II. CITIZEN PARTICIPATION

A. THE PUBLIC HEARING AND CONSULTATION

Housing programs authorized through FY2010 by the National Affordable Housing Act (NAHA) represent a significant source of funding through which states like Michigan may address their need for affordable housing. These programs include the:

- Community Development Block Grant (CDBG) program;
- HOME program;
- HOPE program;
- Shelter Plus Care program
- Supportive Housing for the Elderly (Section 211);
- Emergency Shelter Grants program;
- Safe Havens for Homeless Individuals Demonstration program;
- Supportive Housing program;
- Housing Opportunities for Persons With AIDS (HOPWA) program;
- Technical Assistance;
- Rural Homelessness Grant program;
- Revitalization of Severely Distressed Public Housing program; and the
- Low-Income Housing Tax Credit program.

Prior to its submission for funding from HUD's Office of Community Planning and Development, however, Michigan is required to prepare a Consolidated Housing and Community Development Plan (the "Consolidated Plan"). The Consolidated Plan identifies housing and community development needs and proposes a strategy by which those needs will be addressed during the five-year period ending June 30, 2015.

The Michigan State Housing Development Authority (MSHDA), which is lead agency responsible for preparing the Michigan Consolidated Plan, solicited comments from the public regarding the Fiscal Year 2010 plan during two minimum thirty-day public comment periods.

The initial period for public comment on housing and community development needs commenced on August 26, 2009 and closed on September 28, 2009. During this time, MSHDA also conducted one public hearing to gather comments on the citizen participation plan and information for the Consolidated Plan. Notices of the public hearing were published in six newspapers throughout the state, including: *The Detroit Free Press, The Grand Rapids Press, The Lansing State Journal, Traverse City Record Eagle, The Marquette Mining Journal* and *The Alpena News*.

Although no persons attended the public hearing, held in Lansing on September 10, 2009, the State received written comments and verbal comments through program workshops. As required by regulation, MSHDA consulted with other appropriate state agencies; the Michigan Department of Community Health including the Office of Services to the Aging, HOPWA and the Lead Hazard Remediation Program, the Michigan Economic Development Corporation, and the Michigan Department of Human Services. MSHDA is also a Public Housing Authority and staff coordinated content of the PHA annual and five-year plan with the Consolidated Plan. Taking into account public comments received during the FY10 Consolidated Plan public comment period, and in consultation with other state and local agencies, the Authority prepared the draft FY10 Consolidated Plan, and had copies available for public review during the second comment period, beginning April 1, 2010, publicized in the newspapers listed above.

Copies of the Michigan Consolidated Plan were available to the public upon request and were accessible during normal business hours at MSHDA's Lansing and Detroit offices and on the Authority's website at www.michigan.gov/mshda. There were no public comments on the draft FY10 Consolidated Plan.

B. CITIZEN PARTICIPATION PLAN

Applicability and adoption of the citizen participation plan. The State is required to adopt a citizen participation plan that sets forth the State's policies and procedures for citizen participation, which comply with the provisions of 24 CFR '91.115

Encouragement of citizen participation. The Michigan State Housing Development Authority encourages participation in the development of the plan, any substantial amendments to the plan, and the performance report. Participation of low and moderate income persons is encouraged, particularly those living in slum and blighted areas and in areas where CDBG funds are proposed to be used, and by residents of predominantly low and moderate income neighborhoods, through the following strategies:

- Public hearing announcements have been made available to interested parties at MSHDA and MEDC workshops and the Michigan Community Development Association meetings. Participants in the workshops includes local units of government, nonprofits organizations (including homeless providers), lenders, and individuals interested in affordable housing and community development.

- A hearing is scheduled in a location accessible to low and moderate income persons and persons with disabilities.

Citizen and local government comment on the citizen participation plan and amendments.

All public hearing announcements and comment periods specifically reference the fact that comment is requested on both the consolidated plan and the citizen participation plan. These plans will be made available in a format accessible to persons with disabilities upon request.

Development of the consolidated plan.

1. Before the state adopts its Consolidated Plan, the state will make available to citizens, public agencies, and other interested parties information that includes the amount of assistance the state expects to receive and the range of activities that may be undertaken, including the estimated amount that will benefit persons of low and moderate income and the plans to minimize displacement of persons and to assist any persons displaced. This information will be available April 1, 2010.

2. The state will publish the proposed Consolidated Plan in a manner that affords citizens, units of general local governments, public agencies, and other interested parties a reasonable opportunity to examine its contents and submit comments. The plan has been made available at the Lansing and Detroit offices of the Michigan State Housing Development Authority, the Michigan Economic Development Corporation, and its availability by mail was advertised in six newspapers of general circulation. Comments were solicited by mail through announcements in six newspapers of general circulation,

and in person at MSHDA and MEDC program workshops and the Michigan Community Development Directors Association December 2009 annual and March 2010 quarterly meetings.

3. The Michigan State Housing Development Authority, the Michigan Economic Development Corporation and the Department of Community Health held a public hearing in order to solicit information on housing and community development needs. Advance notice was given for these hearings, in the form of announcements published in six newspapers of general circulation, at least two weeks prior to the public hearing. Such announcements provided information about the topic of the hearings, location, and how comments could be submitted by mail if the person(s) was unable to attend the public hearing in person. The public hearing was held at a time and place convenient to potential and actual beneficiaries. Locations were handicapper accessible. Interpreters shall be provided in instances where there is reason to believe a significant number of non-English speaking residents can be reasonably expected to participate.

4. The Citizen Participation plan provided for a period of not less than 30 days to receive comments from citizens and units of general local government on the consolidated plan. The dates of this period were April 1 through May 3, 2010.

5. The State received comments and views of citizens and units of general local government received in writing, at program workshops and at the public hearing. All comments were considered in the preparation of the Consolidated Plan and five year strategy.

Amendments to the Consolidated Plan.

Under the final Consolidated Plan regulations, the State is required to advise HUD of substantial changes in the state's Consolidated Plan. The Michigan Consolidated Plan represents the best effort possible to incorporate citizen concerns in the entire planning process.

1. Criteria for amending the Consolidated Plan and/or the disbursement or targeting of funding would include changes in activities or the method of distribution, either reported herein or unforeseen, and changes in beneficiaries or subscribers that could reasonably be expected to change the delivery of services described herein. By definition, a substantial amendment to the Consolidated Plan would result from a change from eligible to ineligible activity, or vice versa, or a change from competitive award of funds to formula allocation, or vice versa, or from a change in the method of distribution of funds if said change will cause an increase or decrease in the original allocation mix over 35%. Administrative transfers of funds to reflect actual program spending between and among programs identified in the plan will not constitute a substantial amendment to the plan if 1) such transfer does not result in the addition or elimination of the activities

described herein and 2) such transfer does not cause a change in program priorities as described in this section.

2. The State will provide citizens and units of local government with reasonable notice and an opportunity to comment on substantial amendments. Reasonable notice will be given through a public notice in a newspaper(s) with statewide circulation. Opportunity to offer comments will be provided by a period of not less than 30 days, identified in the public notice, to receive comments on the substantial amendments before the amendment is implemented. The notice will clearly provide the name and address of the person responsible for receiving these comments. Reasonable notice will be given to the public for non-substantial amendments by a statewide mailing to current grantees and other interested parties.

3. The State will consider any comments or views of citizens and units of general local government received in writing, if any, in preparing the substantial amendment to the consolidated plan. A summary of these comments or views not accepted and the reasons therefore shall be attached to the substantial amendment to the consolidated plan.

Performance Reports.

1. Citizens shall be provided with a reasonable notice and opportunity to comment on any performance reports required on the Consolidated Plan. A period of not less than 15 days shall be provided to receive comments on the performance report prior to its submission to HUD. Reasonable notice shall be given in the form of an announcement in one or more newspapers of general public circulation.

2. The state shall consider any comments received in writing or orally at public hearings in preparing the performance report. A summary of these comments shall be attached to the performance report.

Citizen participation requirements for local governments.

Units of general local government receiving CDBG funds from the State will hold a public hearing to receive comment on their proposed project(s) prior to submission to the State. For housing projects, these hearings also include comment on program accomplishments from the preceding project(s). Units of local government receiving CDBG funds from the State for non-housing projects also hold a public hearing to receive public comment on program accomplishments after project completion but prior to final close out.

Units of general local government receiving CDBG HUD Disaster Recovery funds from the State will furnish citizens with information regarding the amount of funds available, the range of activities, the estimated amount of the proposed activities that will benefit persons of low to moderate income; will publish the proposed Action Plan for Disaster Recovery for public

comment; and will provide reasonable public notice and comment period on any substantial change to the Action Plan.

Availability to the public.

The consolidated plan, as adopted, substantial amendments, and the performance report, shall be available to the public, including the availability of materials in a form accessible to persons with disabilities, upon request. These documents shall be available at both the Lansing and Detroit offices of the Michigan State Housing Development Authority and available upon request to members of the general public through U.S. Mail.

Access to records.

The state shall provide citizens, public agencies, and other interested parties with reasonable and timely access to the state's consolidated plan and the state's use of assistance under the programs covered by this part during the preceding five years.

Complaints.

The state shall provide a timely, substantive written response to every written citizen complaint, within 15 working days where practicable, to complaints received from citizens on the consolidated plan, amendments, and performance report.

Use of the Citizen Participation Plan.

The state assures that it will follow its Citizen Participation Plan.