

CITY OF PORTAGE, MICHIGAN

FY 2015-16

COMMUNITY DEVELOPMENT
BLOCK GRANT (CDBG) PROGRAM

CONSOLIDATED ANNUAL PERFORMANCE
EVALUATION REPORT (CAPER)

July 1, 2015 through June 30, 2016

Prepared By:

Vicki Georgeau, AICP
Director of Community Development
City of Portage, Michigan
Department of Community Development
7900 S. Westnedge Avenue
Portage, MI 49002

CITY OF PORTAGE, MICHIGAN

FY 2015-16

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT**

TABLE OF CONTENTS

| | <u>Page</u> |
|--|-------------|
| I. INTRODUCTION | 1 |
| II. INTEGRATED DISBURSEMENT AND INFORMATION SYSTEM (IDIS) CAPER REPORTS | 1 |
| III. FEDERAL RESOURCES..... | 11 |
| IV. GENERAL GRANTEE NARRATIVE STATEMENT | |
| A. Assessment of Five Year Goals..... | 11 |
| B. Affirmatively Furthering Fair Housing..... | 13 |
| C. Affordable Housing..... | 14 |
| D. Continuum-of-Care | 14 |
| E. Other Actions | 14 |
| 1. Underserved Needs..... | 15 |
| 2. Eliminate Barriers to Affordable Housing | 15 |
| 3. Institutional Structure/Enhancement of Coordination..... | 16 |
| 4. Improve Public Housing..... | 16 |
| 5. Lead Based Paint Hazards..... | 16 |
| 6. Compliance with Program and Comprehensive Planning Requirements..... | 17 |
| 7. Reduction of Number of Persons Living Below the Poverty Level | 17 |
| 8. Priority Non-Housing Community Development Needs..... | 17 |
| F. Leveraging Resources | 17 |
| G. Citizen Comments..... | 18 |
| H. Self-Evaluation..... | 18 |
| V. CDBG GRANTEE SPECIFIC NARRATIVE | |
| A. Use of CDBG Funds vs. Priorities, Needs, Goals and Objectives of Consolidated Plan: FY 2015-16 Projects Undertaken | 19 |
| B. Program Changes | 24 |
| C. Consolidated Plan Certifications..... | 24 |
| D. National Objectives..... | 25 |
| E. Acquisition, Rehabilitation, Demolition of Occupied Real Property | 25 |

| | |
|--|----|
| F. Economic Development Activities | 25 |
| G. Limited Clientele Benefit..... | 25 |
| H. Program Income | 25 |
| I. Lump Sum Agreement | 25 |

VI. SUPPLEMENTAL TABLES

TABLES:

| | |
|--|----|
| A. Budget and Expenditures | 26 |
| B. Financial Summary | 26 |
| C. Public Service Percentage Calculation | 27 |
| D. Administration Cap Calculation..... | 27 |
| E. Program Income FY 2015-16..... | 27 |
| F. Loans Receivable As Of June 30, 2016 | 27 |

VII. APPENDICES

| | |
|---|----|
| A. Maps: 1) Low/Moderate Income Neighborhoods Census Tract/Block Group Map, and 2) Down Payment Assistance Program Targeted Neighborhoods Map..... | 28 |
| B. Summary of Public Comments..... | 31 |
| C. Proof of Publication | 32 |

CITY OF PORTAGE
FY 2015-16
COMMUNITY DEVELOPMENT
BLOCK GRANT PROGRAM (CDBG)
CONSOLIDATED ANNUAL EVALUATION REPORT (CAPER)

I. INTRODUCTION

The FY 2011-2015 Consolidated Plan and subsequent Annual Action Plans for the City of Portage Community Development Block Grant (CDBG) program have been prepared and approved by the U.S. Department of Housing and Urban Development (HUD). Activities and expenditure of funds must demonstrate consistency with five-year goals articulated in the Consolidated Plan and respective Annual Action Plans. End-of-grant-year reporting on the city CDBG program is required in the form of the Consolidated Annual Performance Evaluation Report (CAPER). The CAPER consists of a narrative statement of accomplishments and financial and activity summary reports generated by the HUD Integrated Disbursement and Information System (IDIS).

**II. INTEGRATED DISBURSEMENT AND INFORMATION SYSTEM (IDIS)
CAPER REPORTS**

HUD requires the submission of two IDIS reports for the CAPER: 1) the CDBG Activity Summary Report and 2) the CDBG Financial Summary Report. The first report (on pages 2-8) provides program activity details such as actual expenditures and socio-economic data regarding beneficiaries. The second report (on pages 9-11) provides financial reporting details such as funding resources available, program income received, percent of funds expended for low-income beneficiaries, public services and administration.

A supplemental narrative to these reports and consists of Sections III through V, which explains in further detail activities carried out during FY 2015-16.



PGM Year: 2015
Project: 0005 - PLANNING/ADMINISTRATION
IDIS Activity: 149 - Planning and Administration

Status: Completed 8/15/2016 3:38:29 PM
Location: .
Objective:
Outcome:
Matrix Code: General Program Administration (21A) **National Objective:**

Initial Funding Date: 11/02/2015

Description:
 General grant administration and planning activities, including Consolidated Plan update, FY 2016-17 Annual Action Plan, HUD reporting and activities to further fair housing.

Financing

| | Fund Type | Grant Year | Grant | Funded Amount | Drawn In Program Year | Drawn Thru Program Year |
|--------------|-----------|------------------|-------|--------------------|-----------------------|-------------------------|
| CDBG | EN | 2015 B15MC260023 | | \$19,688.94 | \$19,688.94 | \$19,688.94 |
| Total | | | | \$19,688.94 | \$19,688.94 | \$19,688.94 |

Proposed Accomplishments
Actual Accomplishments

Number assisted:

| | Owner | Renter | Total | Person |
|--|----------|----------|----------|----------|
| | Total | Total | Total | Total |
| White: | 0 | 0 | 0 | 0 |
| Black/African American: | 0 | 0 | 0 | 0 |
| Asian: | 0 | 0 | 0 | 0 |
| American Indian/Alaskan Native: | 0 | 0 | 0 | 0 |
| Native Hawaiian/Other Pacific Islander: | 0 | 0 | 0 | 0 |
| American Indian/Alaskan Native & White: | 0 | 0 | 0 | 0 |
| Asian White: | 0 | 0 | 0 | 0 |
| Black/African American & White: | 0 | 0 | 0 | 0 |
| American Indian/Alaskan Native & Black/African American: | 0 | 0 | 0 | 0 |
| Other multi-racial: | 0 | 0 | 0 | 0 |
| Asian/Pacific Islander: | 0 | 0 | 0 | 0 |
| Hispanic: | 0 | 0 | 0 | 0 |
| Total: | 0 | 0 | 0 | 0 |

Female-headed Households: 0

Income Category:

| | Owner | Renter | Total | Person |
|------------------|----------|----------|----------|----------|
| Extremely Low | 0 | 0 | 0 | 0 |
| Low Mod | 0 | 0 | 0 | 0 |
| Moderate | 0 | 0 | 0 | 0 |
| Non Low Moderate | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 |
| Percent Low/Mod | | | | |

Annual Accomplishments
 General grant planning and program administration.

PGM Year: 2015
 Project: 0001 - OWNER OCCUPIED HOUSING REHABILITATION
 IDIS Activity: 153 - Owner Occupied Housing Rehabilitation

Status: Open
 Location: 7900 S Westnedge Ave Portage, MI 49002-5117
 Objective: Provide decent affordable housing
 Outcome: Sustainability
 Matrix Code: Rehab; Single-Unit Residential (14A) National Objective: LMH

Initial Funding Date: 11/02/2015

Description:

Owner-occupied housing rehabilitation and emergencycritical repairs to low-income Portage households throughout the city.

Financing

| Fund Type | Grant Year | Grant | Funded Amount | Drawn In Program Year | Drawn Thru Program Year |
|--------------|------------|-------------|---------------------|-----------------------|-------------------------|
| CDBG | Pre-2015 | | \$97,677.49 | \$0.00 | \$0.00 |
| | 2013 | B13MC260023 | | \$23,005.63 | \$23,005.63 |
| | 2014 | B14MC260023 | | \$74,671.86 | \$74,671.86 |
| PI | | | \$80,530.13 | \$80,530.13 | \$80,530.13 |
| Total | | | \$178,207.62 | \$178,207.62 | \$178,207.62 |

Proposed Accomplishments

Housing Units : 30

Actual Accomplishments

Number assisted:

| | Owner | | Renter | | Total | | Person | |
|--|-----------|----------|----------|----------|-----------|----------|----------|----------|
| | Total | Hispanic | Total | Hispanic | Total | Hispanic | Total | Hispanic |
| White: | 14 | 0 | 0 | 0 | 14 | 0 | 0 | 0 |
| Black/African American: | 4 | 0 | 0 | 0 | 4 | 0 | 0 | 0 |
| Asian: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| American Indian/Alaskan Native: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Native Hawaiian/Other Pacific Islander: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| American Indian/Alaskan Native & White: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Asian White: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Black/African American & White: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| American Indian/Alaskan Native & Black/African American: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other multi-racial: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Asian/Pacific Islander: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hispanic: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total: | 18 | 0 | 0 | 0 | 18 | 0 | 0 | 0 |

Female-headed Households:

6

Income Category:

| | Owner | Renter | Total | Person |
|------------------|-----------|----------|-----------|----------|
| Extremely Low | 4 | 0 | 4 | 0 |
| Low Mod | 14 | 0 | 14 | 0 |
| Moderate | 0 | 0 | 0 | 0 |
| Non Low Moderate | 0 | 0 | 0 | 0 |
| Total | 18 | 0 | 18 | 0 |
| Percent Low/Mod | 100.0% | | 100.0% | |

Annual Accomplishments

Years

2015 Accomplishment Narrative Expended \$178,208 to complete repairs to nine owner-occupied housing units within the City of Portage.

Benefiting

PGM Year: 2015

Project: 0002 - DOWN PAYMENT ASSISTANCE - OWNER-OCCUPIED HOUSING
 IDIS Activity: 151 - Down Payment Assistance - Owner-occupied Housing

Status: Completed 8/15/2016 3:49:58 PM
 Location: Address Suppressed

Objective: Provide decent affordable housing
 Outcome: Availability/accessibility
 Matrix Code: Direct Homeownership Assistance (13)

National Objective: LMH

Initial Funding Date: 11/02/2015

Description:

Home buyer assistance for low-income home buyers for owner-occupied housing in specified target neighborhoods.

Financing

| Fund Type | Grant Year | Grant | Funded Amount | Drawn In Program Year | Drawn Thru Program Year |
|--------------|------------|-------------|-------------------|-----------------------|-------------------------|
| EN | Pre-2015 | | \$8,000.00 | \$0.00 | \$0.00 |
| | 2014 | B14MC260023 | | \$8,000.00 | \$8,000.00 |
| Total | | | \$8,000.00 | \$8,000.00 | \$8,000.00 |

Proposed Accomplishments

Households (General) : 6

Actual Accomplishments

Number assisted:

| | Owner | | Renter | | Total | | Person | |
|--|----------|----------|----------|----------|----------|----------|----------|----------|
| | Total | Hispanic | Total | Hispanic | Total | Hispanic | Total | Hispanic |
| White: | 2 | 0 | 0 | 0 | 2 | 0 | 0 | 0 |
| Black/African American: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Asian: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| American Indian/Alaskan Native: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Native Hawaiian/Other Pacific Islander: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| American Indian/Alaskan Native & White: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Asian White: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Black/African American & White: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| American Indian/Alaskan Native & Black/African American: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other multi-racial: | 2 | 0 | 0 | 0 | 2 | 0 | 0 | 0 |
| Asian/Pacific Islander: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hispanic: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total: | 4 | 0 | 0 | 0 | 4 | 0 | 0 | 0 |

Female-headed Households: 2

Income Category:

| | Owner | Renter | Total | Person |
|------------------|----------|----------|----------|----------|
| Extremely Low | 0 | 0 | 0 | 0 |
| Low Mod | 4 | 0 | 4 | 0 |
| Moderate | 0 | 0 | 0 | 0 |
| Non Low Moderate | 0 | 0 | 0 | 0 |
| Total | 4 | 0 | 4 | 0 |
| Percent Low/Mod | 100.0% | | 100.0% | |

Annual Accomplishments

Years Accomplishment Narrative

2015 Expended \$8000 to assist two home buyers with the purchase of houses that will be owner-occupied and located in low-moderate income neighborhoods.

Benefitting

PGM Year: 2015

Project: 0603 - HUMAN/PUBLIC SERVICES-PORTAGE COMMUNITY CENTER
 IDIS Activity: 150 - Human/public Services - Portage Community Center

Status: Completed 8/15/2016 4:02:07 PM
 Location: 325 E Centre Ave Portage, MI 49002-5512

Objective: Create economic opportunities
 Outcome: Sustainability
 Matrix Code: Public Services (General) (05)

National Objective: LMC

Initial Funding Date: 11/02/2015

Description:

Funding to the Portage Community Center to assist low-income Portage households with Emergency Assistance (food and financial assistance), transportation assistance and youth recreation scholarships.

Financing

| Fund Type | Grant Year | Grant | Funded Amount | Drawn In Program Year | Drawn Thru Program Year |
|--------------|------------|-------------|--------------------|-----------------------|-------------------------|
| EN | Pre-2015 | | \$42,502.00 | \$0.00 | \$0.00 |
| | 2013 | B13MC260023 | | \$6,835.00 | \$6,835.00 |
| | 2014 | B14MC260023 | | \$35,667.00 | \$35,667.00 |
| Total | | | \$42,502.00 | \$42,502.00 | \$42,502.00 |

Proposed Accomplishments

People (General) : 8,000

Actual Accomplishments

Number assisted:

| | Owner | | Renter | | Total | | Person | |
|--|----------|----------|----------|----------|----------|----------|--------------|------------|
| | Total | Hispanic | Total | Hispanic | Total | Hispanic | Total | Hispanic |
| White: | 0 | 0 | 0 | 0 | 0 | 0 | 4,364 | 312 |
| Black/African American: | 0 | 0 | 0 | 0 | 0 | 0 | 1,196 | 46 |
| Asian: | 0 | 0 | 0 | 0 | 0 | 0 | 40 | 30 |
| American Indian/Alaskan Native: | 0 | 0 | 0 | 0 | 0 | 0 | 34 | 24 |
| Native Hawaiian/Other Pacific Islander: | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 |
| American Indian/Alaskan Native & White: | 0 | 0 | 0 | 0 | 0 | 0 | 38 | 0 |
| Asian White: | 0 | 0 | 0 | 0 | 0 | 0 | 8 | 4 |
| Black/African American & White: | 0 | 0 | 0 | 0 | 0 | 0 | 240 | 4 |
| American Indian/Alaskan Native & Black/African American: | 0 | 0 | 0 | 0 | 0 | 0 | 8 | 0 |
| Other multi-racial: | 0 | 0 | 0 | 0 | 0 | 0 | 30 | 0 |
| Asian/Pacific Islander: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Hispanic: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total: | 0 | 0 | 0 | 0 | 0 | 0 | 5,960 | 420 |

Female-headed Households:

| Income Category: | Owner | Renter | Total | Person |
|------------------|----------|----------|----------|--------------|
| Extremely Low | 0 | 0 | 0 | 3,158 |
| Low Mod | 0 | 0 | 0 | 2,802 |
| Moderate | 0 | 0 | 0 | 0 |
| Non Low Moderate | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 5,960 |
| Percent Low/Mod | | | | 100.0% |

Annual Accomplishments

Years 2015

Accomplishment Narrative
 The Portage Community Center, a sub-recipient of the CDBG Program, expended \$42,502 to provide human/public services to 2,960 low-income

Benefiting

PGM Year: 2015

Project: 0004 - NEIGHBORHOOD IMPROVEMENT-CODE ADMINISTRATION & ENFORCEMENT

IDIS Activity: 152 - Neighborhood Improvement - Code Administration & Enforcement

Status: Completed 8/15/2016 3:37:59 PM

Location: 7900 S Westnedge Ave Portage, MI 49002-5117

Objective: Create suitable living environments

Outcome: Sustainability

Matrix Code: Code Enforcement (15)

National Objective: LMA

Initial Funding Date: 11/02/2015

Description:

Code administration and enforcement in target, low-income neighborhoods to aid in the prevention and elimination of blight.

Financing

| | Fund Type | Grant Year | Grant | Funded Amount | Drawn In Program Year | Drawn Thru Program Year |
|--------------|-----------|------------|--------------|--------------------|-----------------------|-------------------------|
| CDBG | EN | 2015 | B15MCM260023 | \$45,240.83 | \$45,240.83 | \$45,240.83 |
| Total | | | | \$45,240.83 | \$45,240.83 | \$45,240.83 |

Proposed Accomplishments

Housing Units : 700

Total Population in Service Area: 22,470

Census Tract Percent Low / Mod: 108.24

Annual Accomplishments

Years

2015

Accomplishment Narrative

Expended \$45,241 to respond to 546 code enforcement complaints/cases in low-moderate income neighborhoods. These activities help prevent and eliminate blight within Portage neighborhoods.

Benefiting

PGM Year: 2015
 Project: 0006 - NEIGHBORHOOD IMPROVEMENT - Sidewalk Enhancements
 IDIS Activity: 154 - NEIGHBORHOOD IMPROVEMENT - Sidewalk Enhancements

Status: Completed 8/15/2016 2:38:23 PM
 Location: 7900 S Westnedge Ave Portage, MI 49002-5117
 Objective: Create suitable living environments
 Outcome: Sustainability
 Matrix Code: Sidewalks (03L)
 National Objective: LMA

Initial Funding Date: 11/02/2015

Description:

Improvements to existing sidewalk infrastructure with significant deterioration and/or heaving within the Lexington Green, Deerfield/Roanoke neighborhoods and on New Hampshire Drive.

Financing

| Fund Type | Grant Year | Grant | Funded Amount | Drawn In Program Year | Drawn Thru Program Year |
|--------------|------------|-------------|--------------------|-----------------------|-------------------------|
| CDBG | Pre-2015 | | \$47,322.40 | \$0.00 | \$0.00 |
| | 2013 | B13MC260023 | | \$10,275.28 | \$10,275.28 |
| | 2014 | B14MC260023 | | \$37,047.12 | \$37,047.12 |
| Total | | | \$47,322.40 | \$47,322.40 | \$47,322.40 |

Proposed Accomplishments

Public Facilities : 22
 Total Population in Service Area: 2,860
 Census Tract Percent Low / Mod: 58.39

Annual Accomplishments

2015
Accomplishment Narrative
 Completed 2,336 square feet of public sidewalk replacement (including 245 square feet of curb/gutter repair and four accessible sidewalk ramps) to enhance the quality of life and improve pedestrian amenities within low-moderate income neighborhoods. In particular, sidewalks were replaced in the Lexington Green (Census Tract 19.05, Block Group 3) and Deerfield/Roanoke neighborhoods and on New Hampshire Drive (Census Tract 35.00, Block Group 2).
Benefitting

PGM Year: 2015

Project: 0007 - NEIGHBORHOOD IMPROVEMENT - Unsafe Structure Clearance and Demolition

IDIS Activity: 155 - NEIGHBORHOOD IMPROVEMENT - Unsafe Structure Clearance and Demolition

Status: Completed 8/15/2016 2:33:27 PM

Location: 5523 Monticello Ave Portage, MI 49024-1210

Objective: Create suitable living environments

Outcome: Sustainability

Matrix Code: Clearance and Demolition (04) National Objective: LMA

Initial Funding Date: 11/02/2015

Description:

Demolition of vacant and unsafe structure at 5523 Monticello Avenue to remove blight.

Financing

| | Fund Type | Grant Year | Grant | Funded Amount | Drawn In Program Year | Drawn Thru Program Year |
|--------------|--------------|------------|-------------|--------------------|-----------------------|-------------------------|
| CDBG | EN | Pre-2015 | | \$11,025.00 | \$0.00 | \$0.00 |
| | | 2014 | B14MC260023 | | \$11,025.00 | \$11,025.00 |
| Total | Total | | | \$11,025.00 | \$11,025.00 | \$11,025.00 |

Proposed Accomplishments

Housing Units : 1

Total Population in Service Area: 1,210

Census Tract Percent Low / Mod: 52.89

Annual Accomplishments

Years Accomplishment Narrative

2015 Demolished and restored site of abandoned unsafe dwelling.

Benefitting

Total Drawn In Program Year: \$351,986.79



Office of Community Planning and Development
 U.S. Department of Housing and Urban Development
 Integrated Disbursement and Information System
 PR26 - CDBG Financial Summary Report
 Program Year 2015
 PORTAGE , MI

DATE: 08-15-16
 TIME: 16:37
 PAGE: 1

PART I: SUMMARY OF CDBG RESOURCES

| | |
|---|------------|
| 01 UNEXPENDED CDBG FUNDS AT END OF PREVIOUS PROGRAM YEAR | 260,045.51 |
| 02 ENTITLEMENT GRANT | 221,442.00 |
| 03 SURPLUS URBAN RENEWAL | 0.00 |
| 04 SECTION 108 GUARANTEED LOAN FUNDS | 0.00 |
| 05 CURRENT YEAR PROGRAM INCOME | 77,692.22 |
| 05a CURRENT YEAR SECTION 108 PROGRAM INCOME (FOR SI TYPE) | 0.00 |
| 06 FUNDS RETURNED TO THE LINE-OF-CREDIT | 0.00 |
| 06a FUNDS RETURNED TO THE LOCAL CDBG ACCOUNT | 0.00 |
| 07 ADJUSTMENT TO COMPUTE TOTAL AVAILABLE | 0.00 |
| 08 TOTAL AVAILABLE (SUM, LINES 01-07) | 559,179.73 |

PART II: SUMMARY OF CDBG EXPENDITURES

| | |
|--|------------|
| 09 DISBURSEMENTS OTHER THAN SECTION 108 REPAYMENTS AND PLANNING/ADMINISTRATION | 332,297.85 |
| 10 ADJUSTMENT TO COMPUTE TOTAL AMOUNT SUBJECT TO LOW/MOD BENEFIT | 0.00 |
| 11 AMOUNT SUBJECT TO LOW/MOD BENEFIT (LINE 09 + LINE 10) | 332,297.85 |
| 12 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION | 19,688.94 |
| 13 DISBURSED IN IDIS FOR SECTION 108 REPAYMENTS | 0.00 |
| 14 ADJUSTMENT TO COMPUTE TOTAL EXPENDITURES | 0.00 |
| 15 TOTAL EXPENDITURES (SUM, LINES 11-14) | 351,986.79 |
| 16 UNEXPENDED BALANCE (LINE 08 - LINE 15) | 207,192.94 |

PART III: LOWMOD BENEFIT THIS REPORTING PERIOD

| | |
|--|------------|
| 17 EXPENDED FOR LOW/MOD HOUSING IN SPECIAL AREAS | 0.00 |
| 18 EXPENDED FOR LOW/MOD MULTI-UNIT HOUSING | 0.00 |
| 19 DISBURSED FOR OTHER LOW/MOD ACTIVITIES | 332,297.85 |
| 20 ADJUSTMENT TO COMPUTE TOTAL LOW/MOD CREDIT | 0.00 |
| 21 TOTAL LOW/MOD CREDIT (SUM, LINES 17-20) | 332,297.85 |
| 22 PERCENT LOW/MOD CREDIT (LINE 21/LINE 11) | 100.00% |

LOW/MOD BENEFIT FOR MULTI-YEAR CERTIFICATIONS

| | |
|---|-------------|
| 23 PROGRAM YEARS(PY) COVERED IN CERTIFICATION | PY: PY: PY: |
| 24 CUMULATIVE NET EXPENDITURES SUBJECT TO LOW/MOD BENEFIT CALCULATION | 0.00 |
| 25 CUMULATIVE EXPENDITURES BENEFITING LOW/MOD PERSONS | 0.00 |
| 26 PERCENT BENEFIT TO LOW/MOD PERSONS (LINE 25/LINE 24) | 0.00% |

PART IV: PUBLIC SERVICE (PS) CAP CALCULATIONS

| | |
|---|------------|
| 27 DISBURSED IN IDIS FOR PUBLIC SERVICES | 42,502.00 |
| 28 PS UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR | 0.00 |
| 29 PS UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR | 0.00 |
| 30 ADJUSTMENT TO COMPUTE TOTAL PS OBLIGATIONS | 0.00 |
| 31 TOTAL PS OBLIGATIONS (LINE 27 + LINE 28 - LINE 29 + LINE 30) | 42,502.00 |
| 32 ENTITLEMENT GRANT | 221,442.00 |
| 33 PRIOR YEAR PROGRAM INCOME | 89,518.33 |
| 34 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PS CAP | 0.00 |
| 35 TOTAL SUBJECT TO PS CAP (SUM, LINES 32-34) | 310,960.33 |
| 36 PERCENT FUNDS OBLIGATED FOR PS ACTIVITIES (LINE 31/LINE 35) | 13.67% |

PART V: PLANNING AND ADMINISTRATION (PA) CAP

| | |
|--|------------|
| 37 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION | 19,688.94 |
| 38 PA UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR | 0.00 |
| 39 PA UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR | 0.00 |
| 40 ADJUSTMENT TO COMPUTE TOTAL PA OBLIGATIONS | 0.00 |
| 41 TOTAL PA OBLIGATIONS (LINE 37 + LINE 38 - LINE 39 +LINE 40) | 19,688.94 |
| 42 ENTITLEMENT GRANT | 221,442.00 |
| 43 CURRENT YEAR PROGRAM INCOME | 77,692.22 |
| 44 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PA CAP | 0.00 |
| 45 TOTAL SUBJECT TO PA CAP (SUM, LINES 42-44) | 299,134.22 |
| 46 PERCENT FUNDS OBLIGATED FOR PA ACTIVITIES (LINE 41/LINE 45) | 6.58% |



Office of Community Planning and Development
 U.S. Department of Housing and Urban Development
 Integrated Disbursement and Information System
 PR26 - CDBG Financial Summary Report
 Program Year 2015
 PORTAGE, MI

DATE: 08-15-16
 TIME: 16:37
 PAGE: 2

LINE 17 DETAIL: ACTIVITIES TO CONSIDER IN DETERMINING THE AMOUNT TO ENTER ON LINE 17

Report returned no data.

LINE 18 DETAIL: ACTIVITIES TO CONSIDER IN DETERMINING THE AMOUNT TO ENTER ON LINE 18

Report returned no data.

LINE 19 DETAIL: ACTIVITIES INCLUDED IN THE COMPUTATION OF LINE 19

| Plan Year | IDIS Project | IDIS Activity | Voucher Number | Activity Name | Matrix Code | National Objective | Drawn Amount |
|--------------|--------------|---------------|----------------|--|-------------|--------------------|---------------------|
| 2015 | 6 | 154 | 5864086 | NEIGHBORHOOD IMPROVEMENT - Sidewalk Enhancements | 03L | LMA | \$47,322.40 |
| | | | | | 03L | Matrix Code | \$47,322.40 |
| 2015 | 7 | 155 | 5864086 | NEIGHBORHOOD IMPROVEMENT - Unsafe Structure Clearance and Demolition | 04 | LMA | \$1,825.00 |
| 2015 | 7 | 155 | 5906541 | NEIGHBORHOOD IMPROVEMENT - Unsafe Structure Clearance and Demolition | 04 | LMA | \$9,200.00 |
| | | | | | 04 | Matrix Code | \$11,025.00 |
| 2015 | 3 | 150 | 5864086 | Human/public Services - Portage Community Center | 05 | LMC | \$6,835.00 |
| 2015 | 3 | 150 | 5892681 | Human/public Services - Portage Community Center | 05 | LMC | \$13,903.00 |
| 2015 | 3 | 150 | 5906541 | Human/public Services - Portage Community Center | 05 | LMC | \$6,835.00 |
| 2015 | 3 | 150 | 5923799 | Human/public Services - Portage Community Center | 05 | LMC | \$3,417.00 |
| 2015 | 3 | 150 | 5953684 | Human/public Services - Portage Community Center | 05 | LMC | \$11,512.00 |
| | | | | | 05 | Matrix Code | \$42,502.00 |
| 2015 | 2 | 151 | 5923799 | Down Payment Assistance - Owner-occupied Housing | 13 | LMH | \$5,000.00 |
| 2015 | 2 | 151 | 5953684 | Down Payment Assistance - Owner-occupied Housing | 13 | LMH | \$3,000.00 |
| | | | | | 13 | Matrix Code | \$8,000.00 |
| 2015 | 1 | 153 | 5864086 | Owner Occupied Housing Rehabilitation | 14A | LMH | \$29,199.51 |
| 2015 | 1 | 153 | 5892681 | Owner Occupied Housing Rehabilitation | 14A | LMH | \$51,494.51 |
| 2015 | 1 | 153 | 5906541 | Owner Occupied Housing Rehabilitation | 14A | LMH | \$14,603.07 |
| 2015 | 1 | 153 | 5923799 | Owner Occupied Housing Rehabilitation | 14A | LMH | \$30,860.63 |
| 2015 | 1 | 153 | 5953684 | Owner Occupied Housing Rehabilitation | 14A | LMH | \$52,049.90 |
| | | | | | 14A | Matrix Code | \$178,207.62 |
| 2015 | 4 | 152 | 5864086 | Neighborhood Improvement - Code Administration & Enforcement | 15 | LMA | \$5,726.69 |
| 2015 | 4 | 152 | 5892681 | Neighborhood Improvement - Code Administration & Enforcement | 15 | LMA | \$13,458.77 |
| 2015 | 4 | 152 | 5906541 | Neighborhood Improvement - Code Administration & Enforcement | 15 | LMA | \$6,676.19 |
| 2015 | 4 | 152 | 5923799 | Neighborhood Improvement - Code Administration & Enforcement | 15 | LMA | \$6,183.68 |
| 2015 | 4 | 152 | 5953684 | Neighborhood Improvement - Code Administration & Enforcement | 15 | LMA | \$13,195.50 |
| | | | | | 15 | Matrix Code | \$45,240.83 |
| Total | | | | | | | \$332,297.85 |

LINE 27 DETAIL: ACTIVITIES INCLUDED IN THE COMPUTATION OF LINE 27

| Plan Year | IDIS Project | IDIS Activity | Voucher Number | Activity Name | Matrix Code | National Objective | Drawn Amount |
|--------------|--------------|---------------|----------------|--|-------------|--------------------|--------------------|
| 2015 | 3 | 150 | 5864086 | Human/public Services - Portage Community Center | 05 | LMC | \$6,835.00 |
| 2015 | 3 | 150 | 5892681 | Human/public Services - Portage Community Center | 05 | LMC | \$13,903.00 |
| 2015 | 3 | 150 | 5906541 | Human/public Services - Portage Community Center | 05 | LMC | \$6,835.00 |
| 2015 | 3 | 150 | 5923799 | Human/public Services - Portage Community Center | 05 | LMC | \$3,417.00 |
| 2015 | 3 | 150 | 5953684 | Human/public Services - Portage Community Center | 05 | LMC | \$11,512.00 |
| | | | | | 05 | Matrix Code | \$42,502.00 |
| Total | | | | | | | \$42,502.00 |

III. FEDERAL RESOURCES

The City of Portage had the following resources available for affordable and supportive housing activities during the reporting period (July 1, 2015 - June 30, 2016).

RESOURCES AVAILABLE FY 2015-16

| <u>CDBG PROGRAM FUNDING SOURCE</u> | <u>AMOUNT</u> |
|--|------------------|
| Unexpended CDBG Funds at End of Previous Reporting Period (FY 2014-15) | \$260,046 |
| FY 2015-16 Federal CDBG Entitlement | \$221,442 |
| CDBG Program Income Funds Received During FY 2015-16 | \$ 77,692 |
| Total Revenue | \$559,180 |
| Total FY 2015-16 Program Expenditures | \$351,987 |
| Total Unexpended Fund Balance at End of Program Year | \$207,193 |

The table above indicates Portage had \$559,180 of CDBG Program resources available during the reporting period through its entitlement grant program. As also shown on Table A, Budget and Expenditures, and Table B, Financial Summary (see page 26), the FY 2015-16 budget was \$356,442 while total expenditures were \$351,987. At the end of FY 2015-16, there was unexpended combined balance of \$207,193. Expenditure of \$100,000 of the unexpended fund balance has been budgeted for FY 2016-17, and will be directed toward assistance for Housing Program activities, sidewalk repairs in low-moderate income neighborhoods, housing demolition and grant planning activities. In addition, up to \$37,987 (10% of the FY 2016-17 CDBG budget) may be expended on additional housing projects during FY 2016-17. Additional expenditures from the Unexpended Fund Balance, or expenditure on program activities not included in the FY 2016-17 Annual Action Plan requires amendment to the Plan.

In addition to the annual CDBG entitlement grant program, and while not directly available to the city, over \$2.2 million in HUD and MSHDA resources were available to assist the community during the program year as follows: \$437,505 of MSHDA Emergency Solution Grants and \$1,777,855 of HUD Supportive Housing Grants to area emergency, transitional and permanent support housing providers.

IV. GENERAL GRANTEE NARRATIVE STATEMENT

A. Assessment of Five Year Goals

The overall objective of the City of Portage 2011-2015 Consolidated Plan is to develop and implement city CDBG program activities through one of the three statutory program goals: 1) providing decent housing, 2) creating a suitable living environment, and 3) expanding economic opportunities. The major strategies to achieve these goals are:

- Continue programs to maintain and create affordable housing opportunities;
- Minimize dangers related to lead-based paint hazards in housing;
- Support Fair Housing efforts;

- Reduce barriers to affordable housing;
- Promote neighborhood improvement;
- Address problems of persons experiencing poverty; and
- Assist in reducing the demand for homeless shelters and shelter beds by participating in countywide initiatives.

As stated in the Consolidated Plan, the city addresses housing and other community development needs as part of the funding provided by the CDBG program. On average, approximately \$300,000 is annually budgeted to specifically address the objectives listed above. Many of the plan objectives are also addressed through ongoing city operations, such as the Comprehensive Plan, the Capital Improvement Program, economic development initiatives and year-to-year General Fund appropriations. All activities undertaken with CDBG funds benefit extremely-low to low-income residents of Portage. The largest program component, housing rehabilitation, provides the opportunity for extremely low to low-income homeowners to make affordable home improvements. As an additional benefit, improvements to homes are often in lower income neighborhoods and therefore, CDBG-funded improvements play an important role in encouraging private investment as well. Residents in such areas who can afford improvements are more likely to make investments in their property if others are doing the same.

CDBG funding is also utilized to address blighting influences and ordinance violations that may be detrimental to neighborhoods. The neighborhood improvement focus in lower income target neighborhoods arrests decline and preserves property values. In some instances identification of a code violation leads to the homeowner participating in the housing rehabilitation program, which further improves the housing stock and enhances property values.

Finally, the CDBG Fund, which is augmented with the City of Portage General Fund resources, provides assistance to human/public service agencies, which support a variety of services to low and moderate income residents of Portage.

In summary, the following activities were undertaken in FY 2015-16 in the effort to meet goals of the Consolidated Plan:

- Provided housing rehabilitation loans on a city-wide basis to nine income-eligible households (25 individuals), identified as a “High” priority in the Consolidated Plan.
- Provided home buyer down payment assistance to two households (7 individuals) identified also as a “High” priority in the Consolidated Plan.
- Funded the Portage Community Center, which provided supportive human services to 2,980 low/moderate income Portage residents, identified as a “medium” priority in the Consolidated Plan.
- Completed code compliance activities involving 546 properties and/or cases within low/moderate income neighborhoods to aid in the prevention and elimination of blight.

- Demolished an unsafe, abandoned house and restored the site in an effort to eliminate a blighting influence in a low-moderate income neighborhood.
- Completed 2,336 square feet of public sidewalk replacement/repairs (including 245 square feet of curb/gutter repair and four accessible sidewalk ramps) to enhance the quality of life and improve pedestrian amenities within in low-moderate income neighborhoods.
- Participated on the Kalamazoo County LISC Affordable Housing Partnership, which addresses countywide housing goals and targets specific housing production for low-income residents of Kalamazoo County.
- Contributed to the activities of the Fair Housing Center of Southwest Michigan by providing financial assistance and in-kind administrative assistance with fair housing services carried out by the center.
- Completed administrative and significant planning activities related to the CDBG program, including the update of the 2016-2020 Consolidated Plan and FY 2016-17 Annual Action Plan.

B. Affirmatively Furthering Fair Housing

The City of Portage continues to take steps to affirmatively further fair housing based on the *Analysis of Impediments to Fair Housing (A/I)* study. The impediments identified in the 2011 A/I study were: (1) lack of understanding as to the prevalence of housing discrimination; (2) differential terms/conditions within housing transactions; (3) lack of knowledge by general public, landlords, and realtors about fair housing laws; (4) less frequent home mortgages/purchasing by racial minorities; and (5) protected classes deterred by the lack of affordable housing. Specific actions to address identified impediments were undertaken:

- The city adopted a local non-discrimination ordinance that provides protections against discrimination in housing, employment and public accommodations. The City of Portage Non-Discrimination Ordinance includes all of the protected classes provided for in federal and state statutes, and also includes protections against discrimination based on actual or perceived sexual orientation and gender identity.
- The city continued to participate on the Advisory Board of the Fair Housing Center of Southwest Michigan and provided \$2,000 for the provision of fair housing services such as education, outreach, complaint investigation and referrals.
- The city sponsored the annual fair housing conference, which was organized and hosted by the Fair Housing Center of Southwest Michigan in April 2016.
- The city makes referrals to Fair Housing Center of Southwest Michigan, Dispute Resolution Services and Western Michigan Legal Aid regarding fair housing and tenant/landlord issues, as necessary in response to inquiries and requests.
- In April 2016, the Executive Director of the Center made a presentation to the Human Services Board regarding fair housing activities in the community. In addition, in April 2016, the Portage City Council passed a resolution in recognition of Fair Housing Month.

C. Affordable Housing

Efforts to address affordable housing are undertaken as part of the CDBG Program. The affordable housing stock in Portage tends to be the houses located in mature neighborhoods. These houses are in greater need of exterior and interior repairs and major system improvements such as heating, electrical and plumbing. The CDBG Housing Rehabilitation program assists with financing these improvements. In addition, during FY 2015-16 the Down Payment Assistance Program was available to provide no interest deferred loans for first-time homebuyers in target low-income neighborhoods. The number of households and persons served directly, by income level, is provided in the following table.

| Activity | Extremely Low Income | Very Low Income | Low Income | TOTALS |
|--|----------------------|-----------------|---------------|----------------|
| Housing Rehab Programs | Households (Persons) | | | |
| • Housing Rehab Loan | 2 (7) | 2 (3) | 5 (15) | 9 (25) |
| • Emergency Repair Grant Program | 0 (0) | 0 (0) | 0 (0) | 0 (0) |
| Down Payment Assistance Program Subtotal | 0 (0) | 0 (0) | 2 (7) | 2 (7) |
| TOTALS | 2 (7) | 2 (3) | 7 (22) | 11 (25) |

Applicants apply directly to the CDBG programs or are referred to the city by other agencies. Improvements directly assist the homeowner and help preserve the affordable housing stock in Portage. Finally, refer to the discussion of “Underserved Needs”, “Eliminate Barriers to Affordable Housing” and “Improve Public Housing” under “E. Other Actions” below for details related to other affordable housing activities.

D. Continuum-of-Care

The city participated as a member of the Kalamazoo County LISC Affordable Housing Partnership (AHP), which is the body responsible for the annual Continuum-of-Care collaborative and preparation of the Continuum of Care Planning Document for Kalamazoo County. AHP meetings are generally held monthly and more frequently during the prioritization of projects. A large responsibility of the AHP is to coordinate the Continuum-of-Care document for the Kalamazoo County area. The Continuum-of-Care comprehensively addresses housing providers and resources, identifies gaps in the provision of services, and prioritizes housing needs. The document has been utilized as a narrative part of grant proposals submitted by area housing, shelter and supportive service providers.

E. Other Actions

In addition to the specific projects listed above, the Consolidated Plan outlined several other general areas related to housing that the City of Portage addressed. The following paragraphs review progress in these areas.

1. Underserved Needs

Homelessness: The City of Portage continued work (via the Kalamazoo County LISC Affordable Housing Partnership) to determine the needs of the homeless population, and funded human service agencies that provide a variety of services to help prevent homelessness.

The City of Portage also provided human/public service funds including General Fund dollars, to a number of agencies that assist low/moderate income persons. A significant number of services help persons/families living at a poverty level and/or those persons/families that are currently homeless or are in danger of becoming homeless. Agencies funded include:

- Catholic Family Services - The ARK: provided youth shelter, transitional and permanent housing and counseling services in an effort to protect children and reunite families when possible. General Fund: \$11,100.
- Housing Resources Incorporated: provided assistance to homeless persons and persons in danger of becoming homeless in order to secure housing. General Fund: \$19,780.
- YWCA: provided emergency shelter, transitional and permanent housing for women and their children who are victims of domestic and/or sexual abuse. General Fund: \$11,130.
- Portage Community Center: provided a variety of services including emergency assistance (food, clothing, utility shut-off payments, etc.), transportation assistance, and youth recreation scholarships. CDBG Fund: \$42,510. Also provided host agency programs, youth development programs, information/referrals amongst other services. General Fund: \$80,475.
- Gryphon Place: provided the regional 2-1-1, 24-hour information and referral hotline and database for human service assistance within the community. General Fund: \$2,340.

Special Needs: Due to funding limitations, special needs populations are not a specified priority of the Consolidated Plan. However, the city did review and approve a Payment In Lieu of Taxes (PILOT) to facilitate a proposed affordable housing development that will provide 74 units of affordable rental housing, with 30% of the units targeted for persons with disabilities and special needs.

2. Eliminate Barriers to Affordable Housing

One of the primary barriers to affordable housing in Portage is the cost of housing. Portage is a desirable market with a good school system. The effort to foster and maintain housing includes:

- Participating on the Kalamazoo County LISC Affordable Housing Partnership, which sets goals for affordable countywide housing production;
- Working with non-profit housing developers on affordable housing projects;

- Undertaking code administration and enforcement in low/moderate target areas to maintain affordable housing stock as a desirable location to live;
- Providing housing rehabilitation loans and grants to low/moderate income homeowners throughout the city to ensure maintenance of affordable housing;
- Providing home buyer assistance (no-interest deferred loans) in target areas.

3. Institutional Structure/Enhancement of Coordination

The City of Portage Department of Community Development administers the CDBG Program. To the extent feasible, the city also works cooperatively with the Kalamazoo County Housing Rehabilitation Program and the Kalamazoo County Weatherization Program to coordinate and leverage resources. Also, the city continually seeks opportunities to partner with several other area service providers including Senior Services, Inc., Disability Network, the Portage Community Center, Kalamazoo Neighborhood Housing Services, Kalamazoo Valley Habitat for Humanity, and Community Homeworks. The city is often able to work and coordinate services with these agencies to provide necessary assistance to homeowners with housing-related problems. As noted above, the city has also partnered with local non-profit agency housing projects. By working with non-profits, the city is able to leverage the funding available to assist with a greater number and type of projects.

4. Improve Public Housing

The City of Portage does not have a Public Housing Authority and has no public housing units. Kalamazoo County does not have a Public Housing Authority (PHA) and therefore, the Michigan State Housing Development Authority (MSHDA) serves as the PHA for Kalamazoo County. In 2002 however, Kalamazoo County did establish a Public Housing Commission (PHC), and created a locally-funded Local Housing Assistance Fund (LHAF) that provided: 1) rental housing subsidies for extremely low-income households; 2) homelessness prevention assistance; 3) created an endowment to provide future funding for the LHAF; and 4) leveraged state and federal funding to provide housing for chronically homeless persons, homeless households and women in recovery. In 2008, the City of Portage awarded the PHC a \$100,000 grant from its General Fund to assist with the provision of affordable rental housing. As funding for the LHAF had been nearly depleted, in November 2015 a six-year county-wide Local Housing Assistance Fund Millage was passed that will provide an estimated \$800,000 annually to provide temporary financial housing assistance to county residents, including those residing in the City of Portage. Kalamazoo County voters passed the millage by a 56% margin, while City of Portage voters passed the millage by a 58% margin.

5. Lead Based Paint Hazards

Due to the relatively newer housing stock, lead-based paint has not been a significant problem in the City of Portage. However, efforts to educate the public

and test and address lead-based paint hazards are undertaken in conjunction with the City of Portage CDBG Housing Rehabilitation Program and the Downpayment Assistance Program. Any hazards found during the inspection or rehabilitation process are addressed as part of the overall project in compliance with federal regulations.

6. Compliance with Program and Comprehensive Planning Requirements

The City of Portage certifies that the activities undertaken with federal grant dollars are consistent with the Consolidated Plan. The Consolidated Plan process involves outlining short and long-term goals for community development through a comprehensive planning process involving public input and consultation with community-wide service providers. CDBG funding is utilized exclusively to benefit low-income residents of Portage and to promote, to the extent possible, fair housing education and activities.

7. Reduction of Number of Persons Living Below the Poverty Level

As noted in the 2011-2015 Consolidated Plan, in 2009 6.3 percent of Portage residents were at or below the federal poverty level, up from 4.8 percent in 2000. Many of the CDBG programs, such as housing rehabilitation, down payment assistance, neighborhood improvement and human/public service funding directly and indirectly help persons in poverty improve their quality of life. In addition, the city has previously participated in the local Poverty Reduction Initiative process to develop a county-wide affordable housing plan, in conjunction with efforts of the Kalamazoo County LISC Affordable Housing Partnership.

8. Priority Non-Housing Community Development Needs

Non-housing community development needs are identified as a relative low priority in the Consolidated Plan. The City of Portage receives a relatively small entitlement amount, which generally is not sufficient to fund capital projects. Capital projects are routinely addressed in the City of Portage Capital Improvement Program, which is a program of specific capital projects for ten years into the future, with funding from taxes, special assessment revenues and other sources. During the FY 2015-16 program year, \$50,000 in unexpended funds were budgeted to make improvements to existing sidewalk infrastructure within low-moderate income neighborhoods.

F. Leveraging Resources

The city received \$221,442 in federal CDBG entitlement funds this fiscal year, and budgeted receipt of \$35,000 in program income funds. In addition, \$100,000 in Prior Years' Funds was included in the overall budget. For all CDBG Program activities, which include: housing rehabilitation; down payment assistance; neighborhood improvement/code enforcement; sidewalk enhancements; demolition/site clearance; human/public services; and program administration, \$337,150 in combined City of

Portage General Fund monies (\$22,705), public and private monies (\$314,445) leveraged \$351,897 in CDBG Program expenditures. This leveraging increases the beneficial impact of CDBG Program activities. The City of Portage does not require matching funds for the Housing Rehabilitation Program, but offers incentives to encourage homeowner contributions to housing rehabilitation costs. In addition, the city seeks partnerships with non-profit housing developers to undertake affordable housing projects in order to leverage federal funding with other government and private funds.

G. Citizen Comments

A public notice was published in the August 17, 2016 issue of the Kalamazoo Gazette indicating the availability of the FY 2015-16 Consolidated Annual Performance Evaluation Report (CAPER) for public review and comment. Citizens have the opportunity to review and comment on the CAPER at two locations within the city, and via the city website. Public comments will be accepted through September 1, 2016, and the City of Portage will hold a public hearing on September 1, 2016. A summary of public comments received and a Proof of Publication of the notice will be included in Appendix B and C respectively.

H. Self-Evaluation

Over the period covered by this Annual Performance Report (July 1, 2015 - June 30, 2016), the city has accomplished the majority of the goals set forth in the Annual Action Plan. To summarize, progress included:

- A total of \$178,208 was expended for housing rehabilitation repairs to 9 households (25 individuals) as part of the CDBG housing programs, identified as a “High” priority in the Consolidated Plan.
- A total of \$8,000 was expended to provide home buyer down payment assistance to two households (7 individuals), also identified as a “High” priority in the Consolidated Plan.
- A total of \$45,241 was expended on code compliance efforts to arrest blight and housing deterioration in low-income target neighborhood, which was identified as a “High” priority in the Consolidated Plan.
- A total of \$42,502 (CDBG Fund) and \$125,625 (General Fund) was provided to agencies providing supportive services to low/moderate income persons and families, which was identified as a “Medium” priority in the Consolidated Plan.
- A total of \$19,689 (CDBG Fund) was expended to undertake administrative activities related to the CDBG program, including fair housing services. Grant administration and planning activities included updates to the 2016-2020 Consolidated Plan, FY 2016-17 Annual Action Plan, FY 2014-15 CAPER, Environmental Review, and quarterly reporting to HUD, amongst other activities.
- Provided \$2,000 in financial assistance for the provision of fair housing services, including education and enforcement activities. In addition, a local Non-Discrimination Ordinance was adopted by City Council during the program year.

- Staff resources were devoted toward participation on the Kalamazoo County LISC Affordable Housing Partnership, which addresses countywide housing goals and targets specific rental and owner-occupied housing production for low and moderate-income families. These activities range from “High” to “Low” priorities in the Consolidated Plan.

V. CDBG GRANTEE SPECIFIC NARRATIVE

A. Use of CDBG Funds vs. Priorities, Needs, Goals and Objectives of the Consolidated Plan: FY 2015-16 Projects Undertaken

In the overall effort to preserve and upgrade the quality of the existing housing stock in the city, the FY 2015-16 Annual Action Plan outlined activities that were planned to be undertaken to best utilize the limited personnel and financial resources available to the City of Portage. Each project outlined activities proposed in an effort to fulfill the overall goals contained in the Consolidated Plan. The performance that occurred in FY 2015-16 for each priority is described in the following paragraphs.

**PROJECT 1: OWNER-OCCUPIED HOUSING REHABILITATION PROGRAM
PRIORITY LEVEL IN CONSOLIDATED PLAN: HIGH**

Performance Measures: The objective of the Owner-Occupied Housing Rehabilitation Program is to provide decent affordable housing, while the intended outcome is to maintain sustainability of affordable housing.

a. Resource and Program Funds Used: \$178,208

b. Activities Undertaken: All activities within this project are directed toward improving the quality, and bringing up to HUD Housing Quality Standards (HQS) existing owner occupied housing units within the city. The program activities completed are as follows:

| Activity | 2015-16 Service Goal | # of Households Served | # of Persons Served | Amount Expended* |
|--|----------------------|------------------------|---------------------|------------------|
| Housing Rehab Loans, includes water/sewer connection, interior and exterior improvements | 13 | 9 | 25 | \$178,208 |
| Emergency Repair Grants | 2 | 0 | 0 | \$0 |
| TOTALS | 15 | 9 | 25 | \$178,208 |

*Includes administration and delivery costs.

c. Geographic Distribution: The housing rehabilitation programs do not specifically target a particular area of the city. Applicants to the program must qualify based on income. As a matter of practice, however, the greatest rehabilitation need is in the older neighborhoods that generally coincide with

the low-to-moderate income target neighborhoods (see Map 1, Low/Moderate Income Target Neighborhoods, Appendix A).

- d. **Leverage with Federal Funds of Non-Federal Funds:** (\$0) Occasionally private homeowners will contribute additional funds in conjunction with rehabilitation projects. However, during the FY 2015-16 program year, no homeowners did so.
- e. **Matching Contributions:** None required.
- f. **Actual Investment Pattern vs. Planned Investment Pattern:** Fifteen households in total were projected to be assisted by the Housing Rehabilitation Program, while 9 households were assisted with a total expenditure of \$178,208. The average project expenditure, including delivery costs, was \$19,801. While the actual number of households served was lower than the goal, actual investment was higher than planned during the fiscal year (expenditures were \$27,111 more than budgeted). In addition, five rehabilitation and one emergency repair projects were underway but not yet completed prior to the end of the fiscal year. Ongoing efforts to promote program participation and identify contractors to participate in the program will be undertaken over the FY 2015-16 program year.

PROJECT 2: DOWNPAYMENT ASSISTANCE PROGRAM
PRIORITY LEVEL IN CONSOLIDATED PLAN: HIGH

Performance Measures: The objective of the Downpayment Assistance Program is to provide decent affordable housing, while the intended outcome is to increase availability and accessibility of affordable housing.

- a. **Resource and Program Funds Used:** \$8,000
- b. **Activities Undertaken:** Two projects were completed during the reporting period providing \$8,000 in assistance for home purchases in target neighborhoods, not including program administration costs.
- c. **Geographic Distribution:** The program is open to low-moderate income, first-time homebuyers who are currently residents of Kalamazoo County. Map 2, Downpayment Assistance Program Areas, Appendix A, shows the areas eligible for assistance through the Downpayment Assistance Program.
- d. **Leverage with Federal Funds of Non-Federal Funds:** Funds are supplemented with a first mortgage for the purchase of the home from a lending institution. The two households assisted contributed \$239,621 in private non-federal funds toward the home purchase in the form of first mortgages.

- e. **Matching Contributions:** The homebuyer fulfilled local lending institution financial requirements and obtain sufficient monies from this private sector source.
- f. **Actual Investment Pattern vs. Planned Investment Pattern:** The city assisted two low-income home buyers during FY 2015-16, which is consistent with the projected goal. This level of participation supports signs of an improving housing market.

PROJECT 3: PORTAGE COMMUNITY CENTER, HUMAN/ PUBLIC SERVICES
PRIORITY LEVEL IN CONSOLIDATED PLAN: MEDIUM

Performance Measures: The objective of the Human/Public Service activity is to create economic opportunities for low income persons and household, while the intended outcome is to increase sustainability of such economic opportunities.

- a. **Resource and Program Funds Used:** \$42,502
- b. **Activities Undertaken:** City of Portage residents were assisted by the Portage Community Center (PCC) during the reporting period. Such services, which are explained in more detail on page 25, include emergency assistance (food, clothing and financial assistance), public transportation assistance, and youth recreation scholarships primarily to low income clientele.
- c. **Geographic Distribution:** N/A.
- d. **Leverage with Federal Funds of Non-Federal Funds:** \$42,502 of CDBG Funds was provided for human/public services to benefit low-income persons. In addition, PCC indicates that \$74,824 in additional private funds and \$17,705 in city General Funds leveraged the CDBG funds for emergency assistance, transportation assistance and youth recreation scholarships. Finally, \$80,475 in city General Fund monies were provided to assist with the provision of services such as information and referral, host agency services, holiday basket program, and youth programs.
- e. **Matching Contributions:** N/A
- f. **Actual Investment Pattern vs. Planned Investment Pattern:** It was projected that the Portage Community Center could provide assistance to 3,000 Portage residents with CDBG Funds, while 2,980 residents within the community were assisted, above the projected goal. As noted above, additional assistance was also provided to Portage residents funded by provided City of Portage with General Fund monies.

**PROJECT 4: NEIGHBORHOOD IMPROVEMENT-CODE ENFORCEMENT
PRIORITY LEVEL IN CONSOLIDATED PLAN: MEDIUM
AND HIGH**

Performance Measures: The objective of the Neighborhood Improvement-Code Enforcement activity is to create suitable living environments, while the intended outcome is to increase sustainability of such living environments.

- a. **Resource and Program Funds Used:** \$45,241
- b. **Activities Undertaken:** Activities undertaken within this category include code administration and enforcement in low income target neighborhoods, ensuring elimination of blighted conditions and correction of other code violations that may have a negative effect on the health, safety and/or welfare of the neighborhood.

| Activity | FY 2015-16 Service Goal | Actual Service | Amount Expended |
|--|-------------------------|----------------|-----------------|
| Response to Code Violations in Low Income Target Areas | 350-400 | 546 | \$45,241 |

- c. **Geographic Distribution:** Response to code violations in low-income target neighborhoods is provided below. A map identifying these locations is included as Appendix A.

Code Enforcement Activity FY 2015-16

| Census Tract & Block Group | Number of Violations |
|----------------------------|----------------------|
| 19.05-1 | 61 |
| 19.05-3 | 36 |
| 19.05-5 | 99 |
| 19.06-1 | 99 |
| 19.07-1 | 47 |
| 20.03-2 | 57 |
| 20.05-1 | 3 |
| 35.00-2 | 75 |
| 35.00-3 | 69 |

- d. **Leverage with Federal Funds of Non-Federal Funds:** The City of Portage annually allocates approximately \$5,000 in General Fund monies for neighborhood improvement/code administration and enforcement activities to help cover the cost of office supplies, mailing costs, other overhead and field equipment.
- e. **Matching Contributions:** NA
- f. **Actual Investment Pattern vs. Planned Investment Pattern:** Generally, 350-400 code violations in low-income target neighborhoods are investigated on an annual basis. In FY 2015-16, 546 complaints/identified

violations were addressed in target neighborhoods, which exceeds the goal for the program year. Addressing community quality and other code violations through code administration and enforcement provides important assistance in the effort to maintain and improve these target neighborhoods. Neighborhood Improvement-Code Enforcement activities were completed within budget.

PROJECT 5: NEIGHBORHOOD IMPROVEMENT-SIDEWALK ENHANCEMENTS
PRIORITY LEVEL IN CONSOLIDATED PLAN: MEDIUM AND LOW

Performance Measures: The objective of the Neighborhood Improvement-Sidewalk Enhancements activity is to create suitable living environments, while the intended outcome is to increase sustainability of such living environments.

- a. **Resource and Program Funds Used:** \$47,322
- b. **Activities Undertaken:** Activities undertaken involved replacement of existing sidewalks with significant deterioration and/or heaving within low-moderate income neighborhoods.
- c. **Geographic Distribution:** Sidewalks were replaced within the Lexington Green (Census Tract 19.05, Block Group 3) and the Deerfield/Roanoke neighborhoods, and on New Hampshire Drive (Census Tract 35.00, Block Group 2).
- d. **Leverage with Federal Funds of Non-Federal Funds:** None.
- e. **Matching Contributions:** NA
- f. **Actual Investment Pattern vs. Planned Investment Pattern:** The Sidewalk Enhancements project was completed within the budget.

PROJECT 6: NEIGHBORHOOD IMPROVEMENT-UNSAFE STRUCTURE CLEARANCE AND DEMOLITION
PRIORITY LEVEL IN CONSOLIDATED PLAN: MEDIUM AND HIGH

Performance Measures: The objective of the Neighborhood Improvement-Unsafe Structure Clearance and Demolition activity is to create suitable living environments, while the intended outcome is to increase sustainability of such living environments.

- c. **Resource and Program Funds Used:** \$11,025
- d. **Activities Undertaken:** Activities undertaken included demolition of an unsafe and abandoned dwelling on Monticello Avenue. The activity included environmental studies prior to demolition and site restoration (final grade and seeding).

- d. **Geographic Distribution:** As noted above, this activity occurred on Monticello Avenue (Census Tract 35.00, Block Group 2).
- g. **Leverage with Federal Funds of Non-Federal Funds:** None.
- h. **Matching Contributions:** NA
- i. **Actual Investment Pattern vs. Planned Investment Pattern:** Actual expenditures were \$11,025 compared to the projected cost of \$10,000.

PROJECT 7: CDBG PROGRAM ADMINISTRATION
PRIORITY LEVEL IN CONSOLIDATED PLAN: N/A

- a. **Resource and Program Funds Used:** \$19,689
- b. **Activities Undertaken:** General administrative oversight of activities of the CDBG Entitlement Program, completion of the 2016-2020 Consolidated Plan and 2016-17 Annual Action Plan, Environmental Review Record, FY 2014-15 CAPER, HUD reporting and Monitoring, Continuum of Care and fair housing activities.
- c. **Geographic Distribution:** N/A.
- d. **Leverage with Federal Funds of Non-Federal Funds:** None.
- e. **Matching Contributions:** N/A
- f. **Actual Investment Pattern vs. Planned Investment Pattern:** Administrative activities were completed within budget.

B. Program Changes

No changes were made to the CDBG Program during the fiscal year.

C. Consolidated Plan Certifications

The City of Portage certifies that it is carrying out the planned actions outlined in the Consolidated Plan:

- 1) The city worked in concert with local non-profits to identify future projects.
- 2) The city provided Statements of Consistency for 19 applications for HUD funding through the Continuum of Care process. Such statements were provided in a fair and impartial manner.
- 3) The city did not hinder Consolidated Plan implementation by any action or willful inaction.

D. National Objectives

In FY 2015-16 the city expended 100% of applicable CDBG funds to benefit low-income residents.

E. Acquisition, Rehabilitation, Demolition of Occupied Real Property

No activities were undertaken that cause temporary or permanent displacement of persons or households.

F. Economic Development Activities

NA

G. Limited Clientele Benefit

The City of Portage sets aside not more than 15% of the CDBG budget for human/public service funding, consistent with federal regulations. A total of \$42,510 was awarded to the Portage Community Center (PCC) in FY 2015-16. PCC is the only non-profit agency located in the city that provides assistance to low-income residents of Portage, and expended \$42,502 during the program year. PCC tracks the income levels of clients who participate in programs funded by the CDBG program. Some of the households/ persons assisted are defined as “limited clientele” pursuant to HUD definitions, however there are no special programs specifically targeted at limited clientele households/persons. In FY 2015-16, the programs listed in the following table were funded and administered by PCC.

**SUB-RECIPIENT ACTIVITY - LIMITED CLIENTELE BENEFIT
PORTAGE COMMUNITY CENTER**

| PCC Program | CDBG Funding Level | Persons Assisted/Units of Service | % Low/Moderate Income |
|------------------------------|--------------------|-----------------------------------|-----------------------|
| Emergency Assistance | \$38,010 | 2,842 | 100% |
| Transportation Assistance | \$3,000 | 67 | 100% |
| Youth Recreation Scholarship | \$1,492 | 71 | 100% |

H. Program Income

CDBG funds (except Emergency Repair grants) utilized in the Housing Programs are recaptured as Program Income in future years. Program Income received during FY 2015-16 is reported in Table E, page 27, Loans and Other Receivables are reported in Table F on page 27.

I. Lump Sum Agreement

NA

TABLE A

| BUDGET AND EXPENDITURES | | | | | BUDGETED | EXPENDED |
|--|---|--|--|--|-------------------|-------------------|
| Housing Rehabilitation | | | | | | |
| | Home Repair and Emergency Repair projects | | | | \$ 151,097 | \$ 178,208 |
| Down Payment Assistance | | | | | | |
| | Deferred Loans for First Time Homebuyers | | | | \$ 10,000 | \$ 8,000 |
| Human/Public Services (Portage Community Center) | | | | | | |
| | Emergency and Transportation Assistance, Youth Recreation | | | | \$ 42,510 | \$ 42,502 |
| Neighborhood Improvement | | | | | | |
| | Code Enforcement | | | | \$ 51,487 | \$ 45,241 |
| Neighborhood Improvements | | | | | | |
| | Sidewalk Enhancements | | | | \$ 50,000 | \$ 47,322 |
| Neighborhood Improvments | | | | | | |
| | Unsafe Structure Clearance and Demolition | | | | \$ 10,000 | \$ 11,025 |
| Administration | | | | | | |
| | General | | | | \$ 39,348 | \$ 17,689 |
| | Fair Housing Activities | | | | \$ 2,000 | \$ 2,000 |
| | <i>SUBTOTAL, Administration</i> | | | | \$ 41,348 | \$ 19,689 |
| | | | | | | |
| TOTAL | | | | | \$ 356,442 | \$ 351,987 |

TABLE B

| FINANCIAL SUMMARY | | | | | | |
|--|--|------------------------|--|--|------------|------------|
| Unexpended funds at end of previous reporting period | | | | | | |
| | | | | | | \$ 260,046 |
| Entitlement Grant FY 2015-16 | | | | | | |
| | | | | | | \$ 221,442 |
| Program Income - Received During FY 2015-16 | | | | | | |
| | | | | | | \$ 77,692 |
| Prior Period Adjustments | | | | | | |
| | | | | | | \$ - |
| TOTAL AVAILABLE FUNDS | | | | | | |
| | | | | | | \$ 559,180 |
| Total Expenditures | | | | | | |
| | | | | | | \$ 351,987 |
| | | Total Planning & Admin | | | \$ 19,689 | |
| | | Total Low/Mod Calc. | | | \$ 332,298 | |
| Unexpended Balance | | | | | | |
| | | | | | | \$ 207,193 |

TABLE C

| PUBLIC SERVICE PERCENTAGE CALCULATION | | | | | | |
|--|--|--|--|--|--|------------------------|
| Amount of Program Income Received In Prior Program Year FY 2014-15 | | | | | | |
| | | | | | | \$ 89,518 |
| Entitlement Grant | | | | | | |
| | | | | | | \$ 221,442 |
| | | | | | | Total |
| | | | | | | \$ 310,960 |
| Total Public Service Expenditures | | | | | | |
| | | | | | | \$ 42,502 |
| | | | | | | Percent Public Service |
| | | | | | | 14% |

TABLE D

| PLANNING AND PROGRAM ADMINISTRATION CAP CALCULATION | | | | | | |
|--|--|--|--|--|--|------------------------|
| Entitlement Grant | | | | | | |
| | | | | | | \$ 221,442 |
| Program Income Received During FY 2015-16 Program Year | | | | | | |
| | | | | | | \$ 77,692 |
| | | | | | | Total |
| | | | | | | \$ 299,134 |
| Planning and Administration Expenditures | | | | | | |
| | | | | | | \$ 19,689 |
| | | | | | | Percent Administration |
| | | | | | | 7% |

TABLE E

| PROGRAM INCOME FY 2015-16 | | | | | | |
|----------------------------------|--|--|--|--|--|-----------|
| Principal and Interest | | | | | | |
| Deferred Loans | | | | | | \$ 41,235 |
| Repayment: | | | | | | |
| Low interest loans | | | | | | \$ 36,220 |
| Investment interest, prior year | | | | | | \$ 238 |
| TOTAL | | | | | | \$ 77,692 |

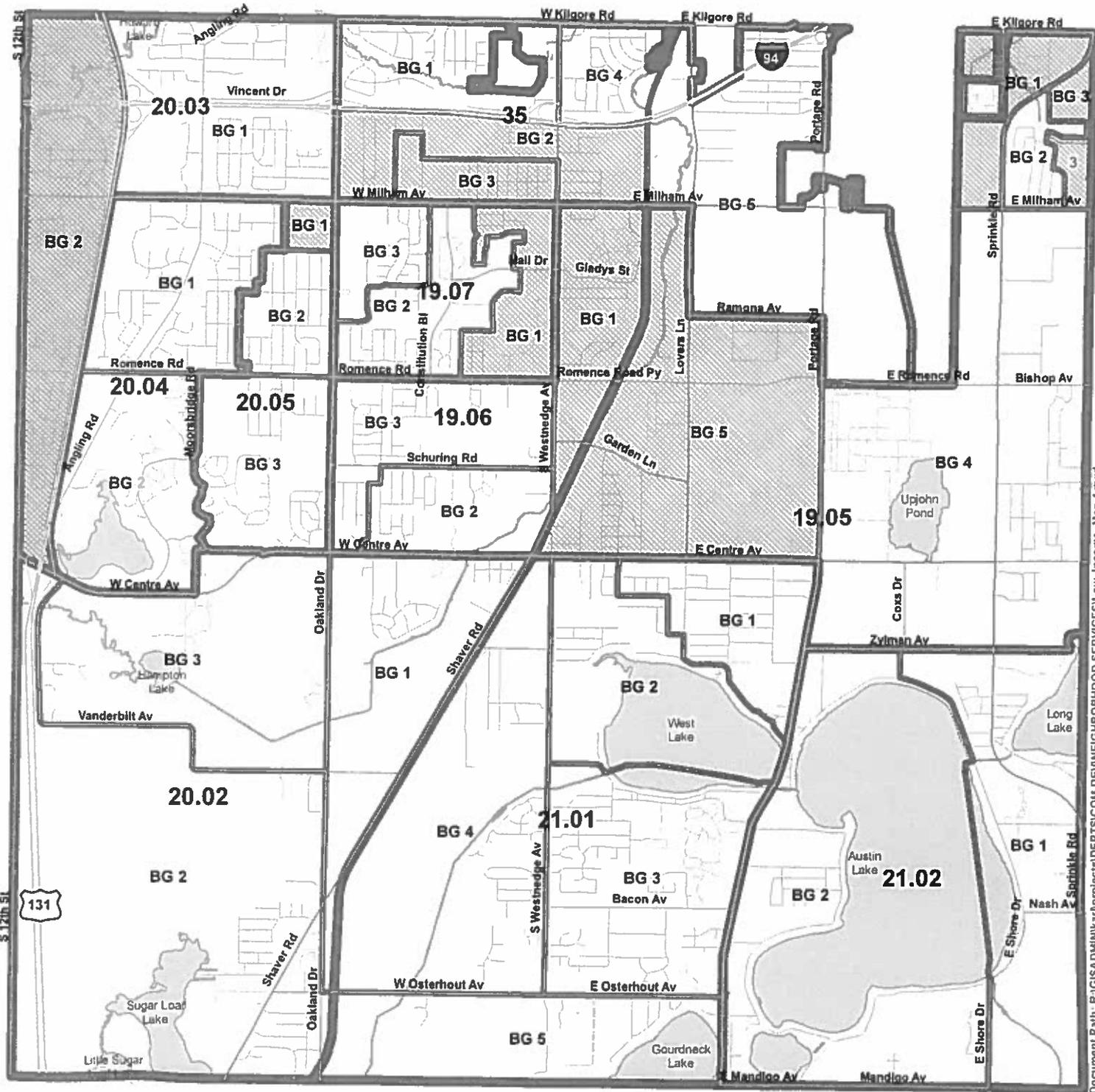
TABLE F

| LOANS RECEIVABLE AS OF June 30, 2016 (includes only loan principal) | | | | | | |
|--|--|--|--|--|--|--------------|
| Outstanding principal, Deferred Loans | | | | | | |
| 213 loans | | | | | | \$ 1,029,327 |
| Outstanding principal, Low Interest Loans | | | | | | |
| 7 loans | | | | | | \$ 8,674 |
| | | | | | | Total |
| | | | | | | \$ 1,038,001 |

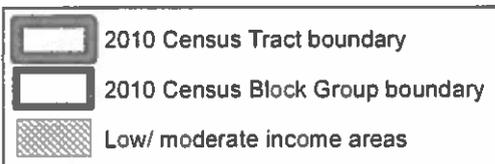
APPENDIX A

MAPS

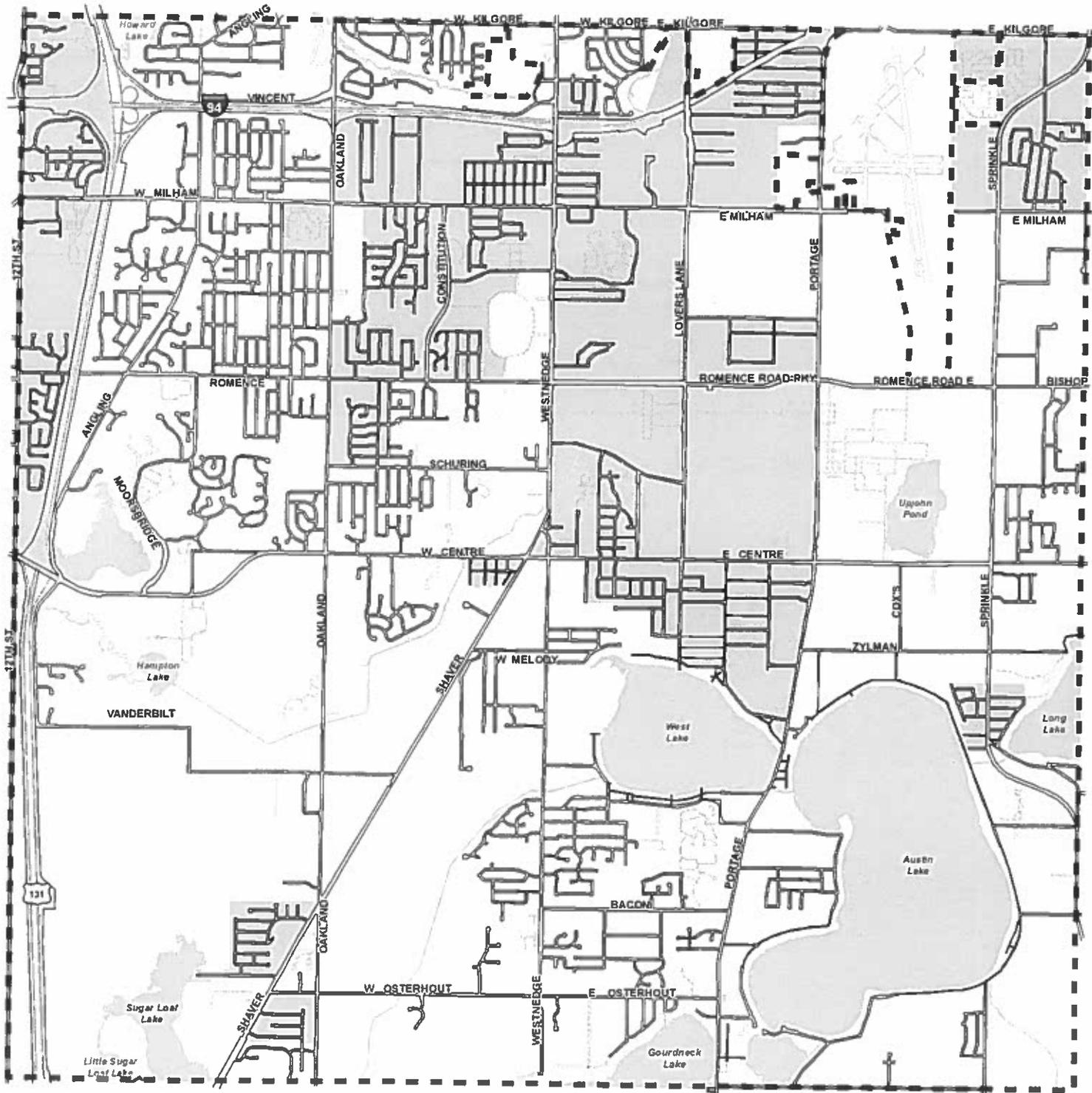
Low Income Neighborhoods Census Tract / Block Group Map*



* Based on 2006 - 2010 American Community Survey Data



Downpayment Assistance Areas



 Homes located in shaded areas are eligible for the Downpayment Assistance Program.

 Homes located within Portage City limits are eligible for all other CDBG Housing Programs. Manufactured homes located in Manufactured Home Communities eligible for Emergency Repair Grant Program only.



APPENDIX B

SUMMARY OF PUBLIC COMMENTS

FY 2015-16 CDBG Consolidated Annual Performance Evaluation Report (CAPER) –
Public Hearing:

To be completed after the hearing on September 1, 2016

APPENDIX C

PROOF OF PUBLICATION

August 17, 2016

**NOTICE OF AVAILABILITY OF THE FY 2015-16
CONSOLIDATED ANNUAL PERFORMANCE
EVALUATION REPORT (CAPER)**

The City of Portage has completed the CAPER for Fiscal Year (FY) 2015-16 covering the period July 1, 2015 – June 30, 2016. The CAPER outlines progress in carrying out the FY 2015-16 Annual Action Plan (the annual element of the five year Consolidated Plan) including the financial resources available and expended during FY 2015-16 as part of the Community Development Block Grant program. The CAPER will be available for review and comment beginning August 17, 2016 at the following locations:

Portage City Hall, Department of Community Development
7900 South Westnedge Avenue
Portage, Michigan 49002
269-329-4480

Portage District Library, Reference Desk
300 Library Lane
Portage, Michigan 49002
269-329-4546

City of Portage web site: www.portagemi.gov, under Departments, Community Development, Planning, Development and Neighborhood Services, Documents

Written comments or questions regarding the CAPER should be directed to Vicki Georgeau, Director of Community Development, 7900 South Westnedge Avenue, Portage, Michigan 49002 on or before September 1, 2016 to the City of Portage, Department of Community Development, 7900 South Westnedge Avenue, or may be presented in person at a Public Hearing that will be held on Thursday, September 1, 2016 at Portage City Hall, Conference Room #1 at 6:30 p.m. If you need special assistance in order to review the documents please call 329-4477.

Vicki Georgeau, AICP
Director of Community Development