department –Station #4 Maintenance and Storage Facility Drive Approach-\$50,000— The Fire Department was awarded \$50,000 to provide for replacement and installment of a new drive approach to this facility. The current approach is inadequate and does not allow access to the facility during inclement weather. The new approach will allow all fire vehicles unimpeded access to the building.

City of Pontiac Grounds and Forestry Division –FY2008 Tree Planting Program— The City of Pontiac Grounds and Forestry Division was awarded \$50,000 to plant approximately 160 2-2 1/2" caliper trees to replace those trees that were lost to the Emerald Ash Borer. An additional 190 trees will be planted with leveraged funds. The trees will be planted in the public right of ways, and public property including parks.

City of Pontiac Grounds and Forestry Division –Harrison Park Playscape-\$60,000— The City of Pontiac Grounds and Forestry Division was awarded \$60,000 for the installation of a new handicapped playscape at Harrison Park on University located in Census Tract 1416, Block Group 2. The project will remove the existing tennis courts and install the accessible playscape which will meet both American Disability Act standards and Consumer Protection Agency Safety Standards.

City of Pontiac Grounds and Forestry Division—FY2008 Youth Services and Programming-\$50,000-The City will collaborative with the Pontiac School District to provide a location for the provision of an afterschool and summer program for Pontiac youth aged 8 to 17 to participate in sports, educational and tutoring programming. The program will benefit approximately 500 low- to moderate-income Pontiac Youth.

Federal Programs Division—Administration and Compliance Monitoring—\$305,059—The Federal Programs Division will use 20% of the funding for the administration of the CDBG program. The funds will be used to pay for staff wages and fringes and office supplies and equipment for the operation of the Federal Programs. The Federal Programs Division receives no General Fund dollars from the City.

HOME Investment Partnership Program

The HOME Program was created by the National Affordable Housing Act of 1990 (NAHA), and has been amended several times by subsequent legislation. The intent of the HOME Program is to: Provide decent affordable housing to lower-income households, Expand capacity of nonprofit housing providers, Strengthen the ability of state and local governments to provide housing, and Leverage private-sector participation. HOME funds may be used for homeowner rehabilitation, homebuyer activities, rental housing and tenant-based rental assistance. Each participating jurisdiction (PJ) of the HOME program must set aside 15% of the total allocation to be used by Community Housing Development Organizations (CHDOs). A CHDO is a private, nonprofit organization that meets a series of qualifications prescribed in the HOME regulations. Currently, there are two eligible local CHDO's working in Pontiac. They are Lighthouse Community Development and Venture, Inc.

The total HOME Allocation for FY2008 is \$535,939. This is a decrease of \$18,565 from our previous year's funding level.

Habitat for Humanity of Oakland County– Green DPA III-\$120,000– Habitat for Humanity of Oakland County was awarded \$120,000 to provide homebuyer subsidies for the construction of four (4) new LEED-Certified single family homes to be sold to income-eligible, first-time homebuyer families. This will be the first undertaking for Habitat for Humanity of Oakland in green building. This will not only provide for the initial affordability of the housing, but also reduce the cost of living for these families and address the long term affordability of the housing.

Lighthouse Community Development - Beacon II Housing-\$418,758– Lighthouse Community Development will use \$418,758 in HOME funds (\$362,345 in FY08 funds and \$56,413 in reprogrammed funds) for their Beacon II project will create 40 units of housing, the rehabilitation of 28 units of transitional housing for Lighthouse PATH and 12 new units of work-force housing to be located on Mechanic Street. The HOME funds will assist eight (8) of the new workforce housing units that will be constructed. The units will be affordable to families of four who earn less than \$41,000 per year. These units will be built to Green Building Standards/LEED Certification requirements.

Venture, Inc. Pontiac Homes 10: \$610,000 in reprogrammed HOME funds requiring an amendment to previously submitted Annual Plans. Venture, Inc. was originally awarded two different contracts for \$350,000 each for the construction of six new single family homes per contract. Due to the current economic climate, it was determined that these homes could not be constructed and sold in a timely manner. The funds will subsidize the construction of ten (10) new single family homes that will be constructed with Low Income Housing Tax Credits and will be available to families for rent. The HOME funds will make the project feasible without the need for the City to provide a PILOT so the project will pay full property taxes over the life of the homes. These homes will be constructed to Energy Star standards.

City of Pontiac First-Time Homebuyers Downpayment Assistance Program–The Federal Programs Division will utilize \$50,000 in previous year funding to provide up to \$5,000 in downpayment and reasonable closing costs to income-eligible, first-time homebuyers to purchase a standard home in the City of Pontiac. This is ongoing on a yearly basis and is available to anyone who meets the program guidelines.

Lighthouse Community Development will bring forward previous year's funding for two projects: Phase VII and VIII. This is approximately \$480,000 in HOME funds for the construction of four new single family homes and the purchase and rehabilitation of four existing homes in Lighthouse's targeted neighborhood.

COP HOME Housing Rehabilitation-\$250,000-The City will bring forward these funds to continue our income-eligible, owner-occupied housing rehabilitation program. The program will provide loans up to \$20,000 to make necessary health and safety repairs to homes here in Pontiac.

Federal Programs Division–HOME Program Administration and Compliance Monitoring -\$53,594– HUD allows the City to utilize 10% of the total program allocation for administration of the program. The program has one full time staff person who is responsible for working with our nonprofit organizations, and administering the City's First-time Homebuyer Downpayment Assistance Program.

The Greening of Pontiac

The definition of sustainability is "meeting the needs of the present without compromising the ability of future generations to meet their own needs". The charge of the Federal Programs Division is to address the needs of the low- to moderate-income persons in our community. As we develop programs, we need to look not only at the initial impact of that project but how our choices impact the long term sustainability and environmental health of our community. By going "Green" now, the City can begin to address many issues that are facing our community including environmental justice, environmental quality, economic opportunities and development in a green economy and creating sustainable urban agriculture to reclaim our vacant land and create an alternative, affordable and nutritional food delivery system in our community.

Two initiatives that will directly impact the Federal Programs Division are the following:

The Affordable Green Building Initiative:

LEED is a third party certification program and the nationally accepted benchmark for the design, construction and operation of performance green buildings. LEED promotes a whole building approach to sustainability by recognizing performance in five key areas of human and environmental health: sustainable site development, water savings, energy efficiency, materials selection and indoor environmental quality. The Federal Programs Division will be incorporating Green Building and LEED Specifications into existing housing rehabilitation program to make the homes more energy efficient. The Federal Programs Division is also working with our nonprofit organizations to develop LEED-Certified new construction. Habitat is building their first Green Homes this fall. The rehabilitation of 101 Mechanic Street is based on green building standards for rehabilitation and received a Green Building grant.

The Greening of Pontiac:

Through the collaborative efforts of a consortium of community groups, the City will be working toward developing a Sustainable Urban Agriculture system. This will include vacant lot reclamation, creation of a network of community gardens, nutrition education, the development of a minority supply chain and the creation of an alternative food delivery system for the City. This program will create economic opportunities for our residents and provide for fresh, nutritious and affordable food for our families using two resources that we currently have: land and people. The collaborative is currently working on an overall plan for sustainability and the model for our first community garden.



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Public Comment Period

The City of Pontiac, Federal Programs Division, is requesting your written comments regarding the allocations, the annual planning process, and the Community Development Block Grant Program. The complete draft Annual Plan is available for review at the following addresses during regular office hours of 8:00 am to 5:00 pm: Federal Programs Division Office, Second Floor, Room 206, Pontiac City Hall, 47450 Woodward Avenue, and the information rack in the lobby on the first floor of the Pontiac City Hall, 47450 Woodward Avenue.

All written comments regarding the Annual Plan should be addressed to

Patricia Lile, Block Grant Administrator

City of Pontiac, Federal Programs Division

47450 Woodward Avenue, Pontiac, MI 48342

For more information contact the Federal Programs Division Office at (248) 758-3780. Comments can be sent by e-mail to the following address: blockgrant@pontiac.mi.us.

All written comments received by May 5th will be included in the final Annual Plan document submitted to HUD on May 15th. All funded programs will begin on July 1, 2008, the first day of the new program year which runs until June 30, 2009.



All written comments received will be included in the final Annual Plan submitted to HUD on May 15, 2008.