

**Overall Community Eligibility Verification:**

**Community Population:** 9,299

**Are you a Rural or Urban Community?** Rural

**Percent Low / MOD area utilizing census data:** 51.76

**SUBMISSION REQUIREMENT PART 2 - FUNDING REQUEST INFORMATION FORM:**

**COMPONENT A:**

**Component A Requested Amount:** \$48,750

**Component A Proposed Activity:** Exterior renovation of multiple housing units, both rental and owner-occupied, to help bring them into compliance with state and local codes, alleviate a portion of the financial burden said improvements would place on the property owners, and enhance the appearance and property value of the project neighborhoods. This would be one component of a new, city-wide code education and enforcement program.

**Component A Proposed Number of Units:** 10 (minimum) to 20 (estimated)

**Component A Leveraged Funds:** \$48,750 (minimum), presuming the program provides no more than 50% of the funding for the improvements.

**Component B:**

**Component B Requested Amount:** \$0.00

**Component B Proposed Activity:** None

**Component B Proposed Number of Activities:** 0

**Component B Leveraged Funds:** \$0

**Component C:**

**Component C Requested Amount:** \$18,750

**Component C Proposed Activity:** Interior improvements for multiple rental housing units, to help ensure the health, safety and welfare of the occupants; and to help alleviate the financial burden associated with said improvements. This would be one component of a new, city-wide rental registration and inspection program.

**Component C Proposed Number of Units:** 4 (minimum) to 16 (estimated)

**Component C Leveraged Funds:** \$56,250 (minimum), presuming the program provides no more than 25% of the funding for the improvements.

**Component D:**

**Component D Requested Amount:** \$7,500

**Component D Proposed Activity:** Administration of program, to include promotion of program to raise public awareness, education regarding program, direct administration and management of application and award process, as well as documentation and record-keeping as may be required.

**Component D Leveraged Funds:** \$10,000 (estimated) – A portion of the time of at least 3 different City of Charlotte employees will be allocated to the successful implementation of this program. This includes the City of Charlotte Community Development Director, as well as its Rental Inspector and Code Enforcement Officer.

**Total NEP funding requested amount:** \$75,000

\*\*\*For identified leveraged funds above please upload supporting documentation in the SharePoint folder and provide the following information (if applicable).

**SUBMISSION REQUIREMENT PART 3 - REQUIRED NARRATIVE RESPONSES:**

**Focus all responses below on how the assistance will improve the vitality of the community through implementation within a concentrated area for high neighborhood impact.**

**ITEM #3A**

**Provide a narrative summary outlining the components being requested, how the funds are anticipated to be used, the neighborhood being selected (include name and boundaries) and the staff anticipated to undertake implementation of the program.**

The City of Charlotte is implementing an entirely new residential rental registration and inspection program intended to improve the quality of life for residents of the City. This includes direct improvements to the health, safety and welfare of those residents who occupy rental housing in Charlotte; as well as associated indirect improvements to the general quality of life for all residents of the community through enhanced neighborhood quality and stability. Component C funds would be used for eligible expenses within the interior of affected rental units, to help bring the required improvements within the financial reach of the property owner. The City will be hiring a dedicated, part-time (30 hours) employee to conduct the rental inspections. It is anticipated that many residential rental units in the City will need improvement as a result of these inspections.

The City of Charlotte is also implementing an enhanced Code Education and Enforcement program. It will replace a complaint-based system of reactive code enforcement, with a proactive system of community education coupled with active patrol and engagement. The City will be hiring a second, dedicated, part-time (30 hours) employee to undertake this code enforcement effort. It is anticipated that many residential housing units, including both rental and owner-occupied units, will require exterior improvements as a result of this active code enforcement program. Component A funds would be used to help offset the cost of exterior improvements for those residents with a need identified during the Code Enforcement process. These improvements will help increase neighborhood

quality, raise property values and enhance the aesthetic appeal of individual homes and areas.

These two new programs will be housed within the City of Charlotte's Community Development Department, and it is anticipated that in addition to the time spent by the City's Rental Inspector and Code Enforcement Officer, time will be spent by the City's Community Development Director.

While these two new programs will be city-wide in scope, the City proposes to target these NEP activities within those older portions of the community that surround the historic Central Business District. This area could be described generally as those portions of the community that are zoned R-1 Single Family Residential and RT-Two Family Residential, and generally bounded by Maple Street on the north, Shepherd Street on the south, Lincoln Street on the west and Monroe Street on the east. This is the oldest and most central section of the community and suffers from those problems often associated with older housing stock.

It is also the case that a higher percentage of homes in this central area have been converted to two-unit rentals than elsewhere in the City. Many of the homes near the downtown commercial district are within the Charlotte Central Historic District, which is a recent addition to the National Register of Historic Places. These programs can help ensure that these historic resources are better preserved, while fulfilling their primary role as safe and secure housing for Charlotte residents and families.

### **Item #3B**

**For Component A and if applicable Component C describe which housing activities are planned with NEP funds, briefly describe what activities will be completed, include proposed types of assisted units, the activities and proposed number of units involved, the other funding sources in the project, and the overall impact.**

Component A & C funds would be used to help alleviate the cost associated with improvements to rental and owner-occupied homes that arise from inspection and enforcement activities. Because Charlotte has not had a pro-active code enforcement program for many years, and has never had a rental inspection program in the past, it is anticipated that many necessary improvements will be identified during both efforts. Furthermore, it seems likely that some houses will require multiple improvements in order to be brought into compliance with state and local standards. The cost associated with making these improvements could prove to be a burden to the affected property owners. This program would be used to help reduce those expenses and encourage the timely completion of the improvements. These could range from exterior building improvements such as paint or siding, window and roof repair, to interior improvements such plumbing, electrical and HVAC, or even health and sanitation response activities.

The proposed types of units would include single-family homes, two-unit rentals and multiple-family residential rental facilities. The proposed breakdown and prioritization of these improvements by unit type would be determined during the course of the inspection and enforcement activities. Depending on the severity of need, the minimum number of units assisted by Component A funds would be 10, but is expected to be much higher than that. Similarly, the minimum number of units assisted by Component B funds would be 4, but is expected to be higher.

Other funding sources for this project include the City of Charlotte, which is providing the funding necessary for three employees, whose time would be all or partially allocated to the larger program of

rental inspection and code enforcement. The City estimates that approximately 65 hours of staff time each week will be permanently allocated for these activities. Other funding sources include those private dollars leveraged as a result of the inspection and enforcement activities, as well as those improvements directly incentivized by the NEP activities.

**Item #3B**

N/A – There are no Component B activities planned.

**For each Component A-C:**

**- How do the proposed activities tie to the organization’s housing mission.**

The City of Charlotte’s housing mission is multifaceted: to provide the necessary public infrastructure for safe, secure and walkable neighborhoods, including sidewalks, streets, water and sewer; to provide the services necessary for community health and wellbeing, including police and fire; and to facilitate the development of community amenities, such as public parks, public art and community events and festivals. Together, these activities help ensure that Charlotte is a community that offers its residents a high quality of life. This program would enhance these efforts, by providing a direct benefit to residents in the form of physical housing improvement and affordability.

**- Why does the organization exist?**

The City of Charlotte is a municipal government organization dedicated to protecting the health, safety and welfare of its residents.

**What elements of the organization's mission directly support the proposed project?**

**- Please describe organizational history. Please include anything that relates to experiences with grants and capacity to carry out this specific grant activity component.**

The City of Charlotte was incorporated as a Village in 1863 and as a City in 1871. It is the County Seat of Eaton County, and is a commercial hub for both agribusiness and manufacturing. It has a stable population, and provides a full range of municipal and private sector services to its residents.

As described above, virtually all of the City’s publicly funded activities directly or indirectly support the proposed project. These include police and fire protection, as well as public infrastructure development and maintenance, as well as publicly funded programming such as code enforcement and rental inspection, among many others.

The City of Charlotte has a long and successful record of grant seeking and administration, including federal, state and local grant sources. Many people on the City’s staff have extensive grant administration experience. Community Development Director Bryan Myrkle, who would administer this program, has previously administered grants from the Michigan Department of Natural Resources; the

United States Environmental Protection Agency; the Michigan Economic Development Corporation; the United States Housing and Urban Development Department; the Michigan State Housing Development Administration; the Michigan Department of the Environment, Great Lakes and Energy; and other agencies and organizations. His successful grant administration experience began in 2000 and continues through today.

**In addition, provide the following:**

**Identify the proposed assisted area(s), provide a narrative description of the area(s), and identify the rational/reason for the area(s) selection. Identify neighborhood engagement activities/effort that are recurrently and/or anticipated to occur within the proposed neighborhood boundaries area.**

***\*Upload map and label anchors in the SharePoint folder***

As described above, the proposed assisted area would be the area of older housings stock surrounding the central city area of Charlotte. (See attached map).

The reason this area was selected is because it is perceived as having the greatest potential need, coupled with the highest anticipated impact. These older homes, many of which have been identified as important historic resources, are located in highly walkable neighborhoods served by grid-oriented streets and sidewalks, close to the variety of services and amenities available in the Central Business District. Approximately half of these homes are owner-occupied and half are two (or more) unit rentals. These homes are large and densely distributed, representing a good share of the city's total population. They are also difficult and expensive to maintain, compared to homes in newer developments. As a result, they suffer from a higher level of deferred maintenance. Because they are often large homes on small lots, issues related to neglect or indifference affect neighboring properties to a greater degree than in other locations in the City. A majority of these homes were built in the late 19<sup>th</sup> or early 20<sup>th</sup> century and offer a diverse array of modernization, ranging from homes that have been updated extensively, to others that still have single pane windows, wood siding, outdated plumbing and older electrical service. Because many of them are two-family rentals, a roof replacement (for example) at such a residence benefits more than a single household.

In addition to the new rental registration and inspection program, and the enhanced code enforcement program, the City would engage with residents and property owners with a public education and awareness campaign using publicly and privately available media resources, including traditional media like the local newspaper, as well as social media and similar outlets. The purpose of this would be to educate the community about local standards and expectations for housing maintenance, and to inform it about the programs themselves, as well as the availability of assistance through this potential NEP.

**Are the proposed area(s) located in a local and/or state designated investment or incentive target area?** A portion of the targeted area has previously been designated a Cool City Neighborhood in Progress, a Blueprints for Michigan Downtowns area, a Project Rising Tide community and a Michigan Main Street district.

**Indicate what is known about the area that has led the applicant to identify the proposed**

**neighborhood boundaries as a proposed project priority. Include information such as: - What makes this area important to residents and potential residents? - Who have you talked to? - What have you observed? - Is there any synergy you can capture? - Is the safety of the residents of the area(s) currently an issue? If so, how will this project address those issues?**

The proposed project area is a high-priority area for City leadership and for general Community interest. It represents the core of the community where the highest concentration of people live. It is highly visible, being located at the crossroads of two state highways (M-50 and M-79). It is economically impactful, as it surrounds the central business district on all sides.

A large number of the homes and buildings in this area are included in, and are contributing properties to, the newly designated Charlotte Central Historic District, which is now listed on the National Register of Historic Places.

Aside from its value as an important historic resource, this central section of the City is important due to its design characteristics which make it highly walkable, its population density, and the difficulty and expense associated with the maintenance and improvement of older homes. Targeting NEP resources in this neighborhood will help make these important improvements more affordable for the property owners.

Residents of this targeted area are engaged with the City, and are asking for improvements and attention. As a result, the City is implementing the new rental inspection program and more proactive code enforcement. Residents of this area have been vocal about perceived negative effects associated with high levels of rental housing, such as neighborhood destabilization and disregard for property conditions. Residents have also expressed an ongoing concern regarding local standards and processes for code enforcement, and the effect of poor property conditions on neighborhood desirability and value. Property neglect and blight conditions are extremely visible and have an outsized effect on neighboring properties, especially in denser areas.

Resident safety is directly affected by property conditions, both for owner-occupied and rental housing. The City is aware of residents living in substandard and unsafe housing, and while every effort is made to connect residents and property owners with resources and assistance, more needs to be done in order to create sustainable change. For income producing properties, registration and inspection will both encourage and require the development and maintenance of safe and secure residential rental spaces. For owner-occupied homes, code enforcement will encourage and require the general upkeep, cleanliness and safety of homes that might otherwise languish and deteriorate.

Improvements that make this central city neighborhood more safe, healthy and livable will also benefit from the synergies associated with downtown Charlotte. Residents near downtown enjoy a full range of private sector services, including walkable access to healthcare, insurance and legal services, as well as access to food, entertainment and high-quality public spaces. In summer months, the Charlotte Farmer's Market operates out of the historic Beach Market, and free live music is available on the historic 1885 Eaton County Courthouse lawn every Thursday evening. In the winter, affordable first-run movies are shown at the Eaton Theater, and low-cost arts and music events are held at Windwalker Gallery, a non-profit arts and entertainment organization. Special events and

festivals are held in or around downtown Charlotte during every month of the year.

**For each proposed area, provide a brief overview of the current neighborhood housing demographic composition: i.e. percentage of rental, homeowner, etc., type of housing stock composition, average structure age, occupancy rates, turnover rates, etc.**

The targeted neighborhood has a high percentage of rental vs. owner-occupied housing, at or exceeding 50% of the total number of homes.

The housing stock is the oldest in the city, with most homes built in the late 19<sup>th</sup> or early 20<sup>th</sup> Century. Many of these older homes have been divided into two-unit, upstairs/downstairs rental units.

Occupancy rates are very high, with most units able to be rented again as soon as they are vacant. Additional pressure is added to this neighborhood due to Charlotte's role as the seat of Eaton County Government. There are many low- or no- income residents who locate here due to the easy proximity to social services. As a result, many landlords are able to secure rental income from residents on government assistance. Similarly, a large number of homes in this area are owned and rented by social service organizations, such as SIREN Shelter.

Turnover above-average to high, due to a number of factors including those mentioned above. High rates of turnover are associated with neighborhood instability.

### **Item #3f: Work Plan Time**

#### **Frames. Provide a work plan**

#### **Work Plan Details:**

If awarded this grant, the City of Charlotte would develop a basic public awareness campaign informing the community about the availability of funds. However, the primary engagement with potential recipients of these funds would be through the residential rental registration and inspection process, as well as through the enhanced code enforcement effort. All employees associated with this effort would be ensured of having a basic understanding of the type of assistance available, as well as information about how to seek that assistance. They would be tasked with engaging potential recipients on a person-to-person basis using printed materials and personal conversation.

Because these two efforts are new, the City anticipates a very high number of property owners who will be interested in receiving the assistance. Priority will be given to those who demonstrate either a financial hardship that prevents the timely correction of problem property conditions; or those projects that impact a higher number of residents, such as those in multiple-family rental units. The City will adopt or develop a scoring system to ensure those receiving funds meet program priorities and eligibility requirements. It will also develop informational brochures promoting the availability of these funds. The

Code Enforcement and Rental Inspection staff will work in the field identifying properties that are out of compliance and connecting property owners with these resources.

The City believes that the need for assistance will far outweigh the level of assistance sought (\$75,000), and therefore it also believes the funds will easily be expended during 2022.

Staffing for this project will include the City's full-time Community Development Director, part time Rental Inspector and part-time Code Enforcement Officer. Additional staff time will be provided by the City Manager. The Code Enforcement Officer is a retired Michigan State Police officer with extensive experience working with the public, providing high-quality, professional law enforcement services. The Rental Inspector has extensive experience inspecting and repairing HUD foreclosed properties in Eaton, Calhoun and Kalamazoo Counties. The Community Development Director's experience is detailed elsewhere in the application. The City Manager has more than 5 years' experience overseeing code enforcement and rental programs, as well as significant grant administration experience.

The timeline for implementation will include developing documents and application materials following the project award in May of 2022. Code Enforcement and Rental Inspection staff will, at the same time, be identifying properties for specific outreach and engagement. From June 2022 through December 2022, funds would be dispersed to the various property owners to complete the necessary improvements.