**WASHTENAW URBAN COUNTY EXECUTIVE COMMITTEE MEETING**
**Wednesday, September 10, 2025 - 2:00pm – 3:30pm (In-person)**

This meeting is being held in-person at the Learning Resource Center (Michigan Room), 4135 Washtenaw Avenue, Ann Arbor.

Members of the public can attend in person or virtually using the Zoom information below:
Zoom link: https://washtenawcounty.zoom.us/j/873 0545 2512
Passcode: 771954
Telephone: US: +1 301 715 8592 or +1 312 626 6799 or +1 470 250 9358 US or +1 470 381 2552 US
Webinar ID: 873 0545 2512

A link to Urban County Executive Committee roster with members' contact information is available here.

I. **Welcome & Introductions**
Roll Call – members shall state their name and community they are representing.

II. **Public Comment -** Comments can be made in person or virtually using the Zoom link above.

III. **Announcements from Members and/or Staff**
**A.** Member Announcements (All)

IV. **Minutes**
**A.** 05-14-2025 Meeting Minutes – Review & Approval **(ACTION)**

V. **General Administration**
**A.** Public Hearing on Draft 2024 CAPER (Jasmyne Townsend, OCED)
**B.** Presentation on Brownfield Authority (Nathan Voght, OCED)
**C.** Review & Discussion: Urban County Policy and Procedure Amendments (Jasmyne Townsend, OCED)
I. Adoption of Urban County Policy and Procedure Amendments **(Possible Action)**

VI. **General Updates -** Member Announcements

VII. **Public Comment –** Comments can be made in person or virtually using the Zoom link above.

VIII. **Adjournment**

**Next Meeting: Wednesday, November 12, 2025, 2:00 – 3:30pm**
**Location: Remote (Zoom)**

**WASHTENAW URBAN COUNTY EXECUTIVE COMMITTEE MEETING**
**Wednesday, May 14, 2025 - 2:00pm – 3:30pm**
**Learning Resource Center (4135 Washtenaw Ave, Ann Arbor)**

**Members in Attendance:** Council Member Chris Watson (City of Ann Arbor); Katie Jones (Economic Development & Equity Coordinator, City of Ypsilanti); Laurie Lutomski (Community Resource Coordinator, Ypsilanti Township); Janet Dillon (Mayor Pro-Tem, City of Saline); Jessica West (Director of Community Development, Pittsfield Township); Chris Cheng (Project Manager, Scio Township); Supervisor Emily Dabish-Yahkind (Superior Township); Trustee Sandie Schultz (Sylvan Township); Michelle Aniol (Director of Community Development, City of Dexter); Supervisor Diane O'Connell (Ann Arbor Township)

**Members Absent:** Supervisor Laurie Fromhart (Bridgewater Township); Supervisor Lonnie Scott (Dexter Township); Supervisor  Bill VanRiper (Lima Township); Supervisor Ronald Milkey (Manchester Township); Supervisor Larry Roman (Northfield Township); Supervisor Gary Whittaker (Salem Township); Supervisor Jim Marion (Saline Township); Supervisor Mike DeAngelo (Webster Township); Supervisor Charles Tellas (York Township); Mayor Jane Pacheco (City of Chelsea); Supervisor Todd Waller (Augusta Township)

**Chair:** Commissioner Katie Scott

**OCED Staff Present:** Jasmyne Townsend, Tara Cohen, Andrew Kraemer, Toni Kayumi

**Guests:** None

**Members of the Public Present:** None

## I. Welcome & Introductions – Roll Call

Commissioner Scott called meeting to order at 2:03 pm.

Pursuant to MCL 15.263 Sec.3, Ms. Townsend took roll call during which each member stated their name and their jurisdiction being represented (I.e. City or Township, Washtenaw County, State of Michigan).

Katie Jones: Representing City of Ypsilanti, Washtenaw County
Janet Dillon: Representing City of Saline, Washtenaw County
Michelle Aniol: Representing City of Dexter, Washtenaw County
Chris Cheng: Representing Scio Township, Washtenaw County
Emily Dabish-Yahkind: Representing Superior Township, Washtenaw County
Laurie Lutomski: Representing Ypsilanti Township, Washtenaw County
Sandie Schulze: Representing Sylvan Township, Washtenaw County

*Jessica West: Representing Pittsfield Township, Washtenaw County arrived at 2:07 pm*
*Chris Watson: Representing City of Ann Arbor, Washtenaw County arrived at 2:14 pm*
*Diane O'Connell: Representing Ann Arbor Township, Washtenaw County arrived 2:14 pm*

## II. Public Comment

Commissioner Scott opened the meeting for public comment at 2:05 pm.  There were no public comments received.

**III.** **Announcements from Members and/or Staff** –

**A.** Parkridge Summer Festival & Joe Dulin Community Day – The Parkridge Summer Festival Committee will host their annual Parkridge Summer Festival & Joe Dulin Community Day on Saturday, August 23, 2025.

**B.** Fuel Your Growth – OCED and Huntington National Bank will host *Fuel Your Growth: Unlock The Right Capital For Your Business* on May 19th. There will be small learning sessions made available to those who join.

**C.** Member Announcements (All) – None

**IV.** **Minutes**

**A.** 04-09-2025 Meeting Minutes – Review & Approval **(ACTION)**

***Moved by Cheng. Supported by Dillon.***

Ayes – 8; Nays – 0, **Motion carried**.

**V.** **General Administration**

**A.** **Adoption of 2025-26 Annual Action Plan (ACTION) (Jasmyne Townsend, OCED)**

Townsend reminded the committee there was public comment period open from April 1st through April 30th to solicit input from on the Draft 2025 Annual Action Plan. During the comment period, three (3) public hearings took place; there were only three comments received. A draft of the 2025 Annual Action Plan was made accessible on the Urban County website and social media platforms; periodic updates to the draft were posted during the comment period. The Annual Action plan identifies the specific projects and programs that the County intends to implement with these funds during the fiscal period (July 1, 2025 – June 30, 2026)

The updated Draft 2025 Annual Action Plan for approval and 2025 Planned Activities Table was made available on the website here.

The remaining steps through to submission of the FY 2025 -26 Action Plan are as followed:

- May 2025: Approval of Final Plan*
  - May 14, 2025 – Urban County Executive Committee
  - May 21, 2025 – Board of Commissioners
  - June 6, 2025 – Final Action Plan Due to HUD

*Note: Based on HUD guidelines, the actual deadline for submitting the 2025 Action Plan is July 14, 2025; Townsend noted staff intends to submit earlier to avoid delays in executing the 2025 grant agreements and subsequent 2025 contract

HUD Actual Allocations for the 2025 Annual Action Plan:

As of May 14th, HUD posted the 2025 allocations on its website. Updates to the version presented at the April meeting reflect and generally include:

- Inclusion of public comments received to date
- City of Ypsilanti has changed their project to replacing the roof at Parkridge Community Center

**Urban County HUD Allocations: Current vs Next Fiscal Year**

| | 2024-25 | 2025-26 | Change |
|---|---|---|---|
| **CDBG** | $2,172,792 | $2,248,182 | 3.5% |
| **HOME** | $1,186,993 | $1,255,294 | 5.8% |
| **ESG** | $192,143 | $190,962 | -0.6% |
| **Total** | $3,551,928 | $3,694,438 | 4% |

*Draft Motion: The Urban County Executive Committee approves the 2025 Annual Action Plan as presented – with the ability for staff to make final adjustments as needed – and recommends that the Washtenaw County Board of Commissioners follow suit in adopting the Plan at their 7 PM meeting on June 4, 2025.*

*Moved by West. Supported by Aniol.*

Watson: Yes
West: Yes
Lutomski: Yes
Dabish-Yahkind: Yes
Dillon: Yes
Schulze: Yes
O'Connell: Yes
Jones: Yes
Cheng: Yes
Aniol: Yes

**B. Presentation: Homelessness/Continuum of Care Data (Andrew Kraemer, OCED)**

OCED's CoC Data and Evaluation Specialist Andrew Kraemer provided updates on the current state of homelessness in the County and efforts being made to address those needs. UCEC members were encouraged to ask questions during Kraemer's presentation. The presentation material can be found here starting on page 8.

**Questions & Answers**:

**Q**: How are these numbers calculated – and are these people true to that community's homeless population? (Dillon)
**A**: It is hard to say – I would say it could be 80/20 (Kraemer)
**Q**: Are these numbers including people that only call the center or do these numbers also include beyond that? For example, public safety reach-out. (West)
**A**: These numbers also include the numbers from our street resource team. (Kraemer)
**Q**: How does the chronic length of time in Washtenaw County compare to other surrounding counties? (Commissioner Scott)
**A**: I'm not sure of the answer at this moment but can do some research and get back to you. (Kraemer)
**Q**: What are our precautions for the increasing length of time for those in shelters before we can put them in permanent housing? (Commissioner Scott)
**A**: Our office doesn't shelter funding directly. The Delonis Center does a good job at triaging families. On the individual side it can be a little different. Families compared to single individual varies. (Kraemer)
**Q**: From what you know, for the two-month gap, for a family that can only stay 3 months does the family start to live in cars/vehicles until that voucher is provided? (Cohen, OCED)
**A**: I believe it's that they start to live in cars – however, the difference between family homelessness and individual homelessness is that families are more successful when finding temporary or permanent housing. It's fairly common that people get rapid re-housing while being at a shelter.
**Q**: To clarify when you say move inactive, does this mean that they stop calling for assistance daily? (Cohen, OCED)
**A**: Yes, that typically means they have stopped calling for housing or shelter assistance, and to be consider inactive for us this means that they have not reached out or responded to us within 60 days. Also, going inactive isn't punitive for us, the family or individual doesn't lose their spot. For those who have entered jail or the hospital, inactive status goes up to 90 days.

**Questions about HOME-ARP Awards for Supportive Services**

**Q**: What are the supportive services provided for the Permanent Supportive Housing (PSH)?
**A**: The qualification for this program is that this is for those who have previously experienced chronic homelessness. We will receive referrals from our case management on who those individuals or families are.
**Q**: So, these funds are mostly going to go towards funding supportive services? Where are those additional leveraged funds coming from? (West)
**A**: There was no local match required – I believe this number is for staffing that already exists. (Kraemer)
**Q**: So, the non-profit operating costs are those factored into the total HOME-ARP ask? And in few instances, the staffing cost is the same as cost of [direct] assistance – can you expand on that? (West)
**A**: We usually have admin funds, however with [the HOME-ARP grant] these funds can be used to cover other expenses the non-profit has, but they can't be used on this project. In terms of staffing being that these are one-time funds that is why staffing is at the amount – we are still working with our [CoC] Funding Review Team. (Kraemer)
**Q**: How does community mental health factor into these numbers? (Aniol)
**A**: We don't have those additional services now – we do have supportive services where typically people in the program can receive those services. (Kraemer)

**C. Designee Forms for Fiscal Year 2025-26 (Jasmyne Townsend, OCED)**

Townsend requested that elected officials submit the Fiscal Year (FY) 2025-26 UCEC Designee Form by June 20th. Townsend noted that she would email a fillable electronic version; this form was to be submitted if a community's Local Unit of Government (LUG) intended to make changes to their current UCEC Designee(s). If elected officials planned to continue with their designee, they should email Jasmyne.

**D. 2024-25 CDBG Project Updates (Jasmyne Townsend, OCED)**

Townsend provided updates on a few CDBG Infrastructure projects completed or in process. Townsend highlighted the Superior Township's MacArthur Boulevard Project which was completed early fall of 2024. The project included the construction of a new pathway along the north side of MacArthur Boulevard, extending from Stamford Road to South Harris Road near Fireman's Park. This new pathway enhances pedestrian safety and accessibility for the surrounding neighborhood.

<u>Other local CDBG projects completing design/engineering or starting construction later this year:</u>

- City of Ypsilanti Recreation Accessible Pathways Phase l – Construction underway
- Ypsilanti Township Apple Ridge Park renovation and installation of pedestrian path – Construction underway
- Superior Township Fireman's Park Parking Lot Resurfacing – Design/Engineering underway
- City of Ypsilanti Prospect Park ADA Sidewalk Installation – Design/Engineering underway

**VI. Public Comment –** Commissioner Scott opened the meeting for public comment at 3:02 pm. There were no comments received.

**VII. Adjournment**

Motion to Adjourn – Moved by Aniol. Supported by West.
Adjourned at 3:04 pm

**Next Meeting: Wednesday, September 10, 2025, 2:00 – 3:30pm,**
**Location: In Person – Learning Resource Center (4135 Washtenaw Ave, Ann Arbor)**

**WASHTENAW URBAN COUNTY EXECUTIVE COMMITTEE MEETING**
**Wednesday, September 10, 2024, 2:00pm- 3:30pm**

## AGENDA SUMMARY

**Public Hearing on Draft 2024 CAPER** (Jasmyne Townsend, OCED)

The 2024-2025 Consolidated Annual Performance and Evaluation Report (CAPER) provides information and accomplishment data related to Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) programs for the time period July 1, 2024 – June 30, 2025. This is Washtenaw County's second annual performance report for the 2023-2027 Five-Year Consolidated Plan. A two-page overview of the CAPER highlights and a full draft report can be accessed here. The two-page overview is also included your meeting packet.

In addition to the 30-day comment period which began on August 31st, this hearing is being held to solicit citizen input on the Draft 2024 Consolidated Annual Performance & Evaluation Report (CAPER).

This hearing invites participation and/or written comments from any person having an interest, or their duly appointed representative, in the following Urban County jurisdictions: City of Ann Arbor, City of Chelsea, City of Dexter, City of Saline, City of Milan, City of Ypsilanti, Ann Arbor Township, Augusta Township, Bridgewater Township, Dexter Township, Lima Township, Lyndon Township, Manchester Township, Northfield Township, Pittsfield Township, Salem Township, Saline Township, Scio Township, Superior Township, Sylvan Township, Webster Township, York Township, and Ypsilanti Township.

**Washtenaw County Brownfield Redevelopment Authority Presentation** (Nathan Voght, OCED)

OCED's Economic Development Specialist Nathan Voght will provide a brief presentation on the Washtenaw County Brownfield Redevelopment Authority. His presentation will be followed by time for Q & A. A copy of the slides is included in your packet.

**Review & Discussion: Amendments to Urban County Policy and Procedures(Possible Action)** (Jasmyne Townsend, OCED)

It has been previously discussed that there may be changes to the policies and procedures related to the CDBG allocation process. In your packet are the proposed amendments to the current policies and procedures. OCED staff will present the proposed changes and open the floor for committee discussion. Following the discussion, the committee may approve the proposed amendments as presented, or choose to postpone approval to the November meeting to allow OCED staff time to incorporate the committee's feedback.

*Draft Motion Language: The Urban County Executive Committe moves to approve the proposed amendments to the Community Development Block Grant (CDBG) Policies and Procedures for CDBG Allocations to Local Units (last revised 3/3/2021), as presented by OCED staff, to incorporate any further revisions as agreed upon during today's meeting.*

**Additional Information**

If you have any questions on any of the information included in this summary, please contact Jasmyne Townsend at 734-544-3056 or townsendj@washtenaw.org.

# WASHTENAW URBAN COUNTY
## CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT YEAR IN REVIEW

**The following overview highlights a series of initiatives that were executed between July 1, 2024, and June 30, 2025:**

## Housing and Homelessness

**36** Homeowners served through the Housing Rehabilitation Program.

**1,678** Individuals received homelessness prevention services, including shelter, rapid re-housing, rental assistance through the Emergency Solution Grant (ESG).

**71,610** Bed-nights were provided at homeless shelter facilities (75% capacity utilization) through the Emergency Solutions Grant (ESG).

## Community Services

**231** Individuals from 91 low to moderate income households were served by Peace Neighborhood Center through after-school programming, family case management, and family enrichment programming.

**164** Youth from low-income households received educational after-school and/or educational summer day camp programming from Community Action Network (CAN).


*Photo: youth reading/writing outside of Bryant Community Center | Courtesy of CAN*

*Click here to view the full CAPER* | *Click here for public comment options*

OFFICE OF COMMUNITY & ECONOMIC DEVELOPMENT
*Collaborative solutions for a promising future*

Questions? Contact Jasmyne Townsend | Housing and Infrastructure Policy Specialist | townsendj@washtenaw.org

## Community Infrastructure

# 2,923

Individuals benefitted from pedestrian infill along MacArthur Boulevard from Stamford Road to Harris Road near Fireman's Park carried out by Superior Township


*Photo: Construction site of MacArthur Pedestrian Infill Project*

# 2,759

Individuals benefitted from design and engineering carried out by the City of Ypsilanti for the Recreation Park pedestrian pathway improvements at Recreation Park.

# 4,400

Individuals benefitted from design and engineering carried out by Ypsilanti Township for the park renovations and pedestrian pathway improvements at Appleridge Park

## Community Infrastructure In progress or starting in the 2025 Program Year

- Pedestrian Pathway improvements in the City of Ypsilanti at Recreation Park near the Ypsilanti Senior Center - construction
- Park Renovation and pedestrian pathway improvements in Ypsilanti Township at Appleridge Park - construction
- Sidewalk infill in the City of Ypsilanti near Prospect Park - Design & Engineering
- Community Center Bathroom Renovation - Design & Engineering

*Click here to view the full CAPER* | *Click here for public comment options*

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Questions? Contact Jasmyne Townsend | Housing and Infrastructure Policy Specialist | townsendj@washtenaw.org

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# Washtenaw County Brownfield Redevelopment Authority

## Act 381 Brownfield Act and Recent Affordable Housing Amendment

September 10, 2025

Nathan Voght, AICP
Urban County

# Background

- County Board of Commissioners formed the Brownfield Authority in 1999 under Act 381, Brownfield Redevelopment Financing Act
- 23 Local Units of Government participate in County (regional) Authority
- Brownfield Authority is 9 member County Board, with BOC Liaison
- About 25 Brownfield Plans approved (5 under construction)
- $7M in LBRF Grants/Loans awarded since 2017
- $700,000 in Environmental Assessment Grants since 2017

# Purpose of Brownfield Act

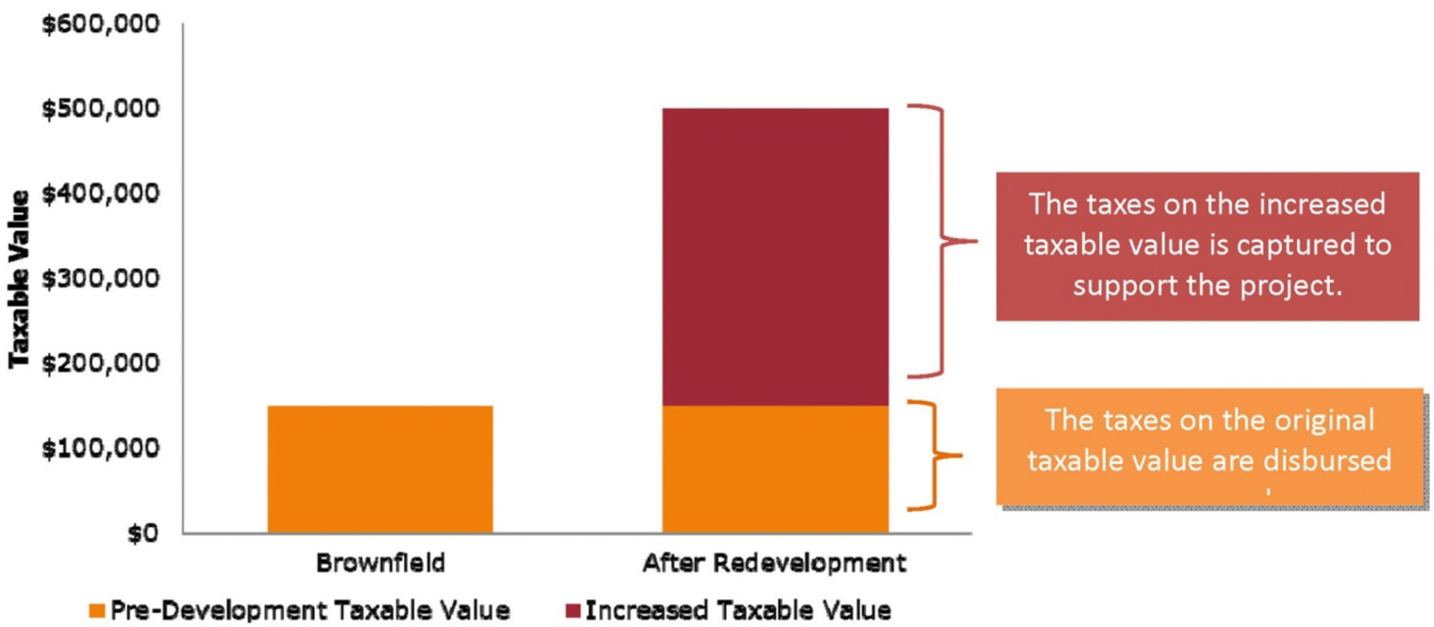
- "Level the playing field" between Greenfield sites and Brownfield sites by funding activities that directly address brownfield conditions
- Provide a financing mechanism (TIF) for extraordinary brownfield-related costs
- Encourage/facilitate "Infill" redevelopment of brownfield sites by directly addressing excess costs typical with urban infill (previously developed) sites, for Core Communities only - Cities of Ann Arbor and Ypsilanti
- NEW: Support/Finance Affordable Housing Developments/units for families/individuals earning 120% AMI or less, and market rate developments

# Site Eligibility

- FACILITY: Any site that has confirmed contaminant the exceeds the Part 201 Criteria of the Natural Resources and Environmental Protection Act (Act 451, State of Michigan)
- FUNCTIONALLY OBSOLETE: The building no longer is adequate or suitable for its intended use (i.e. The Pearl)
- BLIGHTED: The site is an attractive nuisance and dangerous to the neighborhood
- HISTORIC: A site designated under a Local Historic Preservation Ordinance, OR designated on the National Register of Historic Places, as a contributing resource in a district, or the building, itself
- Transit Oriented Facility or Development: This eligibility has not been used, but is an opportunity
- **NEW: Housing Property (Defined broadly and may, or may not, include affordable housing)**

# Primary Tool:
# Tax Increment Financing with a Brownfield Plan

- "Brownfield Plan" uses TIF to reimburse developer for Eligible Environmental and Non-Environmental activities (and now Affordable Housing subsidies, and/or certain activities supporting any housing development). Tax Increment Revenue is generated from the increase (incremental) taxes paid on the improved property.



# Environmental Activities (EGLE Review Agency)

- Environmental Investigations
- Contaminated soil excavation and disposal
- Treatment of contaminated groundwater
- Demolition of buildings over contaminated soil excavation areas
- Asbestos, Lead, Hazardous Material abatement prior to demolition
- Due Care activities to protect public health, i.e.
  - Vapor Intrusion Mitigation systems to prevent indoor air impacts
  - Clean fill covering areas where “direct contact” to contaminated soil is a concern
- Removal of underground storage tanks
- Up to 5% Interest on unreimbursed Eligible Activities

# Non-Environmental Activities
## (Only Core Communities - MEDC Review Agency)

- Public sewer/water utilities, sewer/water, that serve the development
- Innovative stormwater management, including underground stormwater detention, rain gardens, bioswales, infiltration trenches, etc. (Anything identified in the 2008 SEMCOG Low Impact Design Manual)
- Streetscape enhancements within public rights-of-way
- Special Foundations required to address unsuitable soils (urban fill), or required to address tight urban conditions
- Public OR Private Parking Decks
- Relocation of utility services
- Demolition of buildings that are NOT required to conduct environmental clean-up
- Site Demolition, which is removal of features from a site left over from previous development, old pavement, curbing, abandoned utilities, basements, foundations, etc.
- Architectural/Engineering Design costs associated with all the above
- Up to 5% Interest on unreimbursed Eligible Activities
- Affordable Housing – MSHDA REVIEWS

# Housing Development Activities (MSHDA Review Agency)

- Public and Private Infrastructure and Necessary Safety Improvements
- Acquisition costs of blighted or obsolete rental units
- Demolition, renovation and site preparation
- Costs to relocate qualified households for up to a year

*(NOTE: ALL of these activities are available, whether a "Core" community or not)*

# Brownfield Plan Details

- Brownfield Plan approved by Local Unit to secure capture of Local Millages
- Act 381 Work Plan approved by State EGLE and MEDC for Environmental/Non-Environmental Activities to secure capture of State School Taxes,
- **NEW: MSHDA Approves Housing Development Work Plans**
- All non-debt millages are collected equally, by Statute
- No "opt-out" provision in Act 381 for taxing jurisdictions
- Overlapping TIF districts are in primary position to capture Tax Increment first (usually DDAs). Interlocal Agreement required to forego capture for brownfield use

# Eligible Housing Property

"Housing Property" now qualifies as "eligible property" under Act 381


**Housing property" means 1 or more of the following:**

(i) A property in which 1 or more units of residential housing are proposed to be constructed, rehabilitated, or otherwise designed to be used as a dwelling.

(ii) One or more units of residential housing proposed to be constructed or rehabilitated and located in a mixed-use project.

# MSHDA Drafted Reasonableness Calculation

MSHDA is required under the statute to determine if requested activities are reasonable

✓ MSHDA developed a **Potential Rent Loss (PRL), Potential Development Loss (PDL)** and **Total Housing Subsidy (THS) Calculations** for a basis of reasonableness

✓ Goal of the calculation is to **determine the difference between the market rate and affordable rents** or sale pricing

- For rent product Utilizes the HUD Fair Market Rent (FMR) published by County and HUD established affordable rental rates by unit type*** to establish a "Control Rent" i.e. market rate
  - **"Control Rent" – Project Rent (120% AMI rates or less) = Potential Rent Loss (PRL)**

- For sale product determines affordable mortgage based on Area Median Income (AMI)
  - The monthly mortgage payment should not be more than 30% of the 120% AMI
    - **Development Cost Per SQFT – Affordable Mortgage Amount = Potential Development Loss (PDL)**

- THS = sum of all PRL and PDL by unit type

✓ The full outline of calculations can be found on MSHDA's website.
✓ AMI and FMR Rates should be taken from HUD

***** The MSHDA formula results in a Control Rent higher than any market rate in Washtenaw County, therefore the Authority recommends Control Rents based on actual market data.**

# MSHDA's Status

**Updates from MSHDA will be posted on their website:**

https://www.michigan.gov/mshda/developers/tax-increment-financing-tif

# Current Points of Discussion at Local Level

- What AMI level is appropriate to support? (60% AMI may result in too much subsidy required given available capture)
- The MSHDA formula is a guide, and statewide, and not a good fit for Washtenaw County market
- MSHDA requires affordability period to be at least as long as the TIF reimbursement period, but should it be longer?
- How will annual tenant eligibility and income monitoring be performed and reported to the Authority?
- Potential use of Infrastructure and Site Preparation and other "Non-Environmental" activities could be a significant tool for non-Core Communities (i.e. any community except Cities of Ann Arbor and Ypsilanti).
- Amendments allow Infrastructure, Site Preparation, Demolition, etc. activities for market rate housing developments. The intent appears to support the increase in supply of new housing. A financial gap must still be demonstrated. In today's construction conditions (high interest and construction costs), this tool may be useful.


Nathan Voght
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Washtenaw County Brownfield Redevelopment Authority
Washtenaw County Office of Community and Economic Development
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734-660-1061

# Washtenaw Urban County Executive Committee: Policy & Procedures For Community Development Block Grant (CDBG) Allocations to Local Units

*Approved by Urban County Executive Committee, January 8, 2020*
*Amended by Urban County Executive Committee, March 3, 2021*

*Effective July 1, 2020*

1) A Local Unit's allocation must be specifically programmed in the Annual Action Plan for the local unit to receive/utilize CDBG funds;

2) Local Units program their annual allocations by completing the CDBG project application form and submitting the completed form to OCED CDBG Management Analyst. Project application must include, at minimum: valid cost estimates, program/project budget, preliminary plans, and a realistic timeline with a target completion date; application must be reviewed and approved by OCED staff.

3) Reserving CDBG allocations is permitted for jurisdictions according to their specific tier, as follows:

| Tier | Annual Allocation Range | Maximum Reserve Period |
|---|---|---|
| 1 | Less than $20,000 | Year 5 |
| 2 | $20,000 and above | Year 2 |

*Maximum Reserve Period* in the above table refers to the maximum number of consecutive years' CDBG funds that can be applied toward a local project to be carried out by the Local Unit once the last year of funding becomes available, and after the project has obtained environmental clearance from HUD. Local projects with multi-year funding are still subject to all other guidelines outlined in the *Policy & Procedures for CDBG Allocations to Local Units*.

4) CDBG allocations expire[1] 2 years from the date of HUD environmental clearance. OCED is responsible for the environmental review process on all CDBG projects within the Urban County. For projects with multi-year funding, OCED will typically schedule the environmental clearance for the 3 to 9 months prior to the Local Unit's targeted implementation date (e.g. target date for issuing a Request for Bids). Once OCED has informed the Local Unit of environmental clearance on the project, the Local Unit then has 2 years by which they must reach substantial completion on their specified project. Exceptions may be approved on a case-by-case basis.

5) When applying for CDBG projects, the Local Unit can request implementation for a specific year, based on the Local Unit's specific tier, as shown below. Typically subrecipient agreement contracts will be issued for 1-year contract terms based on the project timeline and target completion date.

| Tier | Annual Allocation Range | Project must be Implemented by: |
|---|---|---|
| 1 | Less than $20,000 | Year 5 |
| 2 | $20,000 and above | Year 2 |

[1]*Expiration of CDBG allocation dollars means those particular CDBG funds are no longer available to the Local Unit of Government, and the funds in turn become available for County-wide CDBG programming, e.g. Single Family Rehab Program, COVID response, et cetera.*

6) Local Units that utilize CDBG for planning/engineering/design activities will have 1 year to complete planning/engineering/design activities, and 2 years from the date of environmental clearance from HUD (as communicated by OCED) to achieve substantial completion on the construction project resulting from the CDBG-assisted planning/engineering/design activities. See #4 above for more detail regarding timing for environmental clearance. If the planning grant does not result in a construction project, the Local Unit will be required to pay back the planning grant to OCED.

7) Balances on local allocations also expire 2 years from the date of HUD environmental clearance; e.g. $80,000 is allocated to a City's Project X for 2020 and the City receives notice from OCED of environmental clearance on September 20, 2020. At completion of the project, the City only requests reimbursement for eligible CDBG costs of $75,000; the City would then have until September 20, 2022 to utilize their $5,000 balance from their 2020 CDBG allocation.

8) During the annual Action Planning process, any Local Units that do not submit an application for an eligible project will effectively "donate" that year's allocation to the County-wide Single Family Rehab Program[2].

9) Local Units with CDBG balances as of June 30, 2020 will have until June 30, 2023 to program those funds for eligible CDBG projects.

*Requests for exceptions to these policies and procedures necessitated by extenuating circumstances must be submitted in writing to OCED staff. Staff will make every effort to review and respond to requests within two (2) weeks.*

[2]*Exceptions can be made. For example, in 2020 OCED staff made an administrative decision that "donated" allocations would go toward public services for COVID-19 response efforts.*

*Approved 3.3.2021*

# WASHTENAW URBAN COUNTY EXECUTIVE COMMITTEE: POLICY & PROCEDURES FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ALLOCATIONS TO LOCAL UNITS

*APPROVED BY URBAN COUNTY EXECUTIVE COMMITTEE, JANUARY 8, 2020*
*AMENDED BY URBAN COUNTY EXECUTIVE COMMITTEE, MARCH 3, 2021*

*EFFECTIVE JULY 1, 2020*

1) A Local Unit's allocation must be specifically programmed in the Annual Action Plan for the local unit to receive/utilize CDBG funds~~.~~ ***As of the 2026 Fiscal Year Annual Action planning process, starting December 1, 2025,*** each Local Unit of Government (LUGs) will be assigned to one of three Tiers and allocated an *Allocation Allowance*. OCED staff will continue to use the **HUD Allocation Formula* to calculate Local Units' individual allocation to determine Tier Classification.

| **Tier** | **Annual Allocation Range** | **Minimum Allocation Allowance** |
|---|---|---|
| 1 | Less than $30,000 | $120,000 |
| 2 | $30,001 - $75,000 | $150,000 |
| 3 | $75,001 and higher | $200,000 |

**HUD Allocation Formula = (% Population) + 2(%poverty) + (% Housing Problems)*

2)To promote efficient and timely use of funds, **effective December 1, 2025, LUGs will no longer have the option to "reserve" annual allocations (e.g. individual allocation or Tier's allocation allowance)**. LUGs that have a "reserved" balance will be able to use the whole balance in conjunction with their Tier's incoming minimum allocation; **this will be a one-time occurrence**. ~~Local Units program~~LUGs will program their annual allocation allowance ~~s~~ by completing the CDBG project application form and submitting the completed form to OCED ~~CDBG Management Analyst~~Housing & Infrastructure Policy Specialist. Project application must include, at minimum: valid cost estimates, program/project budget, preliminary plans, and a realistic timeline with a target completion date; application must be reviewed and approved by OCED staff. Once approved, OCED Housing & Infrastructure Policy Specialist will schedule monthly or bi-monthly project meetings with the LUG from each Tier. **At a maximum, one LUG per Tier will be allowed to submit a CDBG application for the upcoming Project Cycle during the designated application period.**

3) **Project Cycles** are equivalent to Fiscal Years. **Effective December 1, 2025, the LUG with the highest "reserved" balance will be first in the Tier's rotation for the upcoming project cycle. For each given Tier, where there is no LUG with a "reserved" balance, the LUG with the highest individual allocation (per HUD allocation formula) will be first in rotation for the upcoming project cycle.** There will be one (1) Application Period per Project Cycle; at the beginning of each Project Cycle's Annual Action Planning process, OCED Housing & Infrastructure Policy Specialist will communicate via Allocation Letter to the LUG in rotation for that Project Cycle at least 30 days prior to the Application Period. OCED Housing & Infrastructure Policy Specialist will announce those LUGs at the December meeting.

4) **Application Period** – For LUGs included in the Project Cycle for the upcoming Fiscal Year (ex. Fiscal Year 2026). OCED's Housing & Infrastructure Policy Specialist will start to coordinate with those LUGs beginning December 1st of the preceding year (ex. December 1st, 2025, for FY 2026 project cycle).

- Begins December 1st, applications due by February 28th
- Eligible Local Units:
  - The Local Unit scheduled to complete their full Infrastructure/Facility Project in the upcoming Project Cycle

5) To ensure LUGs are utilizing funds more efficiently OCED staff will be implementing **a new Forfeiture of Allocation requirement effective December 1, 2025. Allocations can be forfeited voluntarily or automatically based on the criteria below:**

- Voluntary Forfeiture
  - If a LUG declines or forfeits the allocation based on Tier status, that allocation will be offered to the next eligible LUG in the same Tier group based on eligibility status stated in #3. If the next scheduled LUG declines the allocations, staff will proceed down the Tier group until a LUG is identified.
  - If all LUGs in a Tier group decline the allocation, the allocation will be reallocated equally among the remaining Tiers (e.g. if Tier 3 forfeits, funds will be split in half between Tier 1 and Tier 2).
  - LUGs who sign the Voluntary Forfeiture form. This form will be sent by July 1st each year, applicable to the upcoming project cycle.
- Automatic Forfeiture
  - A LUG will automatically forfeit their place in the Project Cycle rotation if any of the following occur:
    - No application is submitted by the applicable due date; or
    - No extension request is submitted at least two weeks prior to the due date; or
    - The extended deadline is missed.
- In such cases, the forfeited allocation will be offered to the next Local Unit in the Tier Group for the same project cycle.

*Requests for exceptions to these policies and procedures must be submitted in writing to OCED staff. Staff will make every effort to review and respond to requests within two (2) weeks*

~~3) Reserving CDBG allocations is permitted for jurisdictions according to their specific tier, as follows:~~

| ~~Tier~~ | ~~Annual Allocation Range~~ | ~~Maximum Reserve Period~~ |
|---|---|---|
| ~~1~~ | ~~Less than $20,000~~ | ~~Year 5~~ |
| ~~2~~ | ~~$20,000 and above~~ | ~~Year 2~~ |

~~*Maximum Reserve Period* in the above table refers to the maximum number of consecutive years' CDBG funds that can be applied toward a local project to be carried out by the Local Unit once the last year of funding becomes available, and after the project has obtained environmental clearance from HUD. Local projects with multi-year funding are still subject to all other guidelines outlined in the *Policy & Procedures for CDBG Allocations to Local Units*.~~

~~4) CDBG allocations expire[1] 2 years from the date of HUD environmental clearance. OCED is responsible for the environmental review process on all CDBG projects within the Urban County. For projects with multi-year funding, OCED will typically schedule the environmental clearance for the 3 to 9 months prior to the Local Unit's targeted implementation date (e.g. target date for issuing a Request for Bids). Once OCED has informed the Local Unit of environmental clearance on the project, the Local Unit then has 2 years by which they must reach substantial completion on their specified project. Exceptions may be approved on a case-by-case basis.~~

~~5) When applying for CDBG projects, the Local Unit can request implementation for a specific year, based on the Local Unit's specific tier, as shown below. Typically subrecipient agreement contracts will be issued for 1-year contract terms based on the project timeline and target completion date.~~

| ~~Tier~~ | ~~Annual Allocation Range~~ | ~~Project must be Implemented by:~~ |
|---|---|---|
| ~~1~~ | ~~Less than $20,000~~ | ~~Year 5~~ |
| ~~2~~ | ~~$20,000 and above~~ | ~~Year 2~~ |

~~*[1]Expiration of CDBG allocation dollars means those particular CDBG funds are no longer available to the Local Unit of Government, and the funds in turn become available for County-wide CDBG programming, e.g. Single Family Rehab Program, COVID response, et cetera.*~~

~~6) Local Units that utilize CDBG for planning/engineering/design activities will have 1 year to complete planning/engineering/design activities, and 2 years from the date of environmental clearance from HUD (as communicated by OCED) to achieve substantial completion on the construction project resulting from the CDBG-assisted planning/engineering/design activities. See #4 above for more detail regarding timing for environmental clearance. If the planning grant does not result in a construction project, the Local Unit will be required to pay back the planning grant to OCED.~~

~~7) Balances on local allocations also expire 2 years from the date of HUD environmental clearance; e.g. $80,000 is allocated to a City's Project X for 2020 and the City receives notice from OCED of environmental clearance on September 20, 2020. At completion of the project, the City only requests reimbursement for eligible CDBG costs of $75,000; the City would then have until September 20, 2022 to utilize their $5,000 balance from their 2020 CDBG allocation.~~

~~8) During the annual Action Planning process, any Local Units that do not submit an application for an eligible project will effectively "donate" that year's allocation to the County-wide Single Family Rehab Program[2].~~

~~9) Local Units with CDBG balances as of June 30, 2020 will have until June 30, 2023 to program those funds for eligible CDBG projects.~~

~~*Requests for exceptions to these policies and procedures necessitated by extenuating circumstances must be submitted in writing to OCED staff. Staff will make every effort to review and respond to requests within two (2) weeks.*~~

~~[2]Exceptions can be made. For example, in 2020 OCED staff made an administrative decision that "donated" allocations would go toward public services for COVID-19 response efforts.~~

~~*Approved 3.3.2021*~~