



BENTON HARBOR

Port of Opportunities

2019 Annual Action Plan

CARES Act Amendment

CV1 & CV3 DRAFT

City of Benton Harbor
200 E. Wall Street
Benton Harbor, MI 40922

Annual Action Plan
2019

1

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CARES Act Amendment: This AAP has been amended with CARES Act funds CDBG-CV1 and CDBG-CV3. The CARES Act funds will go towards activities that prevent, prepare for and respond to the coronavirus (COVID-19) pandemic.

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Benton Harbor, Michigan is an entitlement recipient of Community Development Block Grant (CDBG) funding only. This Action Plan addresses the priority needs for Program Year 2019. The City of Benton Harbor is located in Southwestern Michigan, in Berrien County, forty-five (45) miles west of Kalamazoo. The County's southern border is the Michigan/Indiana state line, making Benton Harbor forty-one (41) miles north of South Bend, Indiana. Benton Harbor has a total land area of 4.68 square miles and is bordered by the Paw Paw and St. Joseph Rivers, which merge and empty out into Lake Michigan just downstream from Benton Harbor. Benton Harbor is located across the Saint Joseph river from the city of Saint Joseph, and are locally known as the "Twin Cities". Though, the cities could not be more different. According to the U.S. Census 2017 estimates, the population of Benton Harbor is 9,860. Of the total population, 85.3% are African American and 9.9% are White. Saint Joseph's 2017 population was 8,363, with 86.6% of the population identifying as White and 5.5% African American. In 2017, Benton Harbor's median household income was \$18,962, with 49.2% of residents living in poverty, while Saint Joseph's median household income was \$55,854, with 8.2% living in poverty. The City has historically been home to industrial and manufacturing companies and suppliers, such as Whirlpool Corporation, which is headquartered in Benton Harbor, which is significant because as manufacturing and industry left many American cities, Benton Harbor was no different. This has had devastating economic, social, cultural, and environmental impact on Benton Harbor.

Many years of financial mismanagement left the city in financial distress. In 2010, the State of Michigan appointed the first of two emergency financial managers to help the city become financially solvent. As part of the emergency financial management plan for Benton Harbor, a large number of city employees were terminated as a cost savings measure, reducing city staff from over 100 employees to 40 employees. Salaries were also reduced and many city benefits were terminated. During this time, the city's Community & Economic Development Department (CEDD), which administers the City's CDBG grant, experienced high rates of turnover and suffered from lack of experience and incompetency. For many years, the City's CDBG program was inadequately administered and/or not administered at all. All of this led to an unsatisfactory HUD monitoring visit in 2016 that cited numerous findings, non-compliance with HUD reporting requirements, and a severe backlog in CDBG funding. As of May 2019, timeliness was met for the City of Benton Harbor, placing the community back on track to receive and successfully facilitate HUD Community Block Grant Dollars.

CARES Act Amendment (CV1 & CV3)

On March 27, 2020 the Federal Coronavirus Aid, Relief and Economic Security Act (CARES) was signed into law to assist communities in their efforts to prevent, prepare for and respond to the coronavirus (COVID-19) pandemic. The CARES Act included supplemental formula allocations to HUD's CPD programs, including CDBG-CV for the City of Benton Harbor. CDBG-CV funds were awarded in two rounds to the City with funds of \$250,905 from CDBG-CV1 funds of \$77,918 from CDBG-CV3. The total funding from CDBG-CV1 and CDBG-CV3 is \$328,823.

2. Summarize the objectives and outcomes identified in the Plan

The objective of the FY 2019 Action Plan largely focuses on improving the community's physical and community infrastructure needs.

3. Evaluation of past performance

Many years of financial mismanagement left the city in financial distress. In 2010, the State of Michigan appointed the first of two emergency financial managers to help the city become financially solvent. As part of the emergency financial management plan for Benton Harbor, a large number of city employees were terminated as a cost savings measure, reducing city staff from over 100 employees to 40 employees. Salaries were also reduced and many city benefits were terminated. During this time, the city's Community & Economic Development Department (CEDD), which administers the City's CDBG grant, experienced high rates of turnover and suffered from lack of experience and incompetency. For many years, the City's CDBG program was inadequately administered and/or not administered at all. All of this led to an unsatisfactory HUD monitoring visit in 2016 that cited numerous findings, non-compliance with HUD reporting requirements, and a severe backlog in CDBG funding. The City failed to meet timeliness requirements in 2017 and 2018, putting the City's FY 2018 funds in jeopardy. As a result, the City was required to consult with HUD headquarters in June 2018. As of May 2019, timeliness was met for the City of Benton Harbor, placing the community back on track to receive an successfully facilitate HUD Community Block Grant Dollars.

In response to a recommendation from the City's HUD field representative, the City's FY 2019 Annual Action Plan identifies strategies that focus on funding shovel-ready, infrastructure projects that can spend down funds in a timely manner.

4. Summary of Citizen Participation Process and consultation process

City staff conducted public outreach through publishing public notices in the Herald-Palladium newspaper and holding two (2) public hearings. During the review period, the draft Action Plan was available for review at the Community & Economic Development Department.

CARES Act Amendment (CV1 & CV3):

CDBG-CV funds were awarded in two rounds to the City with funds of \$250,905 from CDBG-CV1 funds of \$77,918 from CDBG-CV3. Under the provision of the CARES Act, a notice and five (5) day comment period consistent with the loosening of procedures providing a waiver of the 30 day comment period in order to program the funding quickly and efficiently.

5. Summary of public comments

SEE CITIZENS COMMENTS IN APPENDIX

6. Summary of comments or views not accepted and the reasons for not accepting them

The City did not refuse any comments or views.

7. Summary

CARES Act Amendment (CV1 & CV3)

CARES Act funds allocated to entitlement grantees came in three rounds, of which the City received Round 1 & Round 3 grants for CDBG-CV:

Round 1: \$250,905 for CDBG-CV1

Round 2: \$0

Round 3: \$77,918 for CDBG-CV3

This AAP has been amended to reflect the addition of CDBG-CV funds. Funds will be used towards senior services, subsistence payments for rent and utility costs, meal services for isolated persons during the pandemic, shelter operations to vulnerable homeless persons, a food bank, and housing rehab in response to the pandemic. Total funding from CDBG-CV1 and CDBG-CV3 is a combined \$328,823.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	BENTON HARBOR	Community & Economic Development Department

Table 1 – Responsible Agencies

Narrative (optional)

The Community & Economic Development Department is the lead entity responsible for administering the City's CDBG programs covered by the Consolidated Plan and Annual Action Plan. The City works with the Southwest Michigan Community Action Agency (SMCAA) as a subrecipient, in administering the City's home rehabilitation loan program.

Consolidated Plan Public Contact Information

Alex Little
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City of Benton Harbor
(269) 204-2776
City Hall
200 E. Wall Street
Benton Harbor, MI 40922

AP-10 Consultation – 91.100, 91.200(b), 91.215(l)

1. Introduction

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

The goal of the City of Benton Harbor's Community & Economic Development Department (CEDD) to work toward developing relationships with local services providers where none currently exist, and to strengthen existing relationships. Due to the extensive amount of staff turnover in the CEDD over the past several years, the City lost focus of its citizen participation plan and process, including engaging with local services providers, governments and governmental agencies, and housing providers.

The new CEDD staff has made it a priority to focus on enhancing coordination between the City and these entities, by attending meetings, through phone calls, and emails. Staff has also begun compiling a list of all relevant agencies and entities with the goal of increasing communication beginning with PY 2019, including sending out a survey on unmet community needs, as well as notices for public participation opportunities during the consolidated planning, action plan, CAPER planning and review processes.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The new CEDD director just recently began developing a relationship with the Continuum of Care, the Housing Resource Network. The director has begun attending the HRN monthly meetings in attempt to gain a better understanding of the unmet needs in the community and the services that are currently addressing them.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of Benton Harbor does not receive ESG funds. Through the newly reestablished relationship with the Housing Resource Network, the City will work with the group to develop funding, policies and procedures for the operation and administration of HMIS in the future.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Southwest Michigan Community Action Agency
	Agency/Group/Organization Type	Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City held multiple discussions with SMCAA staff regarding the home rehabilitation needs in the community, providing City staff with in depth insight into unmet housing needs and lead-based paint issues in the community. This information has helped to guide the direction of the City'sCDBG-funded home rehabilitation loan program.
2	Agency/Group/Organization	Berrien County Land Bank
	Agency/Group/Organization Type	Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City works closely with the Berrien County Land Bank to develop a list of vacant properties in the city, and to identify vacant properties that have economic development potential.
3	Agency/Group/Organization	Benton Harbor Housing Commission
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with the Benton Harbor Public Housing Commission to determine the needs of those living in public housing and to determine how the City can play a role in addressing housing needs in the community.

Identify any Agency Types not consulted and provide rationale for not consulting

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care		

Table 3 – Other local / regional / federal planning efforts

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The City held the first of two Public Hearings on June 13, 2019, during a special meeting of the Planning and Economic Development Committee. The City observed a 30-day comment period, from June 20, 2019 through July 20, 2019. The City held the second, and final, public hearing on July 24, 2019 during the regular meeting of the Planning and Economic Development Committee. Meeting minutes for both hearings are attached herein, including a summary of comments received.

The City published public hearing notices in the Herald-Palladium newspaper on the following dates: June 2, 2019; and June 30, 2019. Affidavits of publication are attached herein.

CARES Act Amendment (CV1 & CV3):

CDBG-CV funds were awarded in two rounds to the City with funds of \$250,905 from CDBG-CV1 funds of \$77,918 from CDBG-CV3. Under the provision of the CARES Act, a notice and five (5) day comment period consistent with the loosening of procedures providing a waiver of the 30 day comment period in order to program the funding quickly and efficiently.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL
1	Newspaper Ad	Minorities Non-targeted/broad community		SEE ATTACHED	No comments were refused	
2	Public Comment Period	Non-targeted/broad community	A 5-day public comment period was held to allow for the public to review and make comments on the draft amendment.	All comments accepted.	All comments accepted.	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

CARES Act Amendment (CV1 & CV3)

On March 27, 2020 the Federal Coronavirus Aid, Relief and Economic Security Act (CARES) was signed into law to assist communities in their efforts to prevent, prepare for and respond to the coronavirus (COVID-19) pandemic. The CARES Act included supplemental formula allocations to HUD’s CPD programs, including CDBG-CV for the City of Benton Harbor. CDBG-CV funds were awarded in two rounds to the City with funds of \$250,905 from CDBG-CV1 funds of \$77,918 from CDBG-CV3. The total funding from CDBG-CV1 and CDBG-CV3 is \$328,823.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	421,406	0	165,000	586,406	0	Prior year funds of \$165,000 will address code enforcement and public facility improvements.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Admin and Planning Housing Public Services Other To prevent, prepare for and respond to COVID-19	328,823	0	0	328,823	0	CDBG-CV Funds to be used to prevent, prepare for and respond to the Coronavirus.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City will use \$95,000 of CDBG funds to leverage funding from the City of Benton Harbor's newly enacted City Income Tax, to provide infrastructure improvements in the community. The City will use CDBG funds reserved for its home rehabilitation loan program to leverage funding from the Southwest Michigan Community Action Agency (SMCAA) to weatherize homes in the program.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

N/A

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Assist Home Owners with Needed Repairs	2016	2020	Affordable Housing		Improving Affordable Housing Options	CDBG: \$87,125 CDBG-CV: \$143,009	Homeowner Housing Rehabilitated: 19 Household Housing Unit
2	Reduce Hazards in Homes	2016	2020	Affordable Housing		Providing Suitable Living Environments	CDBG: \$204,281	Homeowner Housing Rehabilitated: 4 Household Housing Unit Housing Code Enforcement/Foreclosed Property Care: 1000 Household Housing Unit
3	Improve Public Facilities & Infrastructure	2016	2020	Non-Housing Community Development		Providing Suitable Living Environments	CDBG: \$295,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 2000 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Increase Capacity of Area Service Providers	2016	2020	Non-Housing Community Development		Improving the Capacity of Area Service Providers	CDBG-CV: \$185,815	Public service activities other than Low/Moderate Income Housing Benefit: 420 Persons Assisted Public service activities with Low/Moderate Income Housing Benefit: 50 Households Assisted

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Assist Home Owners with Needed Repairs
	Goal Description	The City of Benton Harbor will continue to provide for housing rehabilitation through its minor rehabilitation and emergency repairs programs.
2	Goal Name	Reduce Hazards in Homes
	Goal Description	Through the housing rehabilitation programs, the City will continue to provide for improving the safety and accessibility of homes throughout the community. Code enforcement activities will inspect rental housing throughout Benton Harbor for compliance with the City's property maintenance code.
3	Goal Name	Improve Public Facilities & Infrastructure
	Goal Description	The City of Benton Harbor will utilize CDBG funds to improve the availability and accessibility of public facilities and infrastructure. This may include improvements to public buildings, streets and sidewalks, public parks, water and sewer facilities and other publicly owned and operated facilities.
4	Goal Name	Increase Capacity of Area Service Providers
	Goal Description	The City of Benton Harbor will continue to provide support for local housing and community service providers in an effort to expand access to services and opportunities.

Projects

AP-35 Projects – 91.220(d)

Introduction

The City of Benton Harbor will allocate funding for the 2019 Program Year with a focus on repairing physical infrastructure. The City will allocate \$195,000 toward infrastructure repairs. The City will reserve approximately 20% of its annual allocation for administration of the CDBG grant. No funds will be reserved for public service programming. the City will allocate approximately \$87,125.00 to the Home Rehabilitation Loan Program.

CARES Act Amendment

CARES Act funds will be allocated to create three CV-projects that will work to prevent, prepare for and respond to COVID-19: CDBG-CV Program Admin, CDBG-CV Public Services and CDBG-CV Housing Rehab. Details of the CDBG-CV projects are located in the following AP-38 Project Summary section.

Projects

#	Project Name
1	Planning and Administration
2	Sidewalk Replacement
3	Home Rehabilitation Loan Program
4	Rehousing Project
5	Code Enforcement
6	Public Facilities Improvements
7	CDBG-CV Program Admin
8	CDBG-CV Public Services
9	CDBG-CV Housing Rehab

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

In order to continue to meet the City of Benton Harbor's timeliness goal for the 2019 program year, the City will focus on large, infrastructure repair projects and will be unable to reserve funds for public services programming, which tend to spend funds slowly.

AP-38 Project Summary

Project Summary Information

1	Project Name	Planning and Administration
	Target Area	
	Goals Supported	Assist Home Owners with Needed Repairs Reduce Hazards in Homes Improve Public Facilities & Infrastructure
	Needs Addressed	Improving Affordable Housing Options Providing Suitable Living Environments
	Funding	CDBG: \$84,281
	Description	Administrative Costs of administering the CDBG program for the City of Benton Harbor
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	N/A.
	Location Description	Citywide
	Planned Activities	Administrative Costs of administering the CDBG program for the City of Benton Harbor
2	Project Name	Sidewalk Replacement
	Target Area	
	Goals Supported	Improve Public Facilities & Infrastructure
	Needs Addressed	Providing Suitable Living Environments
	Funding	CDBG: \$95,000
	Description	The City will use CDBG funds as leverage for funds levied through a recently enacted citywide income tax to replace local sidewalks.
	Target Date	3/31/2020
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that over 1,000 low-to-moderate income families will be serviced, as well as businesses and churches owned or operated by low-to-moderate income persons, by the sidewalk repairs that this project will fund.

	Location Description	Various neighborhoods in the City of Benton Harbor, as identified by the City of Benton Harbor Streets Improvement Plan created by Abonmarche. This map is available to Residents via the COBH Website as well as in the City Manager's Office.
	Planned Activities	Replacement/Repair of neighborhood sidewalks.
3	Project Name	Home Rehabilitation Loan Program
	Target Area	
	Goals Supported	Assist Home Owners with Needed Repairs Reduce Hazards in Homes
	Needs Addressed	Providing Suitable Living Environments
	Funding	CDBG: \$217,125
	Description	The City will provide 2 Whole House Rehabilitation Loans and 2 Emergency Repair Loans to low-to-moderate income households.
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	The City will provide Emergency Loans up to \$5,000 and Whole House Rehabilitation Loans up to \$25,000 to eligible homeowners to make eligible repairs to their homes. PY 2019 goal is 2 Whole House Rehabilitation Loans and 2 Emergency Repair Loans.
	Location Description	Addresses have not yet been determined. Properties throughout the city of Benton Harbor.
	Planned Activities	Make needed repairs to eligible single-family, homeowner occupied houses.
4	Project Name	Rehousing Project
	Target Area	
	Goals Supported	Assist Home Owners with Needed Repairs
	Needs Addressed	Improving Affordable Housing Options Providing Suitable Living Environments
	Funding	CDBG: \$25,000

	Description	City of Benton Harbor Rehousing Program - \$25,000 Housing relocation and stabilization services and/or short and/or medium term rental assistance as necessary to help individuals or families living in shelters or in places not meant for human habitation move as quickly as possible into permanent housing in Benton Harbor City limits and achieve stability in that housing. This activity will be administered by the Housing Assistance Resource Agency (HARA).
	Target Date	6/30/2021
	Estimate the number and type of families that will benefit from the proposed activities	Homeowner Housing Rehabilitated: 4 Household Housing Unit
	Location Description	Citywide
	Planned Activities	City of Benton Harbor Rehousing Program - \$25,000
5	Project Name	Code Enforcement
	Target Area	
	Goals Supported	Reduce Hazards in Homes
	Needs Addressed	Providing Suitable Living Environments
	Funding	CDBG: \$65,000
	Description	CDBG funds will be used to cover the cost of one (1) City code enforcement inspector. Inspector will inspect rental housing throughout Benton Harbor for compliance with the City's property maintenance code.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	The City of Benton Harbor's code enforcement program inspects rental housing throughout the city for violations of the property code. Based on prior program year figures, it is estimated that 1,000 inspections will be completed.
	Location Description	Citywide
	Planned Activities	Use CDBG funds to fund the salary of one (1) code enforcement inspector.
6	Project Name	Public Facilities Improvements
	Target Area	
	Goals Supported	Improve Public Facilities & Infrastructure

Needs Addressed	Providing Suitable Living Environments
Funding	CDBG: \$100,000
Description	The City will provide funding for public facilities improvements that will be benefit persons in LMI areas.
Target Date	6/30/2022
Estimate the number and type of families that will benefit from the proposed activities	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted
Location Description	Citywide eligible.
Planned Activities	Planned activities include: Public facility improvements to benefit LMI.

CDBG-CV Projects

7	Project Name	CDBG-CV Program Administration
	Target Area	
	Goals Supported	Assist Home Owners with Needed Repairs Increase Capacity of Area Service Providers
	Needs Addressed	Improving Affordable Housing Options Improving the Capacity of Area Service Providers
	Funding	CDBG-CV: \$50,181
	Description	Administration of the CDBG-CV program. Admin will oversee activities that prepare for and respond to the COVID-19 pandemic. Funding for this project comes from: CDBG-CV1: \$50,181
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	Citywide
	Planned Activities	Administration of the CDBG-CV program.
8	Project Name	CDBG-CV Public Services
	Target Area	
	Goals Supported	Increase Capacity of Area Service Providers
	Needs Addressed	Improving the Capacity of Area Service Providers
	Funding	CDBG-CV: \$160,724
	Description	Public Services that specifically prepare for, prevent, or respond to the COVID-19 pandemic that are to be funded with the CDBG-CV funds. Funding for this project comes from: CDBG-CV1: \$160,724
	Target Date	6/30/2022

<p>Estimate the number and type of families that will benefit from the proposed activities</p>	<p>An estimated 20 persons to be assisted with senior services.</p> <p>An estimated 50 households to be assisted with subsistence rent and utility payment assistance.</p> <p>An estimated 300 persons with foodbank services.</p> <p>An estimated 100 persons assisted with shelter operations.</p>														
<p>Location Description</p>	<p>Citywide eligible.</p>														
<p>Planned Activities</p>	<p>Public service activities include:</p> <ul style="list-style-type: none"> - Senior Services, Inc. - Senior services that respond to COVID-19 by providing healthy meals (up to 3 months) to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities. (\$20,000) - Rent and Utility Assistance Program - Rental and/or utility assistance to LMI households negatively affected by COVID-19. Assistance will be available for up to three (3) consecutive months and the payments will go directly to the landlords and/or utility provider. (\$50,000) - Shelter Operations - Assistance for shelter operations at the Emergency Safe Shelter, Salvation Army, and CORA Lamping Center. (\$60,000) - Food Bank - Southwest Michigan Community Action Agency (SMCAA) to assist with the purchase of protein products and personal hygiene products in response to COVID-19. (\$30,724) 														
<p>9</p>	<table border="1"> <tr> <td data-bbox="235 1192 565 1241"> <p>Project Name</p> </td> <td data-bbox="570 1192 1427 1241"> <p>CDBG-CV Housing Rehab</p> </td> </tr> <tr> <td data-bbox="235 1247 565 1295"> <p>Target Area</p> </td> <td data-bbox="570 1247 1427 1295"></td> </tr> <tr> <td data-bbox="235 1302 565 1350"> <p>Goals Supported</p> </td> <td data-bbox="570 1302 1427 1350"> <p>Assist Home Owners with Needed Repairs</p> </td> </tr> <tr> <td data-bbox="235 1356 565 1404"> <p>Needs Addressed</p> </td> <td data-bbox="570 1356 1427 1404"> <p>Improving Affordable Housing Options</p> </td> </tr> <tr> <td data-bbox="235 1411 565 1459"> <p>Funding</p> </td> <td data-bbox="570 1411 1427 1459"> <p>CDBG: \$117,918</p> </td> </tr> <tr> <td data-bbox="235 1465 565 1686"> <p>Description</p> </td> <td data-bbox="570 1465 1427 1686"> <p>A new program implemented in response to the effects of COVID-19. This project will address living conditions such as mold, lead-based paint, and poor ventilation for residents negatively affected by the pandemic. The City will utilize CDBG-CV funds for forgivable loans for homeowner housing rehab.</p> </td> </tr> <tr> <td data-bbox="235 1692 565 1736"> <p>Target Date</p> </td> <td data-bbox="570 1692 1427 1736"> <p>6/30/2022</p> </td> </tr> </table>	<p>Project Name</p>	<p>CDBG-CV Housing Rehab</p>	<p>Target Area</p>		<p>Goals Supported</p>	<p>Assist Home Owners with Needed Repairs</p>	<p>Needs Addressed</p>	<p>Improving Affordable Housing Options</p>	<p>Funding</p>	<p>CDBG: \$117,918</p>	<p>Description</p>	<p>A new program implemented in response to the effects of COVID-19. This project will address living conditions such as mold, lead-based paint, and poor ventilation for residents negatively affected by the pandemic. The City will utilize CDBG-CV funds for forgivable loans for homeowner housing rehab.</p>	<p>Target Date</p>	<p>6/30/2022</p>
<p>Project Name</p>	<p>CDBG-CV Housing Rehab</p>														
<p>Target Area</p>															
<p>Goals Supported</p>	<p>Assist Home Owners with Needed Repairs</p>														
<p>Needs Addressed</p>	<p>Improving Affordable Housing Options</p>														
<p>Funding</p>	<p>CDBG: \$117,918</p>														
<p>Description</p>	<p>A new program implemented in response to the effects of COVID-19. This project will address living conditions such as mold, lead-based paint, and poor ventilation for residents negatively affected by the pandemic. The City will utilize CDBG-CV funds for forgivable loans for homeowner housing rehab.</p>														
<p>Target Date</p>	<p>6/30/2022</p>														

Estimate the number and type of families that will benefit from the proposed activities	Homeowner Housing Rehabilitated: 15 Household Housing Unit
Location Description	Citywide eligible.
Planned Activities	CV-Housing Rehab Program: \$117,918

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

According to the U.S. Census 2017 estimates, the population of Benton Harbor is 9,860. Of the total population, 85.3% are African American and 9.9% are White. Saint Joseph's 2017 population was 8,363, with 86.6% of the population identifying as White and 5.5% African American. In 2017, Benton Harbor's median household income was \$18,962, with 49.2% of residents living in poverty, while Saint Joseph's median household income was \$55,854, with 8.2% living in poverty. As a result, the City of Benton Harbor was designated by HUD as a "low-moderate income community". The City concentrates its CDBG funding throughout the City, excluding the Harbor Shores community, a newly constructed, upscale, community located in the city's northwest side, surrounding Jean Clock Park and the Harbor Shores Golf Course.

Geographic Distribution

Target Area	Percentage of Funds

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City of Benton Harbor's neighborhoods and commercial areas have been dismantled by the disappearance of manufacturing, industry, and commerce, and the White flight that followed. Neighborhoods and commercial areas throughout the city are in need of investment. Through the Consolidated Plan process, the City has not decided to concentrate its CDBG investments in any particular area but, instead, chooses to allocate its funds on activities that would seem to benefit the most people.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City of Benton Harbor reestablished its CDBG home rehabilitation loan program in May 2018. The City provides forgivable loan assistance of up to \$25,000 to eligible homeowners in the city. The City provides this assistance through two (2) loans: (1) an Emergency Repairs Loan, which provides up to \$5,000 to make such urgent repairs as the purchase of a new furnace or hot water heater, weatherization and energy and accessibility improvements, and (2) a Whole House Rehabilitation Loan, which provides forgivable loans over \$5,000 and up to \$25,000 to make such repairs/replacement of doors and windows, roofs, siding, plumbing, electrical or mechanical needs, etc.

CARES Act Amendment

Through the CDBG-CV Housing Rehab project, an estimated 15 LMI households will be assisted with housing rehab.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	19
Special-Needs	0
Total	19

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	19
Acquisition of Existing Units	0
Total	19

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

The City is focusing the majority of its FY 2019 funding on large-scale infrastructure improvement projects. However, the City will continue to fund its newly reestablished home rehabilitation loan program by reserving \$87,125 for the program. The City is currently in a subrecipient relationship with the Southwest Michigan Community Action Agency (SMCAA) to act as a 3rd party administrator of the City's home rehabilitation loan program. In accord with the subrecipient agreement, the City Commission will

reevaluate the relationship with SMCAA in June of 2020 and determine whether the City should continue the partnership.

AP-60 Public Housing – 91.220(h)

Introduction

The Benton Harbor Housing Commission (BHHC) administers the city's public housing programs. The BHHC administers the Housing Choice Voucher/Section 8 program and the Public Housing rental program. The BHHC owns and operates 370 Public Housing (PH) units and administers 201 Housing Choice Vouchers (HCVs).

Actions planned during the next year to address the needs to public housing

The BHHC Annual Plan, approved 07/28/17, provides the PHA's strategy for addressing the housing needs of families in the jurisdiction and on the waiting list in the upcoming years.

Maximize the number of affordable units available to BHHC within its current resources by:

- Employing effective maintenance and management policies to minimize the number of public housing units off-line.
- Employ effective methodology to help reduce turnover time for vacated public housing units.
- Reduce time it takes to renovate public housing units.
- Maintain or increase HCVP (Section 8) lease-up rates by establishing payment standards that will enable families to rent throughout the jurisdiction.
- Maintain or increase HCVP (Section 8) lease-up rates by marketing the program to owners, particularly those outside of areas of minority and poverty concentration.
- Maintain or increase HCVP (Section 8) lease-up rates by effectively screening HCVP (Section 8) applicants to increase owner acceptance of program.
- Participate in the Consolidated Plan development process to ensure coordination with broader community strategies.

Increase the number of affordable housing units by:

- Applying for additional HCVP (Section 8) units should they become available.
- Leverage affordable housing resources in the community through the creation of mixed-finance housing.
- Pursue housing resources other than public housing or HCVP (Section 8) tenant-based assistance.
- Adding project-based vouchers with a site based waiting list and community supportive services initiative to help support the residents of HOPE VI Phase IV Harbor Bluffs Development.
- Build more units, use Youth Build to provide more houses.

Assistance for families at or below 30% AMI.

- Exceed HUD Federal targeting requirements for families at or below 30% AMI in public housing.
- Employ admissions preferences aimed at families with economic hardships.
- Adopt rent policies to support and encourage residents for job readiness and work.

Assistance for families at or below 50% AMI.

- Employ admissions preferences aimed at families who are working.
- Adopt rent policies to support and encourage families to work.

Assistance for the Elderly.

- Apply for special-purpose vouchers targeted to the elderly should they become available.
- Partnership with faith-based organizations

Assistance for families with Disabilities.

- Carry out the modifications needed in public housing based on the Section 504 Needs Assessment for Public Housing.
- Apply for special-purpose vouchers targeted to families with disabilities should they become available.
- Affirmatively market to local non-profit agencies that assist families with disabilities.
- Applying for grants that enable BHHC to establish MOU for supportive services and dedicate space within its development to sustain.
- Program operations and space within the designated development.

Race or Ethnicities with Disproportionate Housing Needs.

- Affirmatively market to races/ethnicities shown to have disproportionate housing needs. Conduct activities to affirmatively further fair housing.
- Counsel HCVP (Section 8) tenants as to locations outside of areas of poverty or minority concentration and assist them to located those units.
- Market the HCVP (Section 8) to owners outside of areas of poverty/minority concentrations.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The Resident Advisory Board (RAB) acts as an intermediary between residents and building management. The BHHC coordinates programs for its residents and connects them to organizations that focus on self-sufficiency.

If the PHA is designated as troubled, describe the manner in which financial assistance will be

provided or other assistance

The Benton Harbor Housing Commission (BHC) is not designated as "troubled".

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

There are a variety of agencies locally whose primary mission is to reach out to homeless person, especially those who are unsheltered, to assess their needs in an effort to match the need with services that can help them. The Balance of State Continuum of Care (MHAAB) is recognized by HUD as the official Continuum of Care (CoC) for the state of Michigan's region Balance of State COC (statewide). The Balance of State is organized by region following the State of Michigan Prosperity Region Map, which is defined by the state's Regional Prosperity Initiative. Benton Harbor is located in the Southwest Region 8. Locally known as the "Berrien Housing Resource Network", or HRN, the HRN meets monthly and its membership is made up of many local social service organizations such as Emergency Shelter Services (ESS), Berrien County Health and Human Services, Berrien Mental Health Authority, the Region IV Area Agency on Aging, Southwest Michigan Community Action Agency (SMCAA), The Salvation Army, and many others to work together in helping individuals and families receive the services and funds that are entitled to them.

Emergency Shelter Services (ESS) is located in Benton Harbor and has become a focal point for serving the homeless population throughout Berrien County. ESS is the designated Housing Assessment and Resource Agency (HARA) for the County (locally known as "The Connection"), and receives an Emergency Solutions Grant (ESG) funds through MSHDA and the HRN to provide services that prevent homelessness and to provide rapid re-housing to people living in homelessness. ESS operates a homeless shelter in Benton Harbor and the 6 Degrees resale shop, which employs homeless individuals as sales associates and raises funds for ESS.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Benton Harbor does not provide homelessness services. Instead, the City maintains relationships with the HRN and its member agencies that service this population, including:

1. Emergency Shelter Services: ESS provides street outreach, a homeless shelter facility, homelessness prevention and rapid rehousing services to individuals and families that are no income, low income, homeless and at risk of becoming homeless.
2. Child & Family Services of Southwestern Michigan, Inc. - Safe Shelter for Domestic Violence: The Safe Shelter for Domestic Violence provides a secure, violence free environment for survivors of intimate partner domestic violence and sexual assault along with their dependent children. Support services offered include shelter, counseling and support groups, assistance with basic needs, a crisis hotline, and access to other resources needed to develop safe, healthy and meaningful lives for victims of domestic violence and their children.

3. **The Berrien County Housing Resource Network:** The Housing Resource Network is a community group made up of representatives from local non-profits, which actively works to prevent and end homelessness and poverty by developing and maintaining a system to coordinate the community's resources and services for people experiencing homelessness and those that are precariously housed. The Benton County Housing Resource Network acts as the County's Continuum of Care (CoC).

Addressing the emergency shelter and transitional housing needs of homeless persons

The City of Benton Harbor does not provide emergency shelter or transitional housing for homeless persons. Instead the City maintains relationships with the HRN and its membership agencies that service this population, including:

1. **Emergency Shelter Services:** ESS provides street outreach, a homeless shelter facility, homelessness prevention and rapid rehousing services to individuals and families that are no income, low income, homeless and at risk of becoming homeless.
2. **Child & Family Services of Southwestern Michigan, Inc. - Safe Shelter for Domestic Violence:** The Safe Shelter for Domestic Violence provides a secure, violence free environment for survivors of intimate partner domestic violence and sexual assault along with their dependent children. Support services offered include shelter, counseling and support groups, assistance with basic needs, a crisis hotline, and access to other resources needed to develop safe, healthy and meaningful lives for victims of domestic violence and their children.

The Benton Harbor Salvation Army provides an emergency shelter, addiction assistance, ministerial services, disaster relief, and family and youth services to the community.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City of Benton Harbor does not directly assist homeless persons but instead, maintains a relationship with the HRN and its member agencies that assist homeless individuals make the transition to permanent housing and independent living.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The City of Benton Harbor does not directly assist homeless persons but instead, maintains a relationship with the HRN and its member agencies that assist homeless individuals avoid becoming homeless.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

As a grantee of CDBG funds, the City of Benton Harbor is required to take steps to affirmatively further fair housing in the community. In FY 2017, the City partnered with the Fair Housing Center of Southwest Michigan to conduct a fair housing event at Benton Harbor City Hall. Approximately 20 attendees came to hear the director of the Fair Housing Center present on fair housing laws and policies, and to increase awareness of unfair housing actions and policies. The City will continue to partner with the Fair Housing Center of Southwest Michigan, the predominate provider of fair housing information and resources in the area.

Additionally, in FY 2018/2019, the City has reserved \$15,000 of its CDBG allocation to hire a consultant to prepare an update to its Analysis of Impediments (AI). Once that is completed (estimated late 2019), the City will take steps to address the recommendations provided in the report.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

As the City's Community & Economic Development Department becomes more stable in terms of employees, the City is now better equipped to focus on meeting the requirement of affirmatively furthering fair housing. The City will continue to reserve funds in its yearly allocation to address the forthcoming findings from the updated AI, as well as to better prepare itself to comply with the new Affirmatively Furthering Fair Housing (AFFH) rule, once it becomes active.

AP-85 Other Actions – 91.220(k)

Introduction:

This section describes other actions the City will take to assist LMI households and the special needs community.

Actions planned to address obstacles to meeting underserved needs

The City does not have sufficient information on underserved needs in the community. During PY 2019, the City will continue to focus on strengthening relationships with area public services providers. This will include such actions as:

- city staff attendance at monthly Housing Resource Network meetings,
- enhancing the participation of local public service agencies in the CDBG Annual Plan process by notifying agencies directly about public meetings and sending out a survey during the planning process to assess what the underserved needs are and recommended ways to address them, and
- consider reserving CDBG funds to fund public service agencies.

Actions planned to foster and maintain affordable housing

The City of Benton Harbor will continue to use CDBG funds to provide code enforcement activities to the community. In response to those activities, the City will continue to maintain its affordable housing stock by providing income-eligible homeowners with the funds needed to make needed repairs to their homes. These funds will help to ensure that the City's housing stock is safe, decent, and an asset to the neighborhoods in which they are located. The Southwest Michigan Community Action Agency (SMCAA) operates a weatherization program to help homeowners make energy-efficient repairs to their homes. The City leverages these funds through its home rehabilitation loan program.

Actions planned to reduce lead-based paint hazards

The City recently reestablished its home rehabilitation loan program. The majority of homes located in Benton Harbor were built before 1978. Through the program, the City will test and address lead-based paint hazards found in participating homes. The City's policy on addressing lead-based paint is focused on abatement, as opposed to using temporary measures. The City will continue to reserve CDBG funds for its home rehabilitation loan program during PY 2018/2019.

Actions planned to reduce the number of poverty-level families

The City of Benton Harbor will continue to work with social service agencies and local organizations (i.e., SMCAA, Salvation Army, Area Churches, Lakeland Hospital,) work together in helping individuals and

families receive the services and funds that they need to meet their daily needs.

Several community employment service programs and job training programs offered locally (i.e. Kinexus, MOSAIC CCDA, United Way) are also designed to assist in reducing the number of poverty level families by providing educational and life skills necessary to survive in today's workforce. These efforts will incrementally assist in the reduction of number of the poverty level families through the provision of housing and community and support services.

Actions planned to develop institutional structure

The City of Benton Harbor's Community & Economic Development Department, which administers the City's CDBG program, has experienced significant staff turnover over the past 5 years. Other City departments experienced a high rate of turnover and position vacancies. The high rate of turnover severely stunted the operations and growth of the CDBG program. The City is now working to stabilize its institutional structure by seeking out and hiring qualified, experienced individuals who are passionate about working for the City. The City hired a new Director of Community & Economic Development (CEDD) in November 2018 and a Program Coordinator in December 2018. The new Director has made it her mission to transform the CEDD, work toward compliance with HUD requirements, and invigorate the CDBG program by instituting new activities and increase CDBG spending in line with the Consolidated Plan. The CED department has also established a working relationship with the City's HUD field representative and financial analyst in ongoing efforts to address the problems created by past CDBG program inactivity. The department has weekly phone calls, with the City's HUD field representative and she has reached out to her counterparts in other grantee municipalities throughout Southwest Michigan and beyond, to establish a network of assistance. These actions will continue into PY 2019.

Actions planned to enhance coordination between public and private housing and social service agencies

The City is committed to focusing efforts to ensure the coordination of stakeholders and continual improvements to the programmatic delivery system. The City will continue to look for ways to enhance coordination in the implementation of the Consolidated Plan through its established partnership with Southwest Michigan Community Action Agency (SMCAA) and relationships with the Benton Harbor Housing Commission, Harbor Habitat for Humanity, MOSAIC CCDA, Kinexus, the Berrien County Health Department, the Michigan Department of Health and Human Services (MDHHS) - Benton Harbor. The City will continue to work with the Continuum of Care for Region 8 through the Housing Resource Network, to promote a communitywide commitment to the goal of ending homelessness; to seek out funding for efforts that seek to address homelessness in Region 8; to support methods to assist in the re-housing of homeless individuals.

The City will continue to coordinate with local stakeholders, i.e. Kinexus, MOSAIC, Cornerstone Alliance, the Southwest Michigan Planning Commission, and Michigan's Great Southwest Strategic Leadership

Council to support economic development through the creation of jobs and educational opportunities for neighborhood residents living in the city.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	80.00%