Secretary Castro Visits The City of Flint

Emphasizes maximizing existing funding

On March 14, 2016 Secretary Julián Castro visited the city of Flint to discuss its on-going water crisis.

The U.S. Department of Housing and Urban Development (HUD) Secretary Julián Castro visited the city of Flint to get a firsthand look at how the water crisis is impacting the community. Secretary Castro confirmed HUD’s dedication to the city of Flint and its willingness to assist wherever it can. The Secretary, joined by U.S. Congressman Dan Kildee of Michigan’s 5th District and HUD Region 5 Administrator Antonio Riley, began his day by visiting the Federal Unified Coordination Group command center.

The Center serves as the hub for the many Federal, state, and local agencies working together to address the water crisis. From there, the Secretary’s party moved on to Flint City Hall, where they met with Mayor Karen Weaver to discuss how HUD funds and programs could be used to address the water crisis. Moving on to Oak Street Senior Apartments, a HUD Section 202 development owned by a local Flint non-profit, Communities First.

The apartments were developed out of the Oak Street School, which had long been a vacant, blighted building in Flint’s Grand Traverse Neighborhood. The Oak Street building was originally built in 1898 and is an architectural jewel. It has become a wonderful example of how to adapt and reuse historic buildings. Secretary Castro was able to meet with several residents who indicated their happiness with being provided such an attractive and affordable housing option.

After having lunch at a local restaurant owned by a small business owner, the Secretary headed back to Washington, D.C. so he could make it home in time to celebrate his daughter’s seventh birthday!

“HUD is dedicated to the city of Flint and remains willing to assist wherever it can.”

HUD was awarded ‘Most Improved’ in Best Places to Work Rankings. HUD improved by an incredible 18% over last year! The rankings show HUD really is a better place to work with growing professional opportunities and diversity in the workplace! HUD is still ranked 21st on the list of mid-sized Federal agencies so there is still work to do—so pass on how great it is to work at HUD!

Over $100 Million in Lead Grants Available

On March 18, 2016 HUD announced that it is making over $100 million in grants available to help eliminate dangerous lead-based paint hazards from the homes of lower income families. The grants are intended to protect young children from lead poisoning and provide an opportunity for states and local communities to establish programs to control health and safety hazards by assessing and remediating lead-based paint and other housing related health hazards.

The grants are being offered through HUD’s Lead Based Paint Hazard Control Program ($43 million) and its Lead Hazard Reduction Demonstration Program ($45 million) with nearly $13 million in healthy homes supplemental funds.
Bicentennial Towers
Detroit, Michigan

By: Freyja Harris, Multifamily Management Support Specialist

Bicentennial towers is a 300-unit development located in Detroit, Michigan. The project consists of one 12-story building restricted to 196-units for the elderly and 103-units for families. Two hundred ninety nine of the 300 units are Project Based Section 8. The development sits at the epicenter of significant public/private investment happening along Detroit’s Woodward Corridor and Midtown District, in a neighborhood that had experienced decline but is now leading the renaissance of Detroit. Over $1.2 billion in recent development has occurred within close proximity to the property—including the construction of the $137 million M-1 Woodward Light Rail Project. Due to the complexity of the deal, the U.S. Department of Housing and Urban Development has been involved from its conception.

Working with the Michigan State Housing Development Authority and across HUD Divisions it took a lot of team work and planning, one of the greatest challenges was completing the rehabilitation without displacing senior or family tenants. Bicentennial Towers went through substantial rehabilitation financed using HUD’s Tax Credit Pilot Program (§ 223(f)) along with the 4% Low Income Housing Tax Credit (LIHTC) under MSHDA’s Tax-Exempt Bond Program. The HUD insured loan was for $24 million and the total construction contract was for $5,729,677 ($19,099 per apartment unit).

renovations included in Bicentennial towers >>>

**Site Work:** Repaired the property gate, curbs and sidewalks and upgraded the landscaping, exterior lighting, and site accessibility.

**Building Exterior:** Installed energy efficient windows throughout; refreshed roofing, paint, and entry doorways.

**Mechanical and Life Safety Systems:** Upgraded heating/cooling, plumbing, fire safety and security systems with new front entry security and security cameras.

**Unit Interior:** Refurbished kitchens and bathrooms to include new cabinets, sinks, and fixtures; upgraded flooring with wood plank laminate, ceramic tile, and carpet; upgraded lighting throughout; updated ADA units to meet regulatory standards; installation of new energy star appliances (refrigerators, range/ovens, microwaves, and dishwashers).

**Common Areas:** Renovated community center, lobby, fitness center and outdoor patio, added a computer lab and theater for resident’s use.

**Services:** Community Resources and Service Coordination staff organize recreational, health and educational programming for residents. Residents also have access to communal meals, transportation and services arranged by the property’s staff.
The Point-in-Time count is a count of sheltered and unsheltered homeless persons on a single night in January. HUD requires that Continuums of Care conduct an annual count of homeless persons who are sheltered in emergency shelter, transitional housing, and Safe Havens on a single night and a count of unsheltered homeless persons every other year. Each count is planned, coordinated, and carried out locally with the help of volunteers.

The Free Press published “Count of homeless Americans hits Detroit streets” detailing the efforts to achieve an accurate count of the homeless in Michigan’s communities.

HUD joined hundreds of other volunteers throughout Michigan in a one-night effort to track down and count the homeless in America. The results of the Point-in-Time count are generally released in a series of reports starting in April. Detroit’s results, including Hamtramck and Highland Park, found 2,748 homeless people. Most of these were safe inside shelters, but 151 were found sleeping outside or roaming the streets. The goal over the past year was to slash the overall count by 400—a reduction of more than 15%.

To reach this goal many of HUD’s stakeholders are implementing new tactics: 1) a strong Federal push to end homelessness, starting with military veterans; and 2) the city of Detroit funding two extra teams of year-round social workers to find homeless individuals on the street and entice them to receive mental-health care, drug-abuse counseling, and housing assistance.

On Saturday, March 12, 2016, HUD staff participated in the EPA Flint Open House. The purpose of the open house was to provide the latest information on Flint’s drinking water system.

The event provided information about the water crisis; how to keep your family safe; the status of improvements to the water system; ongoing and long-term activities to ensure a safe water supply; public health and medical concerns; and environmental issues. Agencies participating included the US Environmental Protection Agency, US Depart of Health and Human Services; the Michigan Department of Health and Human Services; Michigan Department of Environmental Quality, Genesee County Health Department and the Michigan State Police/Emergency Management and Homeland Security. HUD also specifically addressed questions and concerns related to affordable housing.

Absolutely! The HUD Recreation Committee is currently seeking volunteers for the upcoming Take Your Child to Work Day on April 28, 2016. Volunteers are needed for different events throughout the day. If interested contact Karen Ostrander at 313-234-7396

Volunteer opportunities also exist for the annual Building Michigan Communities Conference on April 25-27, 2016. For more information visit: https://www.volunteerspot.com/login/entry/456436712048
On January 25, 2016, PV McNamara Federal Building kicked off a water drive to support the Flint Housing Commission’s efforts to provide clean water to its residents. The water drive was carried out with the collaboration of the Detroit HUD Field Office of Public Housing, Field Policy and Management and the Federal Executive Board. Those spearheading the effort included Messrs. Douglas Gordon, Director of the Office of Public Housing, Michael Polsinelli, Detroit Field Office Director, and Ms. Michelle Rhodes, Executive Director, Federal Executive Board.

The Federal family came together and donated a significant amount of water. The donations were received from the local U.S. Department of Agriculture, U.S. Patent and Trade Office, IRS, and other agencies located within the Patrick V. McNamara Federal Building. In addition to the sizeable amount of water donated, more than $1,200 in cash donations were received which will be used to purchase filters.

### Item Donated

<table>
<thead>
<tr>
<th>Item Donated</th>
<th>Quantity</th>
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</thead>
<tbody>
<tr>
<td>Cases of Water (excludes U.S. Attorney)</td>
<td>318</td>
</tr>
<tr>
<td>5-Gallon Containers of Water</td>
<td>58</td>
</tr>
<tr>
<td>1-Gallon Containers of Water</td>
<td>60</td>
</tr>
<tr>
<td>Palleted cases (U.S. Attorney)</td>
<td>207</td>
</tr>
</tbody>
</table>

**The delivery! >>>**

On March 9, 2016, the water was delivered to the grateful residents of the Flint Housing Commission. Several HUD staff volunteered their personal time to make the delivery, including:

- Mr. Michael Polsinelli, Field Office Director
- Mr. Douglas Gordon, Director, Office of Public Housing
- Ms. Lidi Armenta, Presidential Management Fellow, Office of Public Housing
- Mr. John Godin, Account Executive, Multifamily Housing
- Ms. Christi Mathis, Account Executive, Multifamily Housing
- Mr. Anthony Martin, Flint Team Lead, White House Strong Cities, Strong Communities Initiative
On February 12, 2016, The U.S. Department of Housing and Urban Development Secretary Julián Castro announced HUD allocating more than $1.8 billion to public housing facilities in all 50 states, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands.

Each of Michigan’s 128 public housing authorities will receive a portion of the $31,443,992 in funding coming to Michigan. These funds are awarded part of the annual Capital Fund Program to build, repair, renovate, or modernize the public housing in the community.

History & Need

For more than 75 years, the Federal Government has been investing money toward developing and maintaining public housing—to include annual support through the Capital Fund grant program. These funds are needed to address an estimated $25.6 billion repair shortfall facing the nation’s 1.1 million public housing units.

what is RAD >>>

HUD’s Rental Assistance Demonstration (RAD)

Since Congress authorized RAD in November 2011, early results show it is generating significant additional capital for public and assisted housing. As of 1/31/2016 HUD has granted RAD awards to 2,364 public and assisted housing units for 12 Michigan Public Housing Authorities.

In order to address the significant repair funding shortfall noted above, the RAD program allows for an infusion of private equity and debt. To date the Michigan RAD awards have generated more than three times the entire state capital fund grant. These additional funds can be used to preserve or replace distressed units and support local jobs in their communities—maximizing private investment while allowing scarce federal resources to go further!

<table>
<thead>
<tr>
<th>Housing Authority</th>
<th>Units</th>
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<tbody>
<tr>
<td>Ann Arbor Housing Commission</td>
<td>336</td>
</tr>
<tr>
<td>Ecorse</td>
<td>200</td>
</tr>
<tr>
<td>Plymouth</td>
<td>104</td>
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<tr>
<td>Grand Rapids</td>
<td>400</td>
</tr>
<tr>
<td>Ypsilanti</td>
<td>198</td>
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<tr>
<td>Pontiac</td>
<td>208</td>
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<tr>
<td>South Lyon</td>
<td>15</td>
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<tr>
<td>Bay City</td>
<td>560</td>
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<tr>
<td>Paw Paw</td>
<td>81</td>
</tr>
<tr>
<td>Lapeer</td>
<td>60</td>
</tr>
<tr>
<td>Clinton Township</td>
<td>100</td>
</tr>
<tr>
<td>Taylor</td>
<td>102</td>
</tr>
<tr>
<td>Total</td>
<td>2,364</td>
</tr>
</tbody>
</table>

On Location!

Grand Rapids Housing Commission is currently converting 400 units under the RAD program, Creston Plaza being the first of the conversions to open to residents.

Creston Plaza housing and office structures were completed in December 2015. The LEED-certified northeast-side family housing development offers 17 single-family homes, 83 one- to four-bedroom units in duplex-, triplex-, and townhouse style buildings, and a Community Center that houses a resident meeting space as well as management and resident services offices.

For more information go to: www.grhousing.org/development.html

finished single-family home on Lafayette Street NE - Grand Rapids Housing Commission

These funds are needed to address an estimated $25.6 billion repair shortfall facing the nation’s 1.1 million public housing units.
Detroit’s NEW 0% Interest Home Repair Loan

You believed in Detroit. Detroit Believes in You.

The Detroit 0% Interest Home Repair Loan Program provides loans to Detroit homeowners looking to complete home repairs or improvements. Homeowners have up to ten years to pay back the loans, which are provided at 0% interest—meaning the homeowners pay back only what they borrow. To qualify a person must be a homeowner, be a low-income resident, or live in a designated area. Additional help may also be available for those who are above the income limits.

Loans are available between $5,000 and $25,000 for Detroit homeowners who own and occupy single-family homes. Homeowners who own properties with two units (such as duplexes) can be eligible for up to $50,000 as long as they live in one of the units. Loan amounts are paid back over 10 years. There is no fee for paying back a loan early.

The minimum FICO score for this program is 560, which is below the average credit score of most U.S. consumers. The Neighborhood Intake Centers have resources available on improving individual credit scores.

If the home has health and safety hazards, those issues must be addressed first before other repairs can be made. The homeowner can choose finishes based on personal preference as long as the cost is within their approved loan amount. The homeowner may not contract with the contractor for additional work or pay for additional work until after the work paid for by the loan program is completed. The following is a sampling of eligible repairs:

- Correcting health and safety hazards (required)
- Electrical/Plumbing repairs
- Furnace replacement
- Roof replacement
- Door/Window replacement

Through a 0% interest loan program the City is able to help more homeowners with limited funds than it previously could with the grant-only program—which essentially functioned as a “lottery” due to limited funds. The home repair grant program maintained a waiting list of thousands of applicants. Less than 10% of homeowners on the waitlist were ever selected with their average wait time being up to 18 months. The 0% Interest Home Repair Loan Program will allow the City to make the greatest possible impact with limited funds on neighborhoods across Detroit.

Are grants still available?

Yes, to a limited extent. There are a limited number of Emergency and Lead Abatement grants available to seniors, those with certain disabilities, and low-income households with children under the age of six. Visit the City’s website for more information on the limited grant programs.
HUD has deep roots in disaster recovery—and FEMA was once part of the Department, separating from HUD in 1979. Following the fragmented Federal response to Hurricane Katrina HUD established an Office of Disaster Management and National Security (currently led by Mr. David R. Ziaya). Each Field Office is directed to develop a COOP covering: essential functions of the office; delegations of authority; orders of succession; continuity facilities and telework; essential records management; human resources; test, training and exercises; devolution; and reconstitution.

To accomplish this, the Office of Field and Policy Management engages each program director to develop a fully integrated plan and ensure annual COOP training is accomplished. Additionally, the Field Office coordinates and meets with state disaster readiness actors to discuss how HUD is able to assist the state in coordinating post-disaster activities.

The Detroit Field Office successfully tested its Continuity of Operations Plan on April 7-8, 2016.

Employee spotlight...

Congratulations to the following employees representing HUD at the FEB Federal Employee Recognition Ceremony on May 11, 2016.

**FPM**
- Annie Ogletree
- MF Asset Mgmt
  - Juan Cruz
  - Angie Witt
  - Karen Ostrander
  - Brenda Blaies
  - Sara Rockafellow

**MF Development**
- Chris Nielsen
- Lee-Von Hornsby
- Kelly Allen
- Chris Cook

**OHCP**
- Rasheedah Dix
- CPD
  - Margaret Momon
  - Cynthia Vails
  - Tamika Jones-Little

**PIH**
- Angela Foster
- Patricia Hairston
- Kathy DeLaFuente
- David Sherborne

**Admin**
- Pat Connor

Key Dates/Events

- April 21, 2016—Flint Fair Housing Conference
- April 27-29, 2016—Building Michigan Communities Conference
- April 28, 2016—Bring your child to work day
- May 4-5, 2016—Michigan Minority Procurement Conference
- May 11, 2016—FEB Federal Employee Recognition Ceremony

coming soon >>>

**Final thoughts...**

The Detroit Field Office successfully tested its Continuity of Operations Plan on April 7-8, 2016.