

Urban Planning Practicum, Michigan State University

**Identifying Marketing Strategies & Best Management Practices
For
The City of Eastpointe & The City of Mount Clemens**

Spring 2009



*Written By: Jessica Besaw, Ashlee Crawford, Erica Fiasky,
Angela Gougherty, Kyle Gulock, Ashley Matt, Amanda Shomo*

Table of Contents

- 1. Executive Summary.....3
- 2. Introduction.....6
 - 2.1 Project Scope
 - 2.2 Location
- 3. Community Profile.....8
 - 3.1 History
 - 3.2 Demographic Data
 - 3.3 Employment
 - 3.4 Land Use
 - 3.5 Transportation
 - 3.6 Commercial District
 - 3.7 Climate
 - 3.8 Parks & Recreation
 - 3.9 School System
 - 3.10 Community Summary
- 4. Housing Analysis.....35
 - 4.1 Housing Stock
 - 4.2 Foreclosure Data (Sheriff’s Deeds)
 - 4.3 Foreclosure Best Management Practices
- 5. Asset Study.....64
 - 5.1 Strengths Weaknesses Opportunities Threats (S.W.O.T) Assessment
 - 5.2 Community Assets
- 6. Strategies & Recommendations.....77
 - 6.1 Defining the Niche Market
 - 6.2 Marketing Strategies & Case Studies
- 7. Conclusion.....97
- 8. Appendices.....99
 - 8.1 Appendix A: CDC’s In Southeastern Michigan
 - 8.2 Appendix B: Homeowner Counseling Agencies in Macomb County
 - 8.3 Appendix C: H.U.D. Foreclosure Timeline
 - 8.4 Appendix D: Foreclosure Heat Map Methodology
 - 8.5 Appendix E: Geographical Comparison of Foreclosure Status
 - 8.6 Appendix F: Foreclosure Status Distribution
 - 8.7 Appendix G: H.U.D. Foreclosure Types
 - 8.8 Appendix H: Zip Code Foreclosure
 - 8.9 Appendix I: Average Sale Price
 - 8.10 Appendix J: Best Management Practices Case Studies
 - 8.11 Appendix K: Overview of Funding Sources
- 9. Bibliography.....149

1. Executive Summary

For the past 17 weeks, a student group in the Michigan State University Urban & Regional Planning Practicum class researched and assessed effective marketing strategies and best management practices to assist in marketing communities that have experienced population loss and high rates of foreclosure. This report focuses on foreclosure mitigation and marketing strategies for two cities located in southeastern Michigan in the Metropolitan Detroit region of Macomb County.

Information was gathered on the current conditions of housing, which include: foreclosure rates, a geographical comparison of foreclosures, and foreclosure status distribution. Among this data, a three step process was identified: pre-foreclosures characterized by a default in mortgage payments, public auction, and repossessed or bank-owned property. Research on foreclosure also identified an organization, Local Initiative Support Corporation (LISC), which has dedicated its time to improving communities on a local level. LISC has developed a method in determining a “Composite Foreclosure Needs Score” for individual communities located in each zip code throughout Michigan on a scale of 0-100. This information allows communities to identify those properties which are in need of foreclosure assistance and offer them foreclosure prevention or rehabilitation services before the property goes into default. According to Local Initiatives Support Corporation scores, Eastpointe ranks first among communities with the highest risk of foreclosure in Macomb County. Mount Clemens has been ranked seventh among Macomb County communities as the most needy in the matter of foreclosure assistance. Further foreclosure information identified included the nature of sub-prime lending practices, mortgage delinquencies rates, high cost home purchase loans data, as well as the average foreclosure sale prices for Eastpointe and Mount Clemens.

Best management practices and case studies were also identified. These were gathered based on strategies and models that were used in communities who have experienced a high neighborhood decline, and were successful in decreasing those rates by creating revitalized affordable neighborhoods. Strategies were identified based on a three-step process: prevention, mitigation, and displaced homeowner recovery. These strategies work to prevent and mitigate the impacts of foreclosure, as well as provide information on how to help displaced owners. Case studies are included to provide real world examples, specifically the best management practices that have been implemented around the country. The actions identified in the case studies have potential to be used in either Eastpointe, or Mount Clemens.

Assets are what give people a reason to live in a neighborhood or community, as well as give them a reason to invest their time and money in that area. In identifying assets for each city, the group found that Eastpointe has an optimal location and opportunity for reinvestment, while Mount Clemens revealed a good variety of entertainment and unique residential architecture. Because these communities have been identified as weak market cities, it is important to focus on the assets which may provide marketing opportunities.

In conclusion the Michigan State University Urban Planning Practicum group has provided recommendations with a list of marketing strategies. These strategies were identified to be successful from cities that were similar to those of Eastpointe and Mount Clemens. The cities had also faced high numbers of foreclosures, vacant properties, loss of jobs, and struggled to attract and retain residents. This list may provide Eastpointe and Mount Clements with ideas on what they might implement in their marketing efforts to revitalize neighborhoods in their community.

These strategies include:

- Maintain a website that offers extensive information on neighborhoods, home-buying incentives, and other matters of interest to potential residents.
- Promote the city's advantages as a place to live.
- Publish and disseminate factual information for potential homebuyers.
- Target marketing efforts towards specific demographic and/or geographic areas, which expand economic investment for the city.
- Build relationships with major employers and key institutions, which create employer incentives for city residence.
- Provide information on financial incentives offered by the city.
- Work with the city to mesh its financial incentives with the marketing strategy.
- Recruit real estate agents, title insurance companies, and others to become part of the marketing effort.
- Generate positive word-of-mouth advertising by engaging residents as "city ambassadors".
- Prepare and distribute themed promotional materials, such as banners, bumper stickers, and license plates.
- Work with neighborhoods to mesh marketing efforts with a citywide strategy.

This list will give each city the opportunity to choose which strategies they feel would be most successful in attracting and retaining residents to their community.

2. Introduction

Like many communities across the nation today, the City of Eastpointe and the City of Mount Clemens are experiencing high foreclosure rates. The leadership from these two communities recognized the need to develop a strategic marketing program. The City of Eastpointe and the City of Mount Clemens requested assistance from the Michigan State University Urban & Regional Planning Practicum class in identifying effective marketing strategies and best management practices which may serve as a guide in the decisions these cities will make in attracting homebuyers to their city. The report begins by introducing the geographic boundaries of the project, as well as a community profile for each city, with an additional section highlighting the current condition of housing foreclosures. Furthermore, a Strengths, Weaknesses, Threats, and Opportunities (S.W.O.T) table and description were completed in order to give the reader an overview of observations noted during the group's initial site visit. This analysis assisted in determining which assets the community has to market. Demographic data was collected in order to identify trends and aspects about each community in order to understand the types of strategies that are most needed within the public sector. In addition, research on various case studies provided insight from communities that have also experienced high foreclosure rates and population loss. The case studies are included to provide specific examples of strategies that were used by other communities who effectively addressed the housing crisis, as well as examples of marketing strategies which attracted new residents to the area.

2.1 Project Scope

The primary purpose of this project was to research and develop a “niche” marketing program for two communities with high foreclosures resulting in high numbers of vacant, abandoned homes. The project developed recommendations for a marketing strategy using a combination of best management practices, and specific identified amenities as well as a list of marketing strategies, which may serve as a guide in decisions these cities, will make to attract new homeowners to their area.

2.2 Location

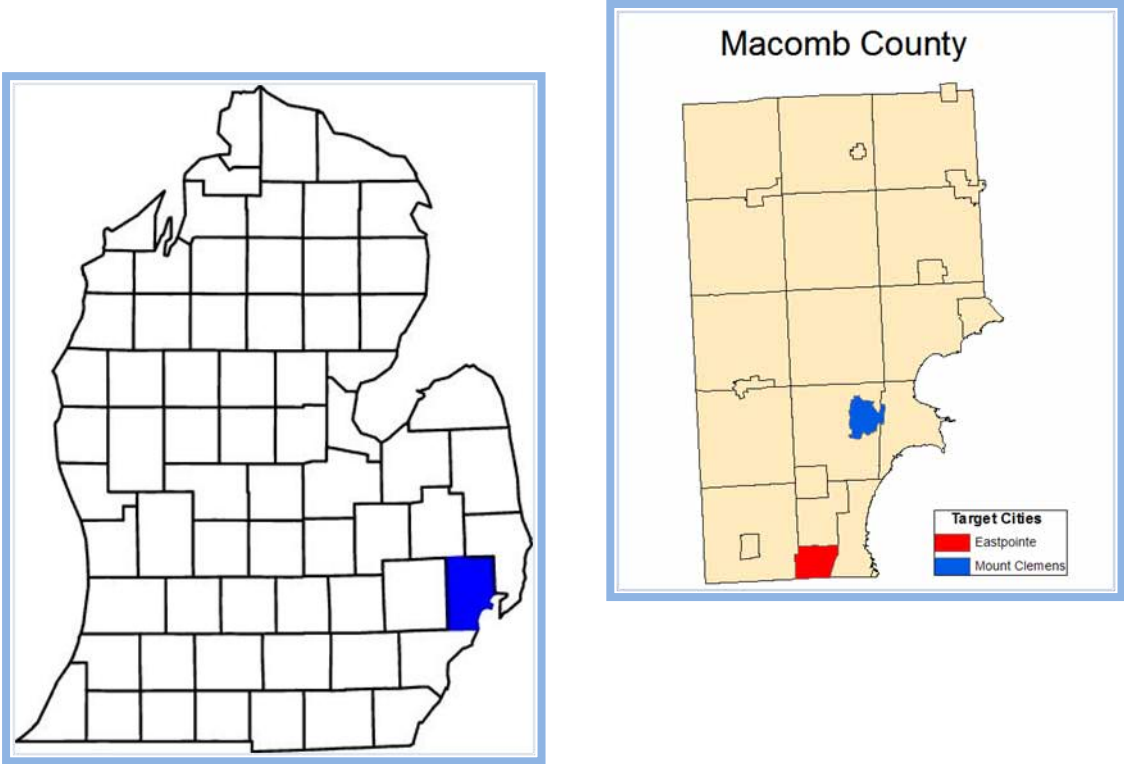


Figure 2.2A: Community Locations in Michigan (left) and Macomb County (right).

The cities of Eastpointe and Mount Clemens are located in southeastern Michigan in the Metropolitan Detroit region of Macomb County (Figure 2.2A). Based on population, Macomb

County is the third largest county in Michigan. Eastpointe borders Roseville to the north, Harper Woods to the south, St. Clair Shores to the east, and the city of Warren to the west. The City of Mount Clemens is surrounded by Clinton Township, except for a small portion to the East, which borders Harrison Township.

Source: (City of Eastpointe GIS Data, 2009), (City of Mount Clemens, 2009), (MSN Live Search Maps, 2009)

3. Community Profile

3.1 History

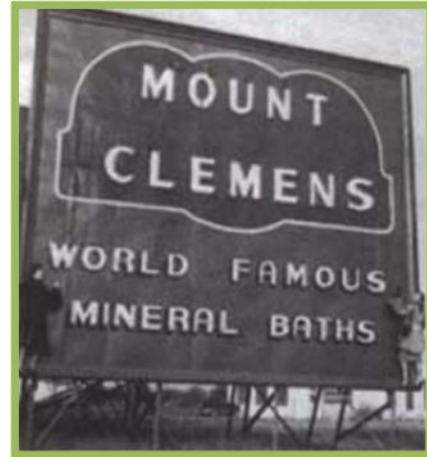
Eastpointe

Originally established as Orange Township in 1837, the city was founded by European immigrants looking for land settlement in the New World. The township was then incorporated into the Village of Halfway in 1924 and was named after the first official post office, Halfway, in 1895. The name originated from the early halfway houses which were located on 9 Mile and Gratiot Avenue, and served as a resting destination for stagecoaches passing through from Detroit to Mount Clemens. In 1929, as a result of high population growth, the village qualified for city status and was established as the City of East Detroit. The name East Detroit remained until 1992, when a vote determined the official name to be recorded as Eastpointe. Although the city voted to change its name, the school district did not and is still known today as East Detroit Public Schools. Eastpointe has established itself as the “Gateway to Macomb County”.

Source: (East Detroit Historical Society, 2008), (City of Eastpointe, 2009)

Mount Clemens

Christian Clemens who first came to Mount Clemens in 1796 on a surveying venture, he then established the City of Mount Clemens in 1818. The area at the time was known as “High Banks” or “Big Springs” in relation to its location on the Clinton River. In 1818, Michigan Territory Governor, Lewis Cass designated Mount Clemens as the county seat of Macomb, and



Source: Olympiasalon-spa.com

appointed Christian Clemens as Judge of the County Court. By 1879, the town had grown to over 3,000 people and elected to become a city.

The 1870’s introduced the era of the famed mineral waters to Mount Clemens, which is what they became most known for. The famous mineral water brought people from around the world to Mount Clemens to take three week-long health giving baths, thus giving Mount Clemens the name of “Bath City”. The industry flourished with extravagant bathhouses and hotels, which lined the streets of the city. This industry began to decline around World War II as fewer people came to Mount Clemens to obtain the mineral baths. Arethusa; the last bathhouse providing mineral baths burned in 1974, ending the mineral bath era of Mount Clemens.

Source: (Mount Clemens Local History, 2008), (City of Mount Clemens, 2009)

3.2 Demographic Data

Eastpointe

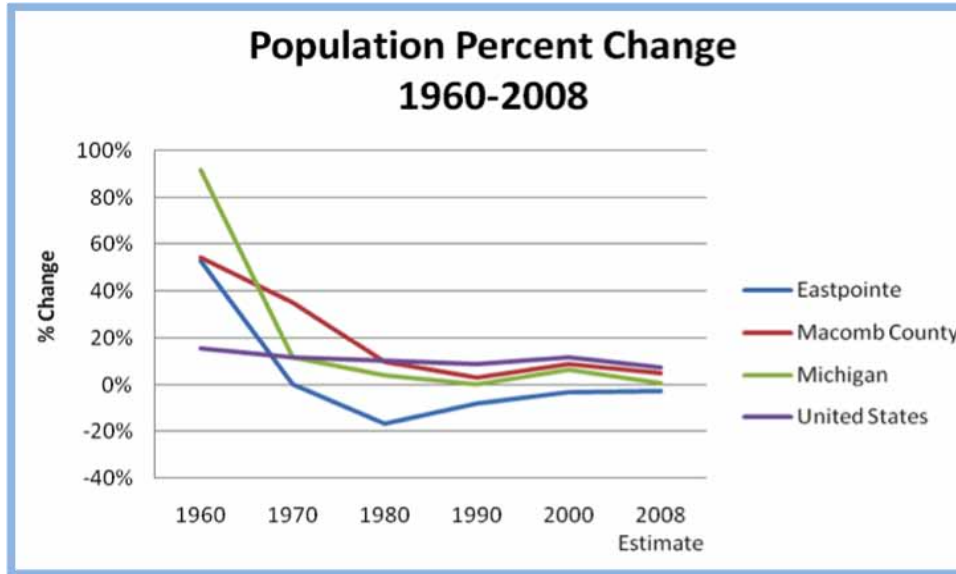


Figure 3.2A: Eastpointe Population Trends
Source: (SEMCOG, 2008)

Percent Change in Population				
Year	Eastpointe	Macomb County	Michigan	United States
1960	53.00%	54.21%	91.90%	15.61%
1970	0.37%	35.10%	11.91%	11.79%
1980	-16.64%	9.97%	4.10%	10.25%
1990	-7.83%	3.17%	0.35%	8.91%
2000	-3.42%	8.97%	6.47%	11.62%
2008 Estimate	-2.73%	5.28%	0.65%	7.44%

Figure 3.2B: Eastpointe Population Trends
Source: (SEMCOG, 2008)

According to SEMCOG’s January 2009 estimates, the City of Eastpointe has approximately 33,210 residents. The graph (Figure 3.2A) shows the percent change in population since 1960. The negative percent in population change shows that in comparison to population change of the county, state and nation, Eastpointe experienced negative population growth from 1980 to 2000 (Figure 3.2B), and was estimated to lose another -2.73% in 2008.

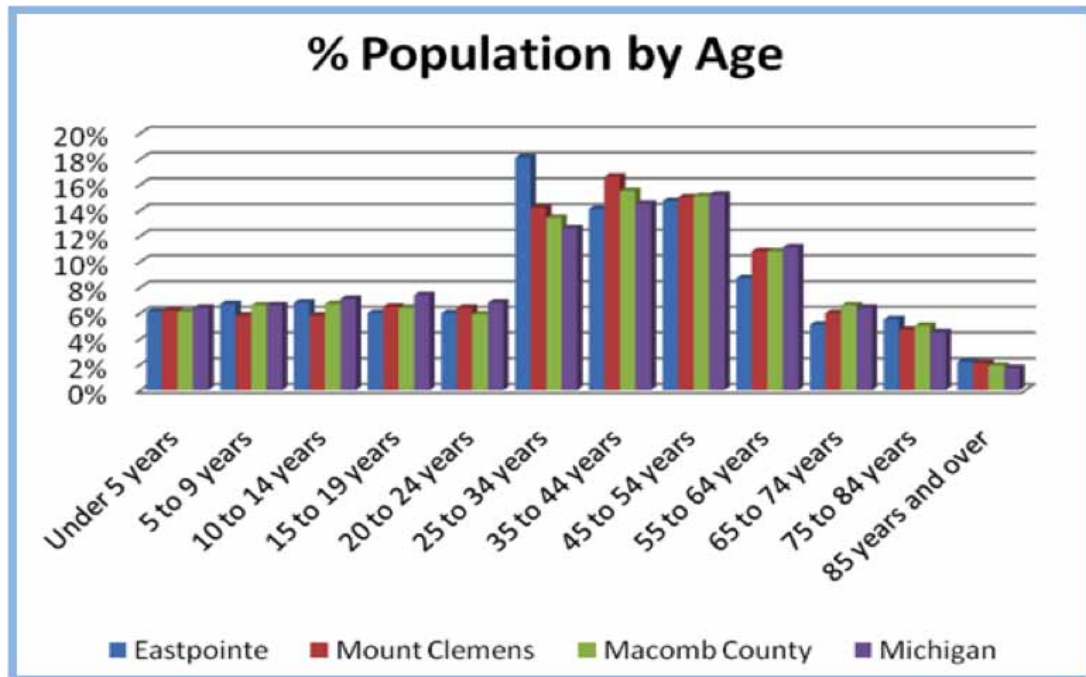


Figure 3.2C: Percent Population by Age.
 Source: (U.S. Census, 2007), (City of Mount Clemens, 2009)

Median Age of Residents	Median Age
Eastpointe	36.6
Mt. Clemens	36.4
Macomb County	36.9
Michigan	35.5

Figure 3.2D: Median Age of Residents.
 Source: (U.S. Census, 2000)

Eastpointe has a high percentage of adults aged 25 to 34 years (Figure 3.2C). The median age of Eastpointe residents is 36.6 years old (Figure 3.2D). Although Eastpointe’s population is expected to decrease, the senior population (65 years and older) is the only age group that will increase in population (SEMCOG, 2008). According to SEMCOG (2008) projections, households with seniors 65 years of age and older will have an increase from approximately 31% to 43% of the total population over the time period from 2000 to 2035.

Percentage of Males to Females	Male	Female
Eastpointe	48.50%	51.50%
Mt. Clemens	51.70%	48.30%
Macomb County	49.00%	51.00%
Michigan	49.00%	51.00%

Figure 3.2E: Percent Population by Gender.
Source: (U.S. Census, 2000)

Eastpointe’s percentage of male to female population is 48.5% male and 51.5% female (Figure 3.2E).

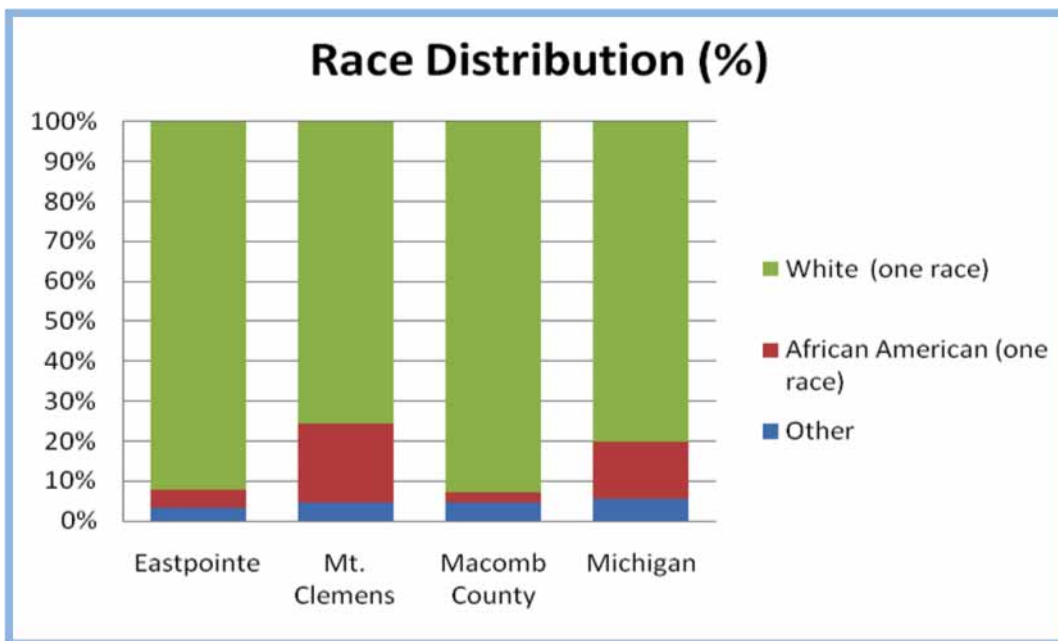


Figure 3.2F: Population Distribution by Race.
Source: (U.S. Census, 2000)

Racial Mix	White (one race)	African American (one race)	Other
Eastpointe	92.1%	4.7%	3.2%
Mt. Clemens	75.80%	19.60%	4.6%
Macomb County	92.70%	2.70%	4.6%
Michigan	80.20%	14.20%	5.6%

Figure 3.2G: Racial Mix.
Source: (U.S. Census, 2007), (City of Mount Clemens, 2009)

In 2000, Eastpointe’s population was 92% white compared to the state average of 80.2%. This data suggests Eastpointe is primarily a racially homogenous community. Only 4.7% of residents were African American, compared to 14.2% statewide. In addition, Eastpointe has a lower Latino or Hispanic population of 1.3% compared to 3.3% in Michigan. Eastpointe’s population was 1.6% biracial, compared to 1.9% statewide. These numbers parallel Macomb County’s race distribution (Figure 3.2F & 3.2G).

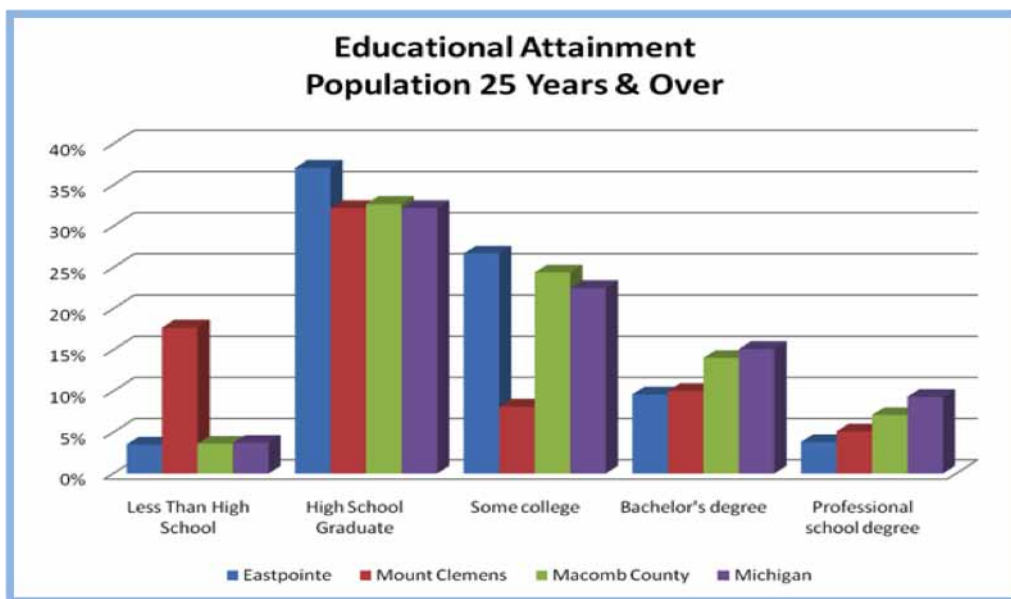


Figure 3.2H: Highest Level of Educational Attainment by Community.
 Source: (U.S. Census, 2000), (U.S. Census, 2007), (City of Mount Clemens, 2009)

Of the Eastpointe residents over age 25 in 2000, 79.3% were high school graduates. This number was lower than both Michigan’s average of 83.4% and Macomb County’s 82.9%. However, in 2007, the U.S. Census projections show an increase in Eastpointe’s population of high school graduates from 79.3% to approximately 84.6%, which was slightly better than the graduation average statewide. In 2000, 11.3% of residents’ age 25 years and over had obtained a Bachelor’s degree or better, which was lower than Macomb County’s 17.6%, and Michigan’s

average of 21.8%. In 2000, 55% of men over the age of 15 years old in Eastpointe were married, compared to 49.7% of women (Figure 3.2I).

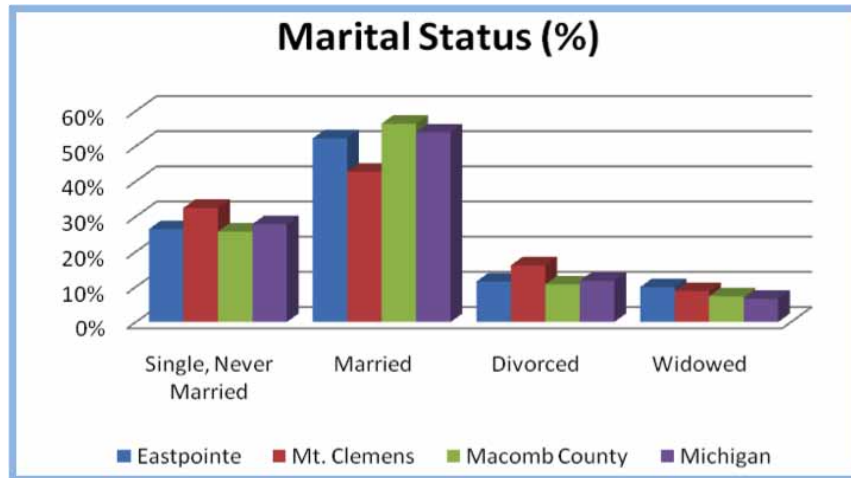


Figure 3.2I: Marital Status.
Source: (U.S. Census, 2000)

Marital Status (%)	Single, Never Married	Married	Divorced	Widowed
Eastpointe	26.4%	52.2%	11.50%	9.9%
Mt. Clemens	32.4%	42.7%	16.10%	8.8%
Macomb County	25.7%	56.4%	10.7%	7.3%
Michigan	27.8%	53.9%	11.7%	6.6%

Figure 3.2J: Marital Status.
Source: (U.S. Census, 2000)

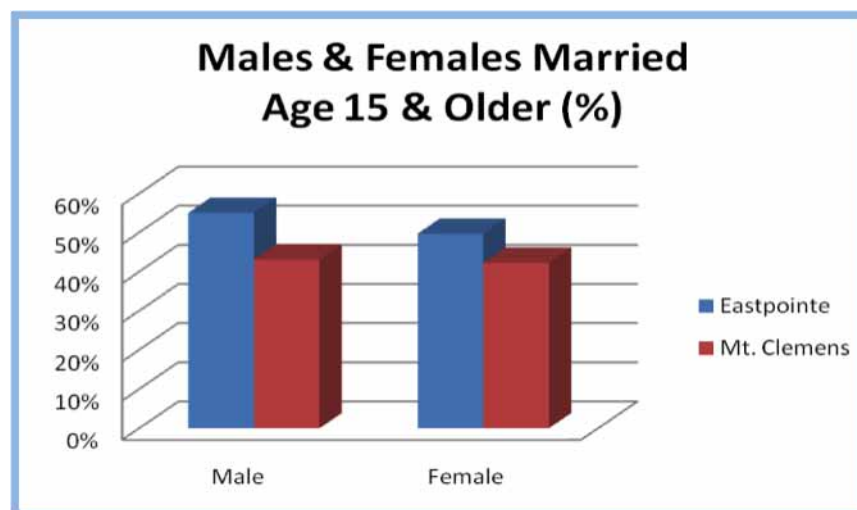


Figure 3.2K: Residents Married by Gender
Source: (U.S. Census, 2000)

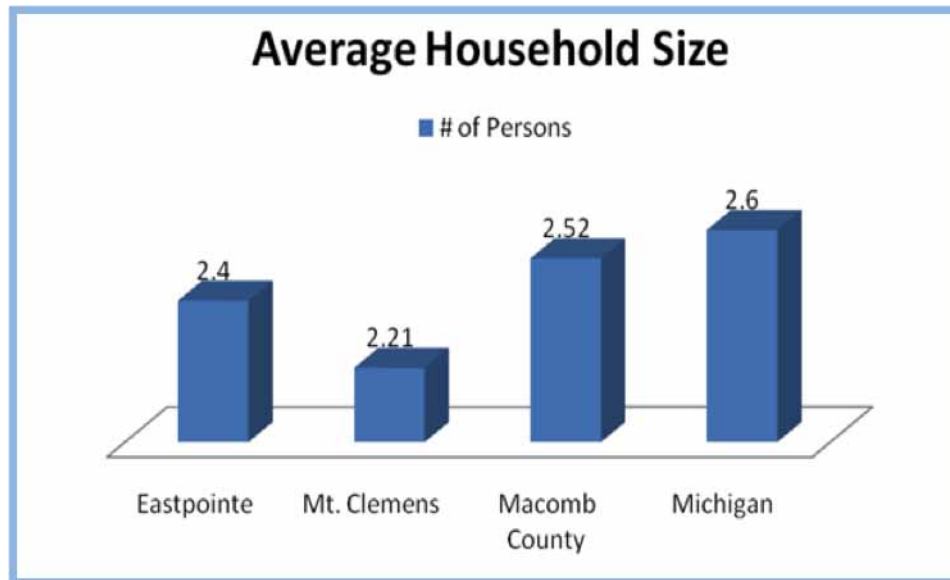


Figure 3.2L: Average Household Size.
Source: (U.S. Census, 2000)

In 2007, it was estimated that Eastpointe had 13,530 households, with an average household size of 2.4 people (Figure 3.2L). Over 60% of these were family households, and 3,813 (28.2%) included children under the age of eighteen. This is significantly lower than Michigan's average of 35.6% of households that included children under the age of eighteen (Figure 3.2M).

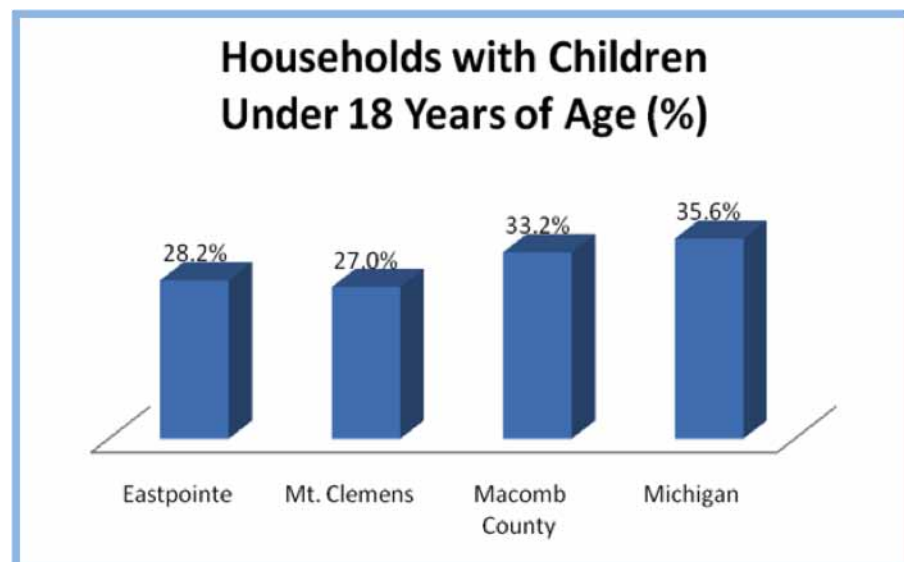


Figure 3.2M: Households with Children Under 18 Years.
Source: (U.S. Census, 2000)

Mount Clemens

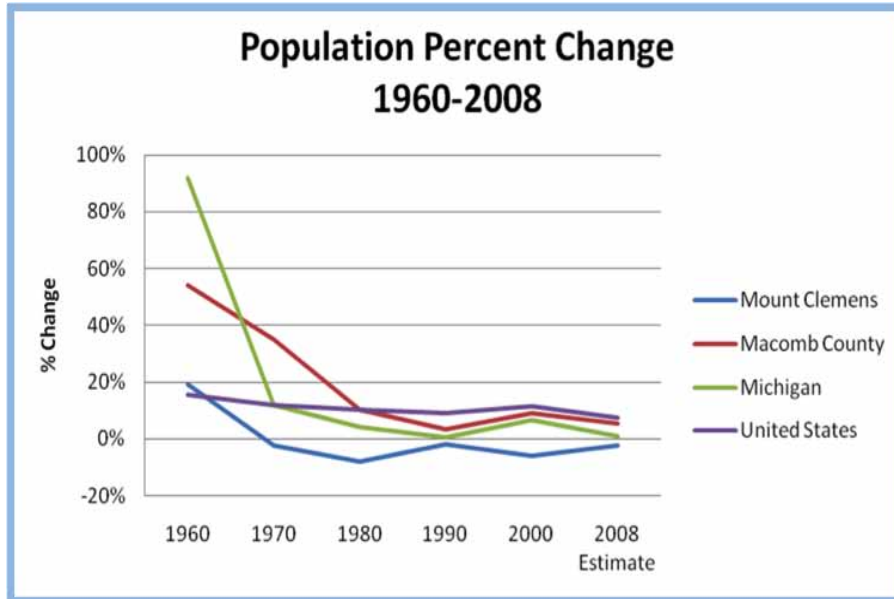


Figure 3.2N: Percent Population Change Trends for Mount Clemens.

The City of Mount Clemens has approximately 16,916 residents according to SEMCOG’s January 2009 estimates. Figure 3.2N above shows the percent change in population from 1960 to 2008 for the City of Mount Clemens compared to other regional areas.

Median Age of Residents	Median Age
Eastpointe	36.6
Mt. Clemens	36.4
Macomb County	36.9
Michigan	35.5

Figure 3.2O: Median Age of Residents.
Source: (U.S. Census, 2000)

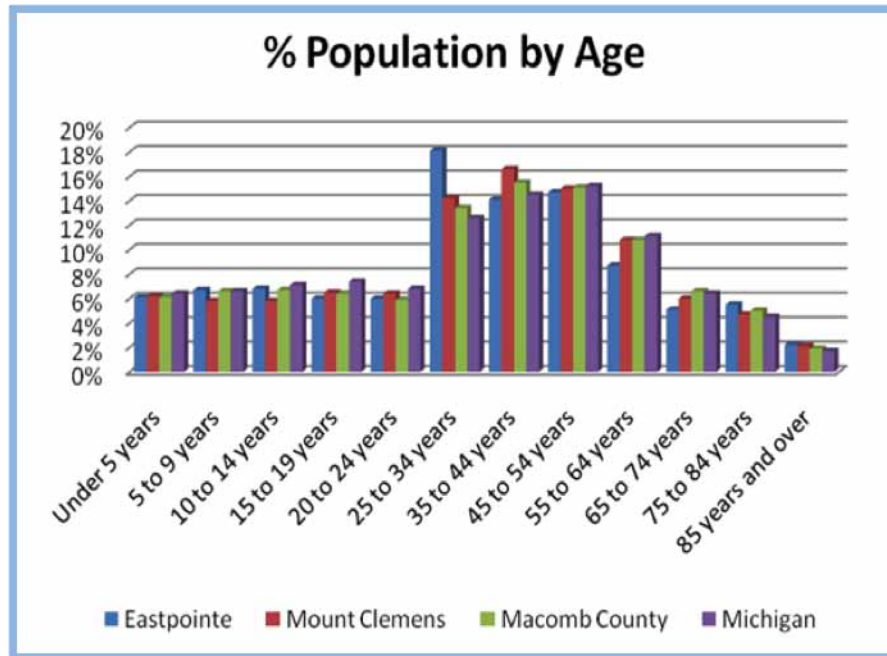


Figure 3.2P: Percent Population by Age.
 Source: (U.S. Census, 2007), (City of Mount Clemens, 2009)

The median age of Mount Clemens residents is 36.4 years old (Figure 3.2O). In 2000, approximately 13.4% of Mount Clemens’ population was age 65 and older (Figure 3.2P). Mount Clemens’ senior population was slightly higher than Michigan’s average of 12.3%. In addition, approximately 11.6% were children under the age of 18 years, with 6.4% under the age of 5 years. In Michigan, children under the age of 18 comprise approximately 26.1% of the total population. This data shows that Mount Clemens has significantly less school-aged children than most Michigan communities.

Percentage of Males to Females	Male	Female
Eastpointe	48.5%	51.5%
Mt. Clemens	51.7%	48.3%
Macomb County	49.0%	51.0%
Michigan	49.0%	51.0%

Figure 3.2Q: Percent Population by Gender.
 Source: (U.S. Census, 2000)

Approximately 51.7% of Mount Clemens’ population is male and 48.3% are female (Figure 3.2Q).

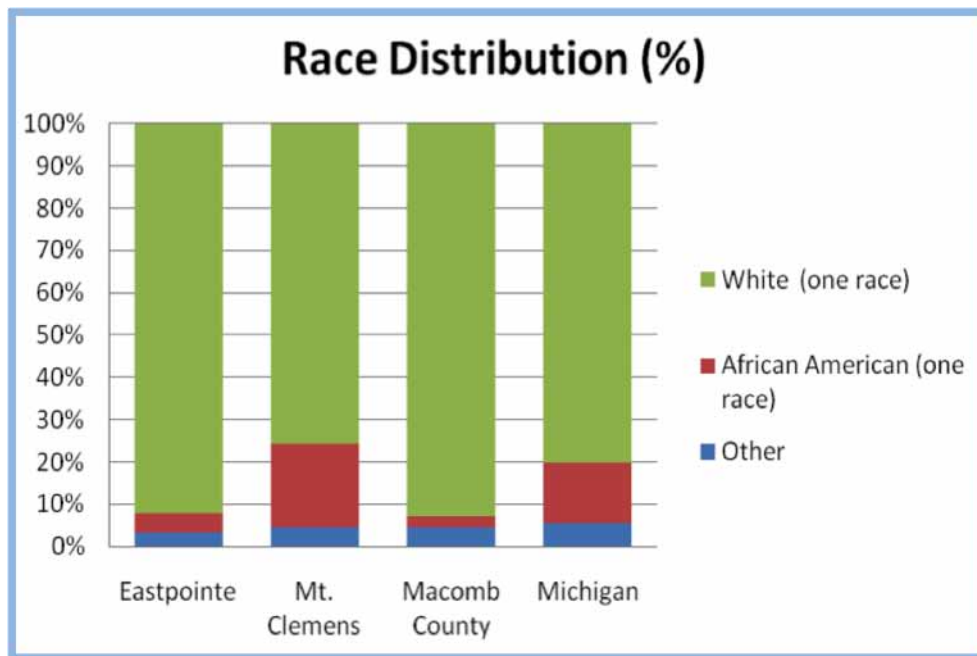


Figure 3.2R: Population Distribution by Race.
Source: (U.S. Census, 2000)

The 2000 Census showed that Mount Clemens racial mix was 75.8% white, which was lower than the state average of 80.2%; and 19.6% African American, which was higher than the state average of 14.2%. In addition, only 2.3% of the population was Latino or Hispanic, compared to the statewide average of 3.3%. Mount Clemens showed a higher rate of biracial residents at 2.6% compared to the statewide average of 1.9%. Mount Clemens has a more diverse population in comparison to communities across the state of Michigan and within Macomb County.

Racial Mix	White (one race)	African American (one race)	Other
Eastpointe	92.1%	4.70%	3.2%
Mt. Clemens	75.80%	19.60%	4.6%
Macomb County	92.70%	2.70%	4.6%
Michigan	80.20%	14.20%	5.6%

Figure 3.2S: Racial Mix
Source: (U.S. Census, 2007), (City of Mount Clemens, 2009)

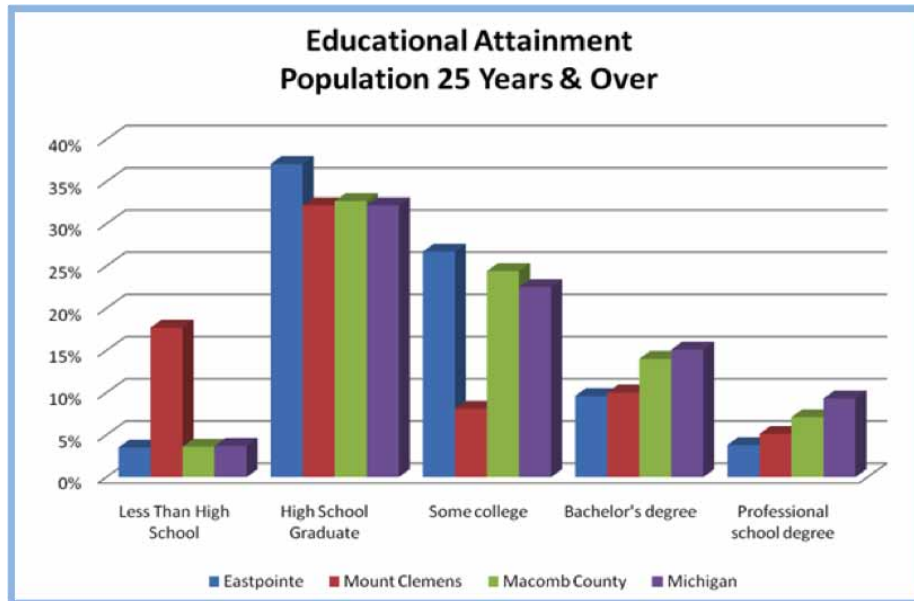


Figure 3.2T: Highest Level of Education Attained by Community.
 Source: (U.S. Census, 2000), (U.S. Census, 2007), (City of Mount Clemens, 2009)

From the 2000 Census, 78.5% of Mount Clemens residents over the age of 25 years old received a high school diploma or higher. This was slightly lower than both Michigan’s average of 83.4% and the county average of 82.9%. In 2000, 13.5% of residents over age 25 received a Bachelor’s degree or higher, which was also lower than the state and county averages. However, Mount Clemens has a higher number of residents that completed “some college” compared to both the county and state average.



Figure 3.2U: Residents Married by Gender.
 Source: (U.S. Census, 2000)

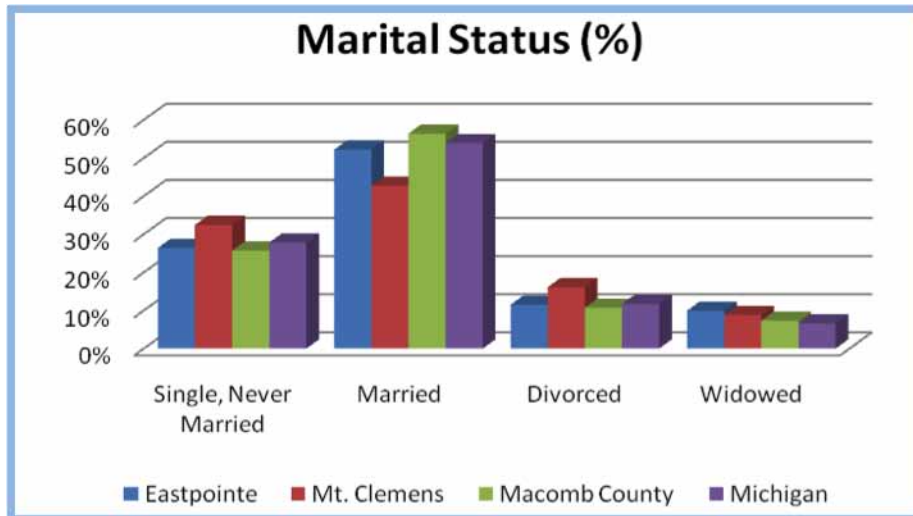


Figure 3.2V: Marital Status.
Source: (U.S. Census, 2000)

In Mount Clemens 43.1% of males, ages 15 and older are married, compared to 42.3% of females.

Marital Status (%)	Single, Never Married	Married	Divorced	Widowed
Eastpointe	26.4%	52.2%	11.50%	9.9%
Mt. Clemens	32.4%	42.7%	16.10%	8.8%
Macomb County	25.7%	56.4%	10.7%	7.3%
Michigan	27.8%	53.9%	11.7%	6.6%

Figure 3.2W: Marital Status.
Source: (U.S. Census, 2000)

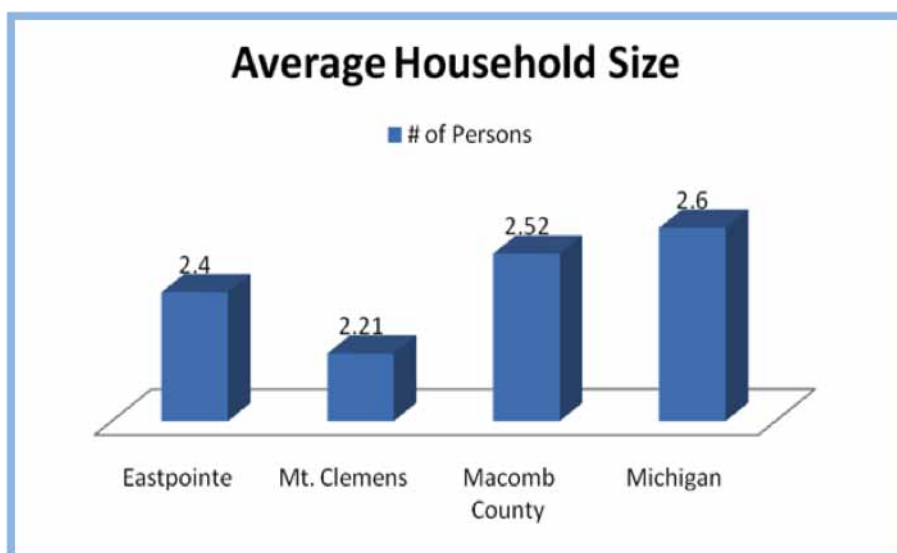


Figure 3.2X: Average Household Size.
Source: (U.S. Census, 2009)

Mount Clemens had approximately 7,037 households in 2000, with an average household size of 2.21 (Figure 3.2X). According to SEMCOG’s projections, households with seniors 65 and older will show an increase from 25% to 43% from 2000 to 2035. Households with children are expected to decrease from 27% in 2000 to approximately 24% in 2035 (Figure 3.2Y).

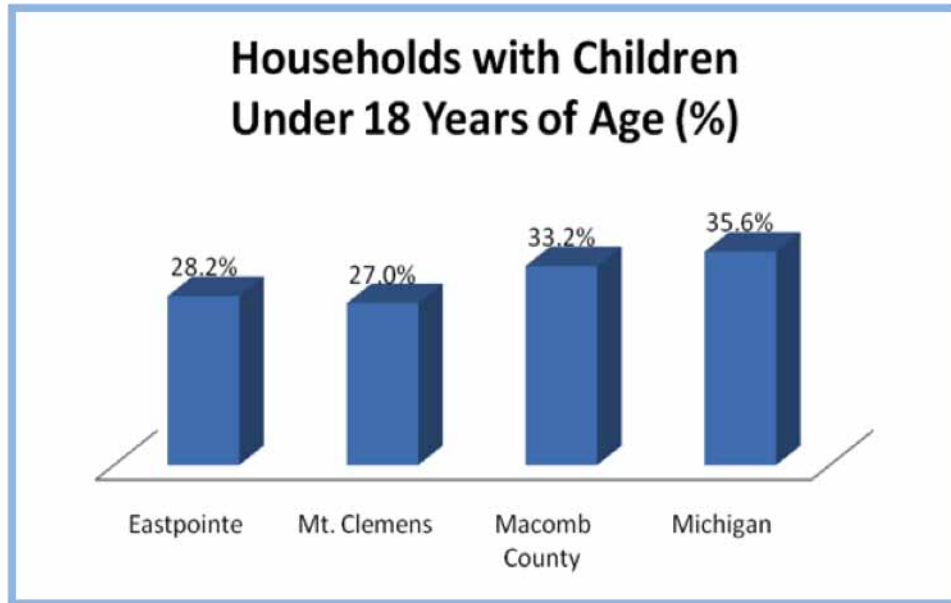


Figure 3.2Y: Households with Children Under 18 Years.
Source: (U.S. Census, 2000)

3.3 Employment

Eastpointe

The per capita income of Eastpointe is \$20,665 (U.S. Census, 2000). The average family income is \$63,582 and the median family income is \$48,821. Retirement income for Eastpointe was reported to be \$14,434.

Top Employers for Eastpointe	Number Employed Staff
East Detroit Public Schools	1,000
City of Eastpointe	165

Figure 3.3A: Eastpointe Top Employers Data.
Source: (City of Eastpointe, 2009)

The unemployment rate according to the 2007 census estimate in Eastpointe was 7.70%. This is lower than the unemployment rate in Michigan, which as of March 2009 was 12.6%. Recent job growth statistics from 2007 reported negative growth for Eastpointe. The American Community Survey (ACS) completed for 2005-2007, reported that in Eastpointe 86% of people that are employed were in the private sector, 9% were Federal, State, or Local Government employees and 5% were self-employed.

Most Common Occupations in Eastpointe	Occupation Percent Total
Sales and office	27%
Management, professional and related	24%
Production, transportation, and material moving	22%

Figure 3.3B: Percentage Employed by Occupational Sector.
Source: (U.S. Census, 2007)

Mount Clemens

The per capita income of Mount Clemens is \$21,741 (U.S. Census, 2000). The average family income is \$49,991 and the median family income is \$37,856. Retirement income on average for this area was reported to be \$23,024. The unemployment rate for Mount Clemens increased from 4.2% in 2000 to 6.8% in 2007. The most recent job growth data was reported to be negative as of 2007, with job growth decreasing by 0.26 percent.

Most Common Occupations in Mount Clemens	Occupation Percent Total
Manufacturing	24.7%
Education, health, and social services	15.6%
Retail Trade	12.1%

Figure 3.3C: Percent Employed by Occupational Sector.
Source: (U.S. Census, 2007)

The top three major employers in Mount Clemens are DuPont, Mount Clemens Regional Medical Center, and the City of Mount Clemens. The number of employees at each place of employment was unavailable.

Source: (U.S. Census, 2000), (U.S. Census, 2007), (City of Eastpointe, 2009), (City-Data.com, 2009), (United States Department of Labor, 2009)

3.4 Land Use

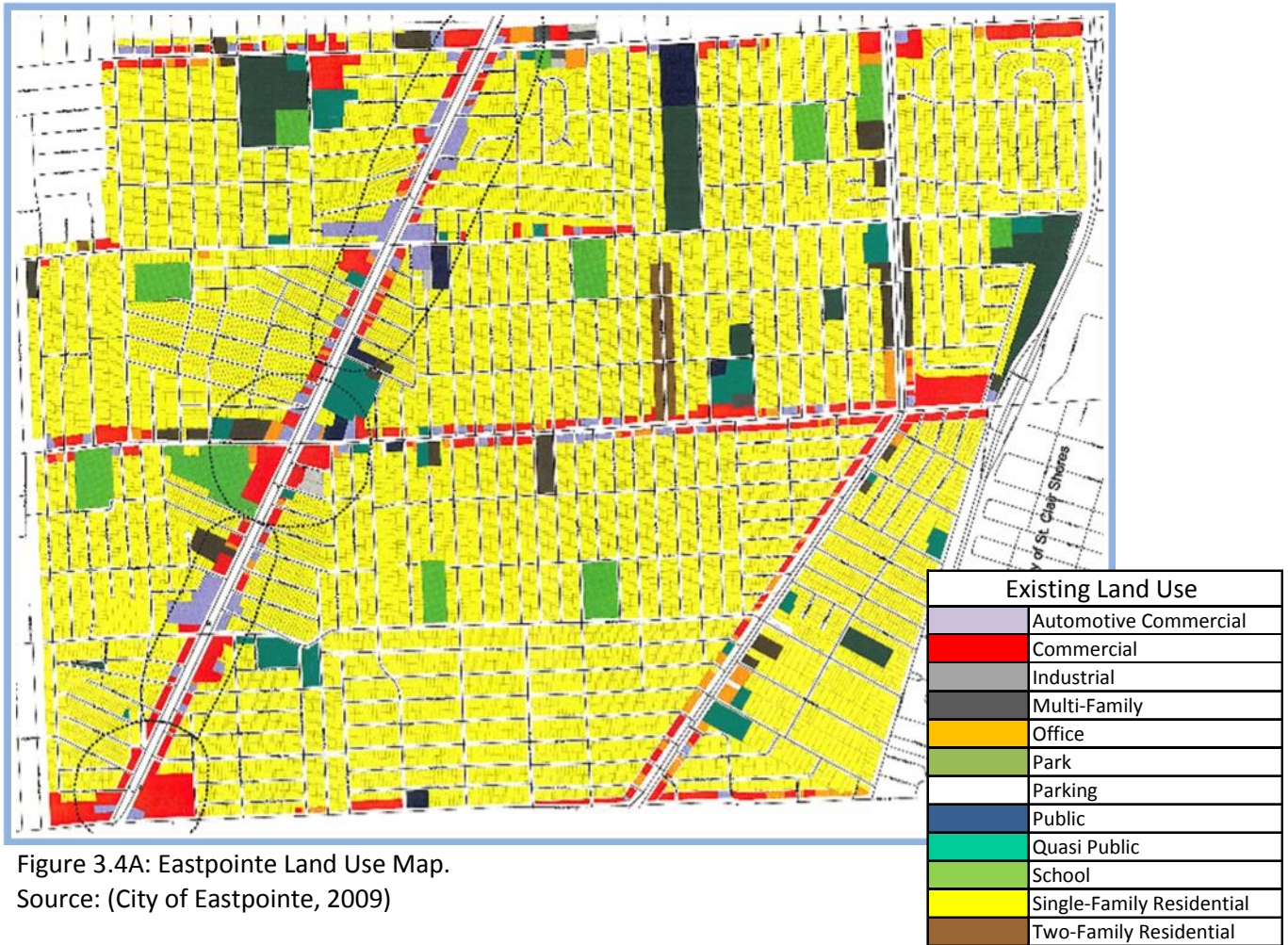


Figure 3.4A: Eastpointe Land Use Map.
 Source: (City of Eastpointe, 2009)

Eastpointe

The land area for Eastpointe is approximately 5.1 square miles with a population density of 6,678.8 people per square mile. Existing land use in Eastpointe consists of single family residential, automotive commercial, commercial, park land, office space, multi-family, industrial, schools, vacant land, public space, and designated quasi public uses.

Source: (City of Eastpointe, 2009)

Mount Clemens

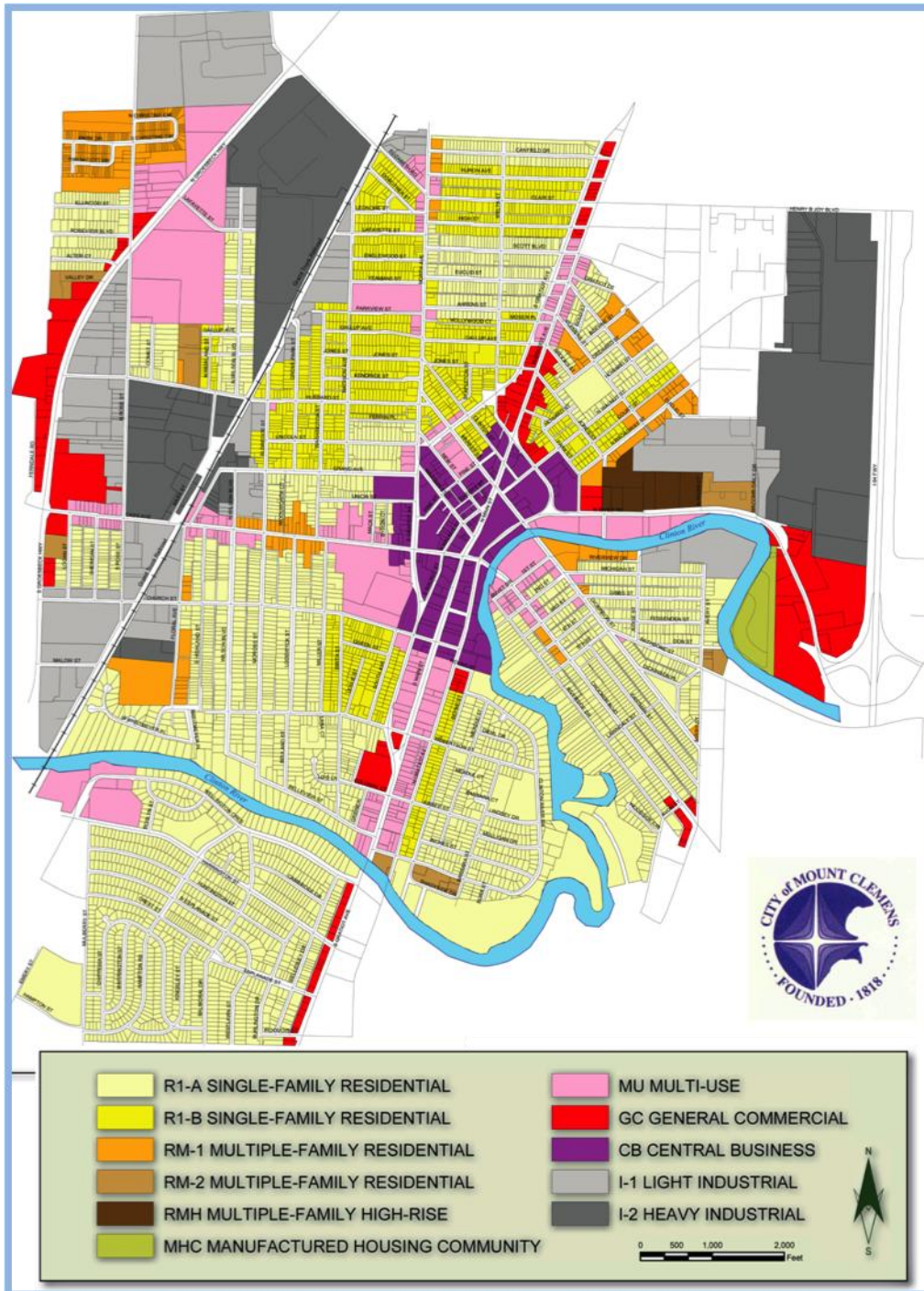


Figure 3.4B: Mount Clemens Land Use Map.
Source: (City of Mount Clemens, 2009)

The land area for Mount Clemens is approximately 4 square miles with a population density of 4,107 people per square mile. Mount Clemens land use consists of single-family residential, multi-family residential, multi-use, commercial, industrial and a central business district. Downtown Mount Clemens is a traditional downtown with a defined city center that includes government buildings, mixed-use with office, retail and residential. The majority of residential use in the city is for single-family homes and multi-family units. Mount Clemens has a good mixture of light and heavy industrial land.

Source: (City of Mount Clemens, 2009)

3.5 Transportation

Major Thoroughfares

Gratiot Avenue (M-3) - This Avenue is the main corridor, which runs northeast from downtown Detroit up through Port Huron.

I-94/Ford Freeway - Runs west from Billings, Montana to east of Eastpointe ending in Port Huron, Michigan, at the Sarnia, Ontario, Canadian border.

I-696/Reuther Freeway – Connects to I-94 on the east to I-96 on the west

Metropolitan Parkway/16 Mile Road - Runs east from Troy ending near Mount Clemens at I-94 intersection.

M-97/Groesbeck Highway - Runs on the western edge of Mount Clemens.

Source: (City of Eastpointe, 2009), (City of Mount Clemens, 2009), (MSN Live Search Maps, 2009)



Figure 3.5A: Eastpointe Major Thoroughfares Map.
Source: (City of Eastpointe, 2009)

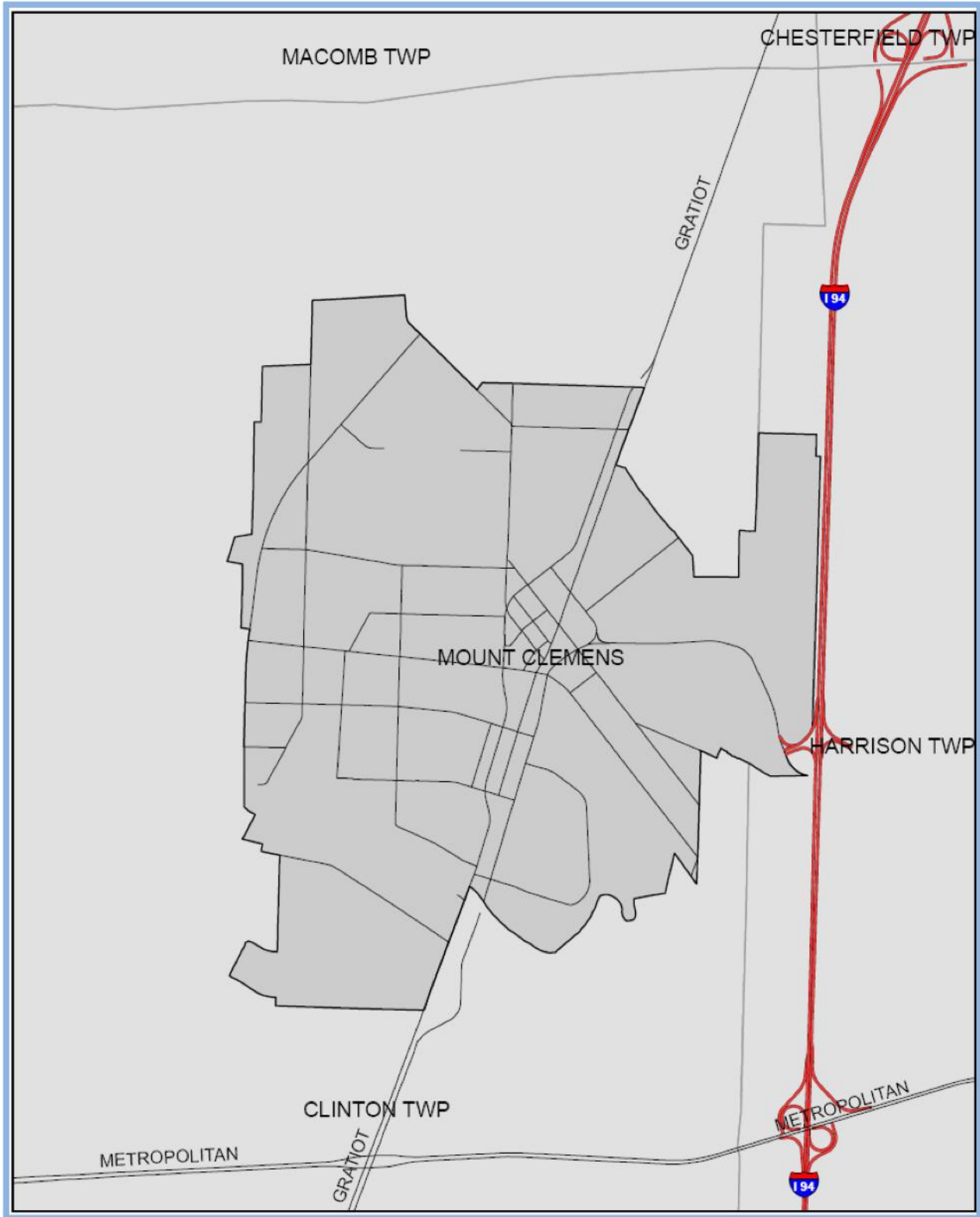


Figure 3.5B: Mount Clemens Major Thoroughfares Map.
Source: (City of Mount Clemens, 2009)

Bus Services

Suburban Mobile Authority for Regional Transportation (SMART) services Eastpointe with three different fixed routes: Gratiot, Nine Mile Cross-town, and Ten Miles Cross-town. SMART services Mount Clemens with one fixed route: Gratiot, and a Connector service which provides transportation to Mount Clemens, Clinton Township, and Harrison Township from 7:10 a.m. to 5:20 p.m. The fixed routes provide stops only at certain times and locations. A regular fare costs \$1.50. The connector service area covers Eastpointe, Roseville and St. Clair Shores from 7:55 a.m. to 5:20 p.m. Connector service routes are available only with a reservation a few days in advance. The costs for these services are \$1.00 for senior citizens and \$2.00 for students and adults.

Dial-A-Ride also serves Mount Clemens, and provides a Senior Shopper route for the residents of Clinton Place, Park Place, and Clemens Tower. A Shuttle route is available for anyone traveling from the Farmers Market to 40 North Main. The service is available Monday-Friday, 6:00 a.m. to 5:15 p.m., and on Saturdays, 10:00 a.m. to 2:00 p.m. This transportation service is available to anyone traveling within the city limits of Mount Clemens. The costs for these services range from \$1.00 for senior citizens, to \$2.00 for everyone else. Children 5 and under accompanied by an adult, ride for free.

Source: (SMART, 2009), (City of Mount Clemens, 2009)

3.6 Commercial District

Eastpointe

Businesses found in Eastpointe include: Weekday Café, which was recognized by Hour Magazine Detroit in 2006 as one of the “10 Best Neighborhood Restaurants” in Metro Detroit; Eastpointe’s own Winter Sausage Company; Ariel’s Enchanted



Garden, a flower gift shop, and Source: mjmgroupllc.com

Hummus Mediterranean Grill, a new well-received restaurant in the community. As for entertainment, residents in Eastpointe are more likely to go out of the city. They are also more likely to drive out of the city to do their grocery shopping. A goal of Eastpointe is to create a more viable base for entertainment in the city, which would include coffee shops, sit down bars, restaurants, retail clothing stores, and a major grocery store.

Mount Clemens

Mount Clemens provides a wide variety of entertainment ranging from concerts at Emerald Theatre, to art viewing at the Anton Art Center, to athletics at the ice arena. While a majority of the commercial district in downtown is pedestrian friendly, the city lacks an accessible grocery store. Outside of the downtown district there is a farmers market, which provides residents with the opportunity to get locally grown fresh produce. The restaurants in the downtown district include classic Italian restaurants, American bistros, and even a fondue room.

Source: (City of Eastpointe, 2009), (City of Mount Clemens, 2009)



Anton Art Center, Mount Clemens

Source: buildingphotos.com



Emerald Theater, Mount Clemens

Source: about.com

3.7 Climate

The average temperatures in Eastpointe and Mount Clemens range from 31°F in January to 83°F in July. The normal daily mean temperature is approximately 48.6°F, with a monthly average precipitation of 2.74”.

Source: (US Travel Weather, 2009)

3.8 Parks & Recreation

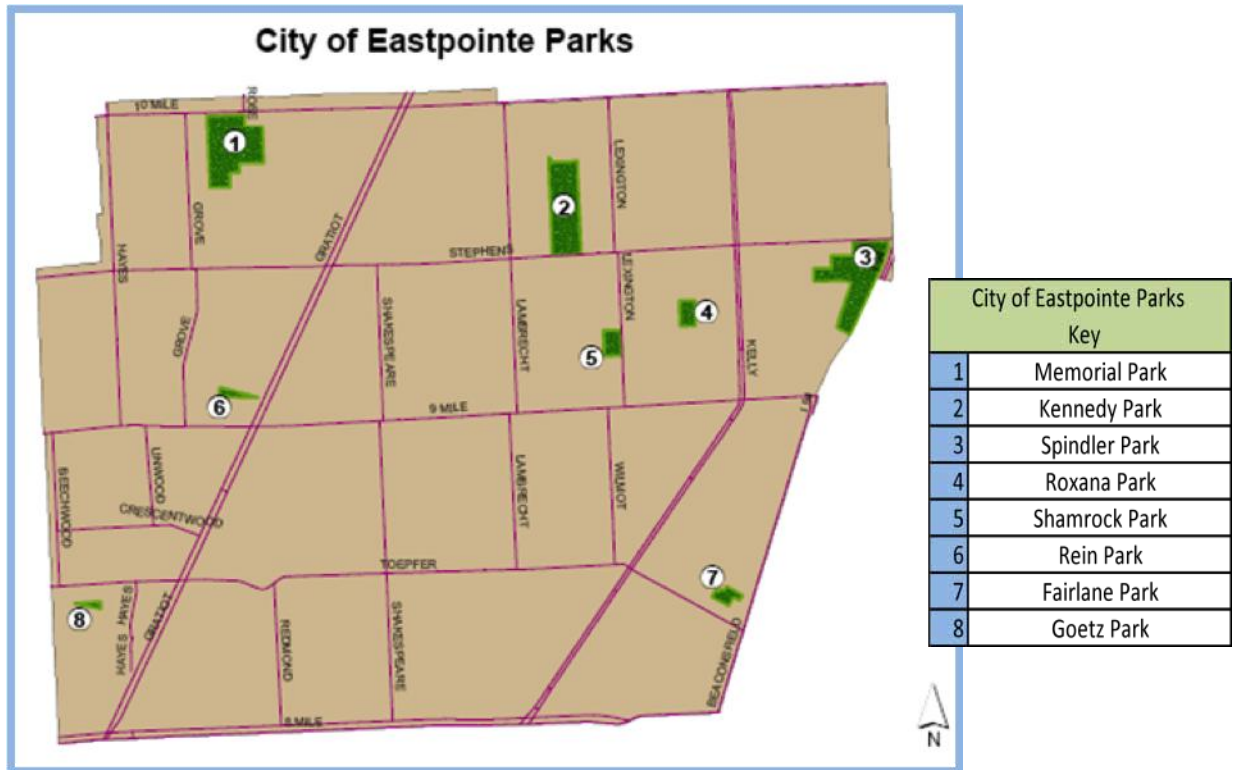


Figure 3.8A: City of Eastpointe Parks Map.
Source: (City of Eastpointe, 2009)

Eastpointe

In Eastpointe, there are 8 parks located throughout the community. Three major parks include: Kennedy Park, Spindler Park and Memorial Park. Kennedy Park provides a wide variety of recreation, such as horseshoes, an outdoor swimming pool with water slide, baseball field, inline skating facility, soccer field and sand volleyball. Spindler Park is most noted for its many festivals and events held during the summer and winter seasons, such as Music in the Park which is held on Wednesday evenings over the summer.

Mount Clemens

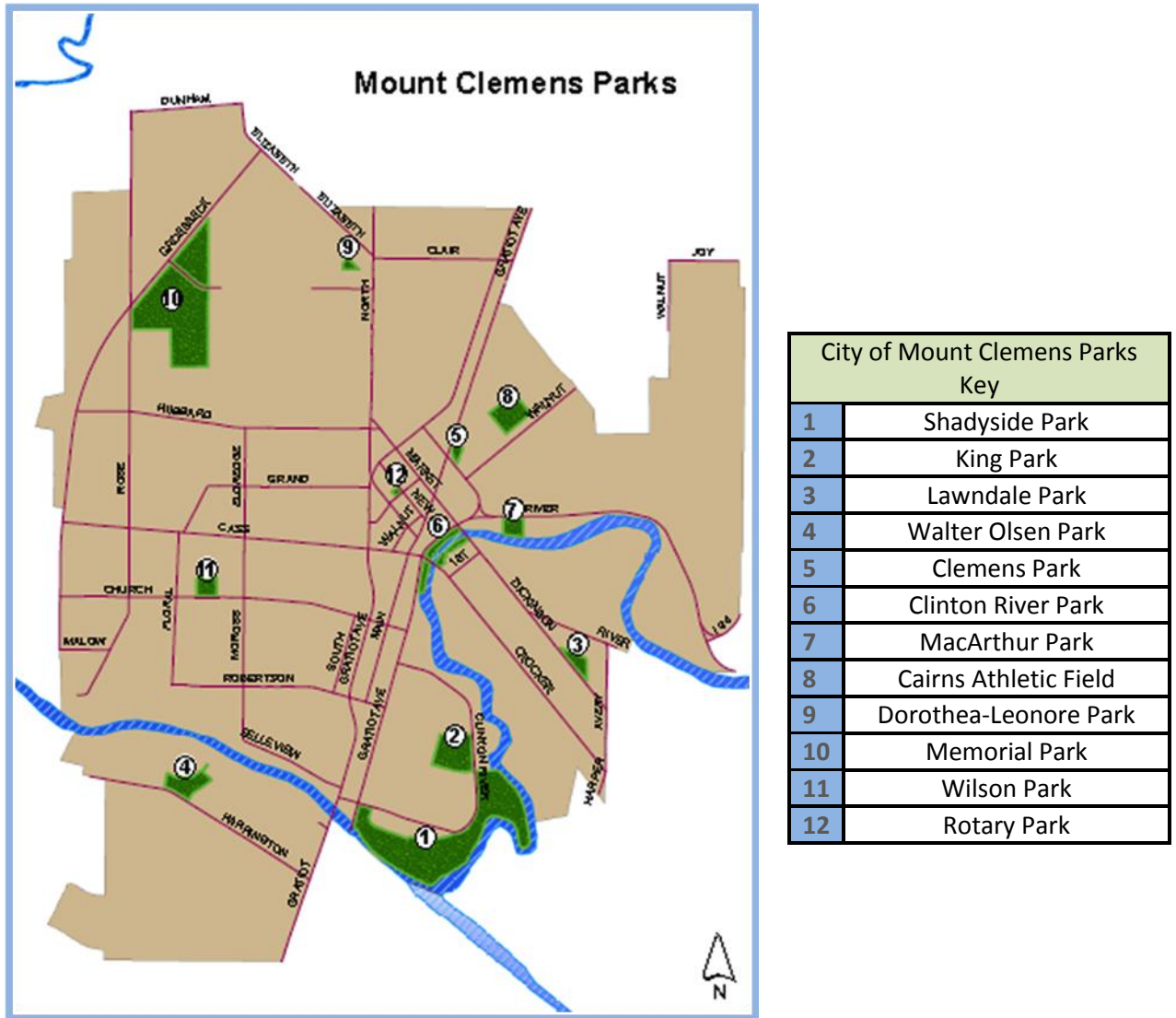


Figure 3.8B: City of Mount Clemens Parks Map.
Source: (City of Mount Clemens, 2009)

Altogether there are 12 parks throughout Mount Clemens neighborhoods. Each park has its own unique landscape courtesy of the Adopt-a-Bench or Memorial Tree programs. The twelve parks include: Behnke Memorial Park, Clemens Park, Clinton River Park, Dorothea-Leonore Park, Lawndale Park, MacArthur Park, Memorial Park, Olsen Park, Rotary Park, Shadyside Park, Sleepy Hollow Park, and Wilson Park.

Source: (City of Eastpointe, 2009), (City of Mount Clemens, 2009)

3.10 Community Summary

Eastpointe

The City of Eastpointe is located outside of Detroit and is largely a residential city. Eastpointe has a population of approximately 33,210 residents (SEMCOG, 2009). Of these residents the median age is 36.6 years old. The population is split almost evenly distributed among the male and female population, and is approximately 90% caucasian (U.S. Census, 2007). 79% percent of Eastpointes' residents age 25 years and older have a high school diploma,



which is 4.1% lower than the state average (U.S. Census, 2000; U.S. Census, 2007). The city's average household size is 2.4 people, with a total of 13,530 households (U.S. Census, 2000). The downtown district is made up of a corridor which is bordered on either side with residential neighborhoods. The

corridor has a lot of potential since many people from outside Eastpointe utilize it as access to other cities, providing potential revenue for the local businesses. The neighborhoods throughout Eastpointe are fairly comparable in size and style in terms of housing type and property size. Overall the city has potential to improve their assets and market those that already exist.

Source: (U.S. Census, 2000), (U.S. Census, 2007), (SEMCOG, 2009), (City of Eastpointe, 2009)

Mount Clemens

The City of Mount Clemens is located outside of Detroit and serves as the Macomb County seat. The city has approximately 16,916 residents, and of those the median age for the population is 36.4 years (SEMCOG, 2009). Like the City of Eastpointe, Mount Clemens also



has a fairly even distribution among male and female residents. Seventy five percent of the city's population's racial mix is caucasian (U.S. Census, 2007). Of Mount Clemens residents age 25 and over, 78.5% have received a high school diploma which is 4.9% below the state average

(U.S. Census, 2000). The average household size for the city is 2.21 per household, making up the 7,037 households (U.S. Census, 2000). The city has a vibrant, walkable downtown composed of unique shops, restaurants, and bars. The downtown provides a gathering place for both residents of Mount Clemens and visitors from the surrounding area. In addition, the city is graced with the Clinton River running through its downtown. Many people enjoy walking along the river and attending the many festivals on the river bank throughout the summer.



Source: (U.S. Census, 2000), (U.S. Census, 2007), (SEMCOG, 2009), (City of Mount Clemens, 2009)

4. Housing Analysis

4.1 Housing Stock

Housing Age

Owner-occupied units have a median construction year of 1964 in Michigan and 1969 in Macomb County. Renter-occupied units have a median construction year of 1967 in Michigan and 1973 in Macomb County. The median construction year of owner-occupied and renter-occupied units in Eastpointe is lower than Michigan and Macomb County's median. According to the 2000 U.S. Census, the housing stock in Eastpointe has a median construction year of 1954 for owner-occupied units and median construction year of 1957 for renter-occupied units. The median construction year of owner-occupied and renter-occupied units in Mount Clemens is lower than Michigan and Macomb County's median. The housing stock in Mount Clemens has a median construction year of 1951 for owner-occupied units and 1961 for renter-occupied units.

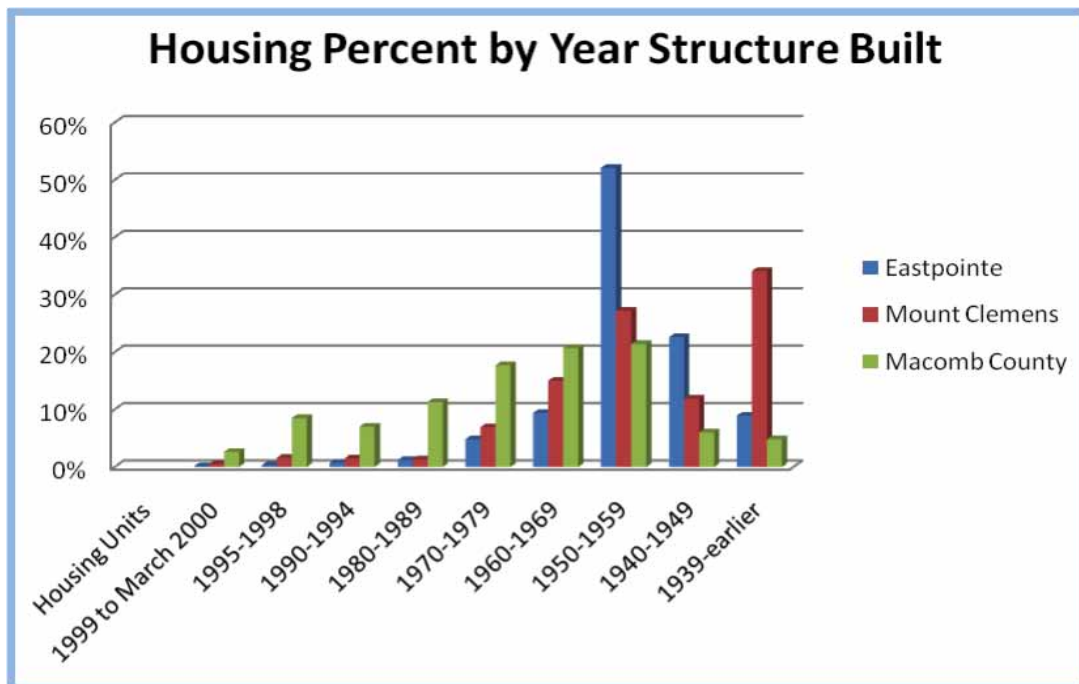


Figure 4.1A: Housing Age for Owner Occupied Units.
Source: (U.S. Census. 2000)

Owner-Occupied Housing Units	Eastpointe	Mount Clemens	Macomb County
1999 to March 2000	0.10%	0.50%	2.60%
1995-1998	0.30%	1.60%	8.50%
1990-1994	0.70%	1.50%	7.00%
1980-1989	1.20%	1.30%	11.30%
1970-1979	4.80%	6.90%	17.70%
1960-1969	9.40%	15.00%	20.70%
1950-1959	52.10%	27.20%	21.40%
1940-1949	22.60%	11.90%	6.00%
1939-earlier	8.90%	34.10%	4.80%
Median	1954	1951	1969

Figure 4.1B: Owner-Occupied Housing Stock Age.
Source: (U.S. Census, 2000)

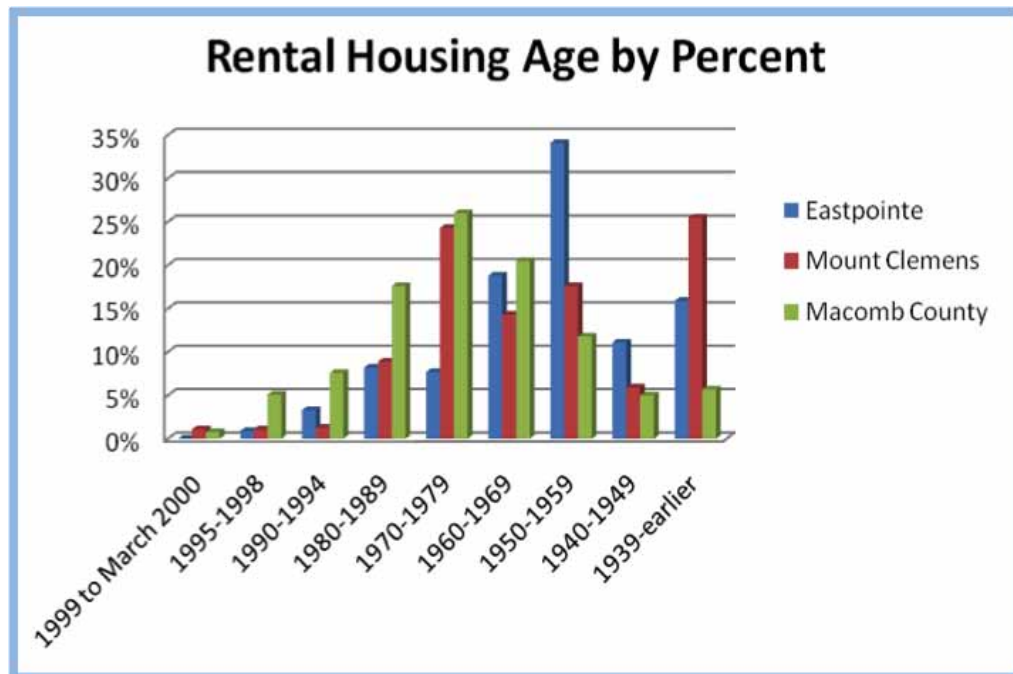


Figure 4.1C: Housing Age of Rental Units.
Source: (U.S. Census, 2000)

Renter-Occupied Housing Units	Eastpointe	Mount Clemens	Macomb County
1999 to March 2000	0%	1.10%	0.80%
1995-1998	0.90%	1.10%	5.10%
1990-1994	3.30%	1.30%	7.60%
1980-1989	8.20%	8.90%	17.60%
1970-1979	7.70%	24.30%	26%
1960-1969	18.80%	14.30%	20.50%
1950-1959	34.10%	17.60%	11.80%
1940-1949	11.10%	5.90%	5%
1939-earlier	15.90%	25.50%	5.70%
Median	1957	1961	1973

Figure 4.1D: Renter-Occupied Housing Stock Age by Percent.
Source: (U.S. Census, 2000)

Owner vs. Renter Occupancy Rates

Eastpointe has a higher owner-occupancy rate and lower renter-occupancy rate when compared to both the state and county levels. According to the 2000 Census Eastpointe had an owner occupancy rate of 89.9%, which is significantly higher than Michigan at 73.8% and Macomb County, at 78.9%. Mount Clemens has a lower owner-occupancy rate and higher renter-occupancy rate when compared to both state and county levels. Mount Clemens has an owner occupancy rate of 60.4%, which is notably lower than Michigan.

Occupancy Status

The vacancy status for Eastpointe is below both Macomb County's and Michigan's average rate. According to the 2000 U.S. Census, Eastpointe has a 97.4% occupancy rate while Macomb County is 96.5% and Michigan is 89.4%. Mount Clemens has a 93.7% occupancy rate. The occupancy status for Mount Clemens is lower than Macomb County's but higher than Michigan's average rate.

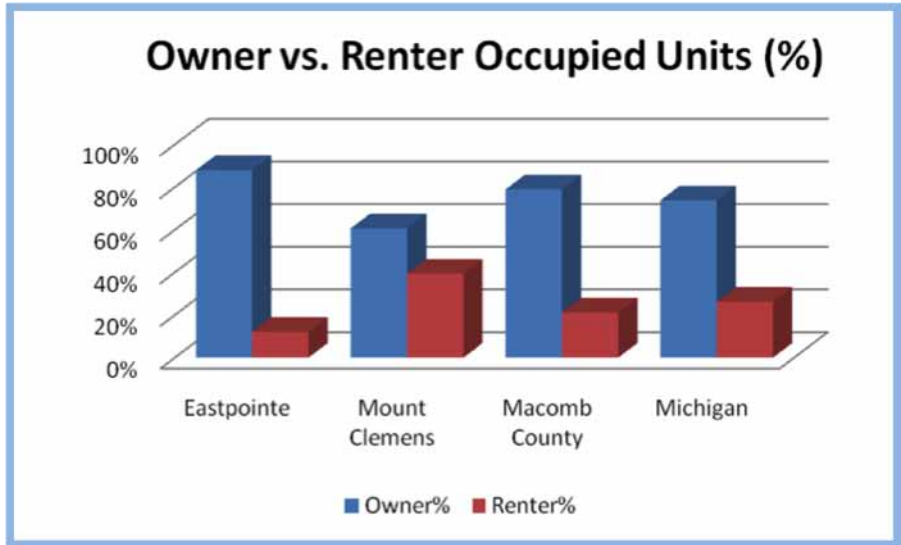


Figure 4.1E: Percent Total Housing by Ownership Category.
Source: (U.S. Census, 2000)

Occupancy Status	Eastpointe	Mount Clemens	Macomb County	Michigan
Occupied	97.40%	93.70%	96.50%	89.40%
Vacant	2.70%	6.30%	3.50%	10.60%

Figure 4.1G: Occupancy Status.
Source: (U.S. Census, 2000)

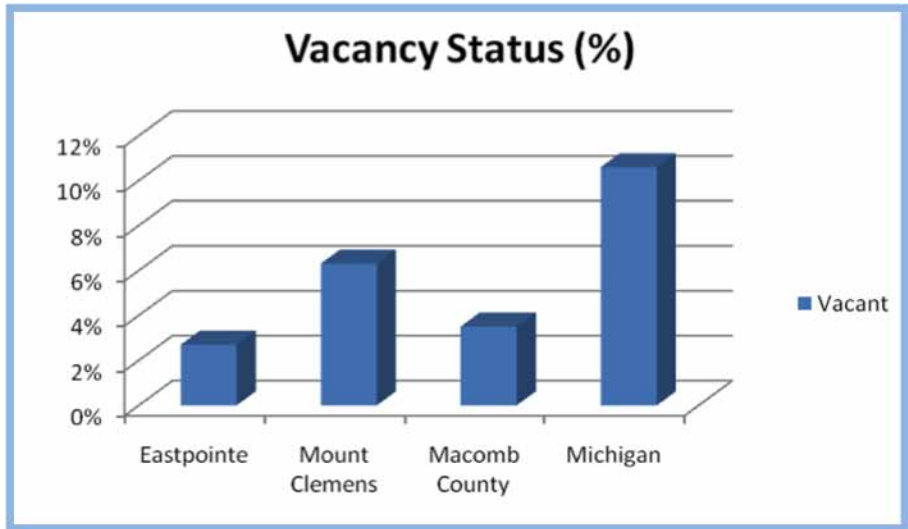


Figure 4.1F: Occupancy Status.
Source: (U.S. Census, 2000)

4.2 Foreclosure Data

Foreclosure

Foreclosure is a process that begins when borrowers fall behind in their mortgage or tax payments. Additional fees may be added on once the payment is 10-15 days late. A 'Notice of Default' is sent to the homeowner after mortgage payments are 30 days overdue. At this time the borrower may choose to sell his/her property in order to pay off the debt. After the third month the lender sends the borrower a 'Demand Letter', which gives the homeowner a month's time to pay the specified amount. Lenders may begin foreclosure proceedings during this time. The attorney sets up a sheriff's or public trustee's sale, which will become the day of foreclosure. Following the foreclosure sale the borrower has a redemption period to pay off the total debt and attorney fees. Refer to Appendix C for H.U.D's Foreclosure Timeline.

Source: (H.U.D, 2008)

Foreclosure Rate

Few sources of public data on foreclosures were made available and therefore may have limitations on reliability. In February 2009, RealtyTrac and United Way reported approximately 88,004 housing units in foreclosure, accounting for one in every 360 housing units in Michigan. Macomb County's foreclosure rate ranks third highest in the state with foreclosure occurring one in every 224 housing units. Eastpointe and Mount Clemens have a higher number of foreclosures when compared to both the county and state. In February 2009, Eastpointe had 119 foreclosed properties, which make up one in every 125 housing units. Mount Clemens had 58 foreclosed properties, which make up one in every 146 housing units. Refer to Appendix B for Foreclosure Heat Rate Methodology.

Source: (RealtyTrac 2009), United Way 2009)

February 2009 Foreclosure Rate Heat Map

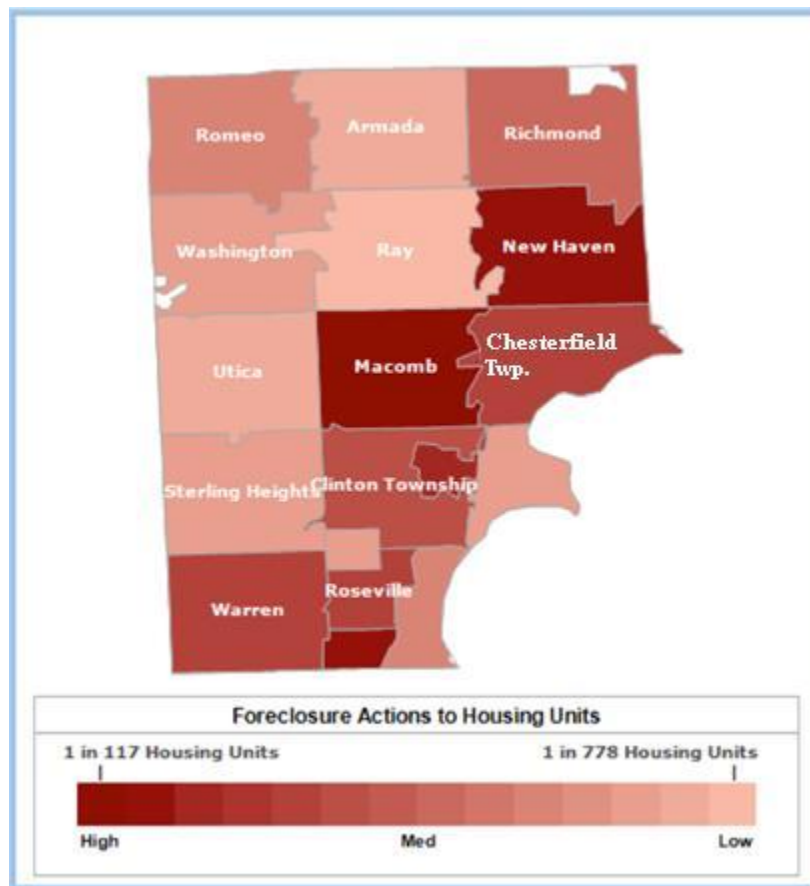


Figure 4.2A: February 2009 Foreclosure Rate Heat Map.
Source: (RealtyTrac, 2009)

Geographical Comparison of Foreclosure

The percentage of units in foreclosure compares each city with the county, state and national level. The percentage is based on the number of foreclosed units from the total number of units. The national percentage of foreclosures is 0.23% and is higher in Michigan at 0.28% (Fig. 4.2B). Macomb County has a higher percent of foreclosure than the national and state level with 0.45%. Eastpointe has a foreclosure rate of 0.80% and Mount Clemens has a rate of 0.68%. Eastpointe and Mount Clemens exceed the national, state and county foreclosure percentage. Refer to Appendix C for Geographical Comparison of Foreclosure Methodology.

Source: (RealtyTrac, 2009)

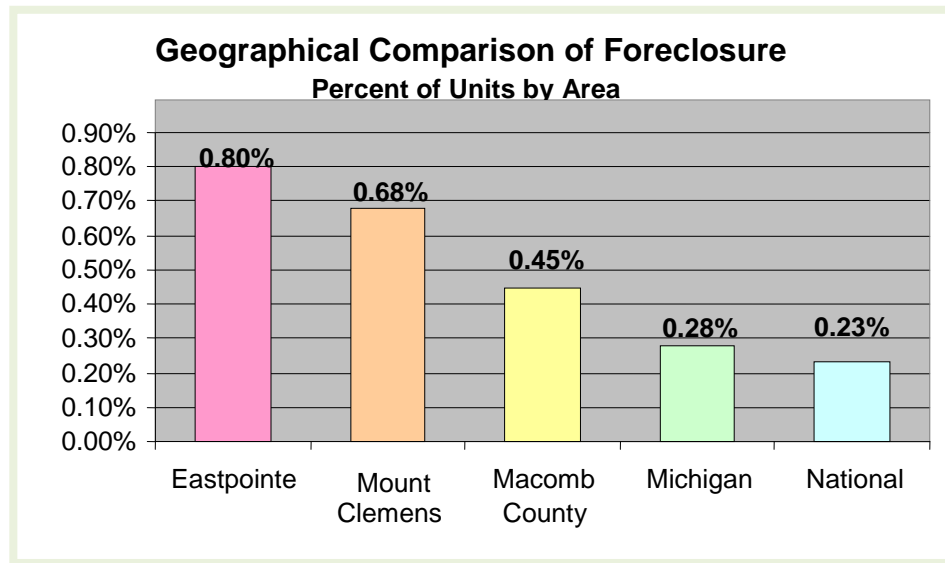


Figure 4.2B: Geographical Comparison of Foreclosure
Source: (RealtyTrac, 2009)

Foreclosure Status Distribution

The foreclosure process depends on the type of foreclosure facing the lender and borrower. There are generally three types of foreclosure including judicial, power of sale, and strict foreclosure. Refer to Appendix F for descriptions on the type of foreclosure. The status distribution is based on property that is in some type of foreclosure. Pre-foreclosure is the first step of the foreclosure process and can be characterized by default in mortgage payments. Following a default in mortgage payments a public auction is held for the foreclosed property. A foreclosed property may then be repossessed by the lender and become bank-owned. See Appendix G for methodology of Foreclosure Status Distribution. Michigan has 62% of foreclosed properties in auction while 38% are bank owned. Macomb County has 49% of foreclosed properties in auction while 51% are bank owned. Information on the number of default mortgages is unavailable.

Eastpointe has 53% of foreclosed properties in auction while 47% are bank owned (Fig. 4.2C). The percent of foreclosed properties for auction in Eastpointe is less than Michigan and greater than Macomb County. The percent of bank owned is greater than Michigan and less than Macomb County. Information on the number of default mortgages is unavailable.

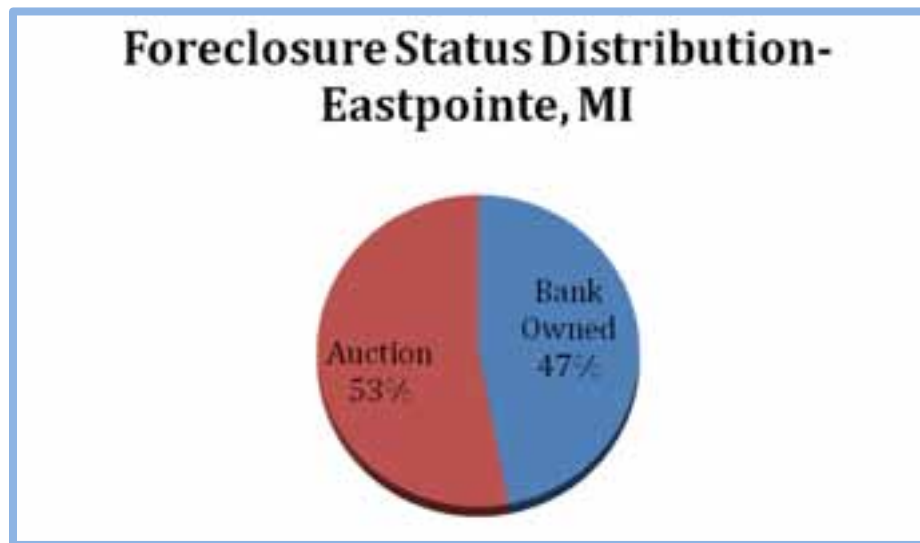


Figure 4.2C: Foreclosure Status Distribution- Eastpointe, MI
Source: (RealtyTrac, 2009)

Mount Clemens has 29% of foreclosed properties in auction while 71% are bank owned (Fig. 4.2D). The percent of foreclosed properties for auction in Mount Clemens is less than both Michigan and Macomb County. The percent of bank owned is greater than both Michigan and Macomb County. Information on the number of default mortgages is unavailable.

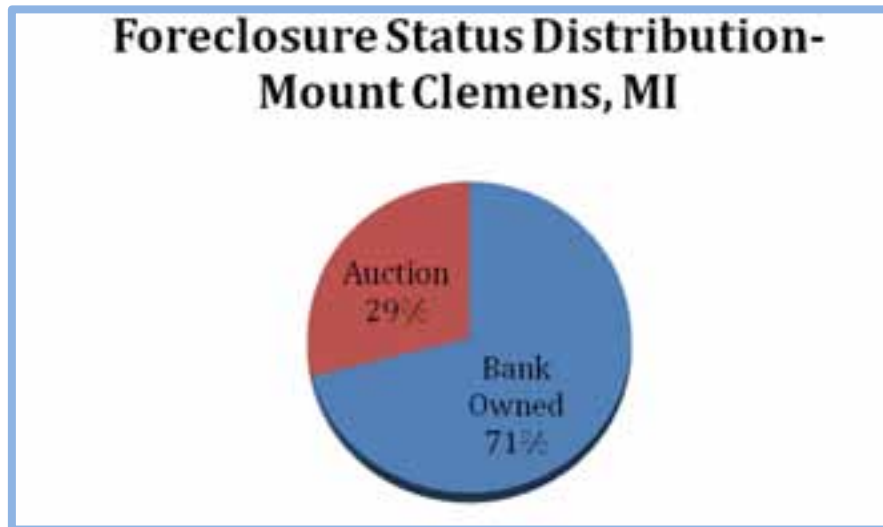


Figure 4.2D: Foreclosure Status Distribution- Mount Clemens, MI
Source: (RealtyTrac, 2009)

Sheriff Deeds and Foreclosures

Macomb Treasurer’s Office documented the number of sheriff deeds from 2003 to 2004 and the number of foreclosures from 2006 to 2007. Sheriff deeds are issued at a sheriff’s sale or auction when ownership rights are given to the buyer. Eastpointe had 135 sheriff deeds in 2003 and 556 foreclosures in 2007, which is a 311.85% increase (Fig. 4.2E). Mount Clemens had 53 sheriff deeds in 2003 and 168 foreclosures in 2007, which is a 216.98% increase. Reasons why foreclosure was documented as sheriff deeds from 2003 to 2004, and then as foreclosures from 2006 to 2007 was not provided.

Source: (United Way, 2008), (Macomb County Treasurer’s Office, 2008)

Foreclosure by City

Foreclosure by City	Number of Sheriff Deeds	Number of Sheriff Deeds	Number of Sheriff Deeds	Foreclosures	Foreclosures	%Change
Year	2003	2004	2005	2006	2007	(03-07)
Eastpointe	135	151	216	239	556	311.85%
Mount Clemens	53	46	65	67	168	216.98%

Figure 4.2E: Foreclosure by City.
Source: (Macomb Treasurer’s Office, 2008)

Local Initiative Support Corporation (LISC) Composite Foreclosure Needs

The Local Initiative Support Corporation (LISC) is an organization dedicated to improving communities on a local level. LISC developed a method to determine a Composite Foreclosure Needs Score for individual communities located in each zip code throughout Michigan. Dataset indicators were compiled that include subprime lending mortgage delinquencies, and foreclosures, which establish the Foreclosure Needs Score. The Composite Foreclosure Needs Score is measured, as a number 0 to 100 that represents the foreclosure needs when compared to the rest of the state. Zip codes measured at 100 have the highest risk of foreclosure in Michigan while any number below 100 is proportional. LISC also provided a ranking system that indicates how each city ranks among all other cities in Michigan. The median score for Michigan is 0.46 and Macomb County is 1.43. Refer to Appendix H for methodology of Composite Needs Score.

Eastpointe has a Composite Foreclosure Needs Score of 14.17 and is ranked 27 among all cities in Michigan (Fig. 4.2F). Eastpointe ranks first among the highest risk of foreclosure in Macomb County. Eastpointe is, therefore, among the highest needs score when compared to the rest of Michigan.

LISC Composite Foreclosure Needs Score, June 2008 in Eastpointe, MI

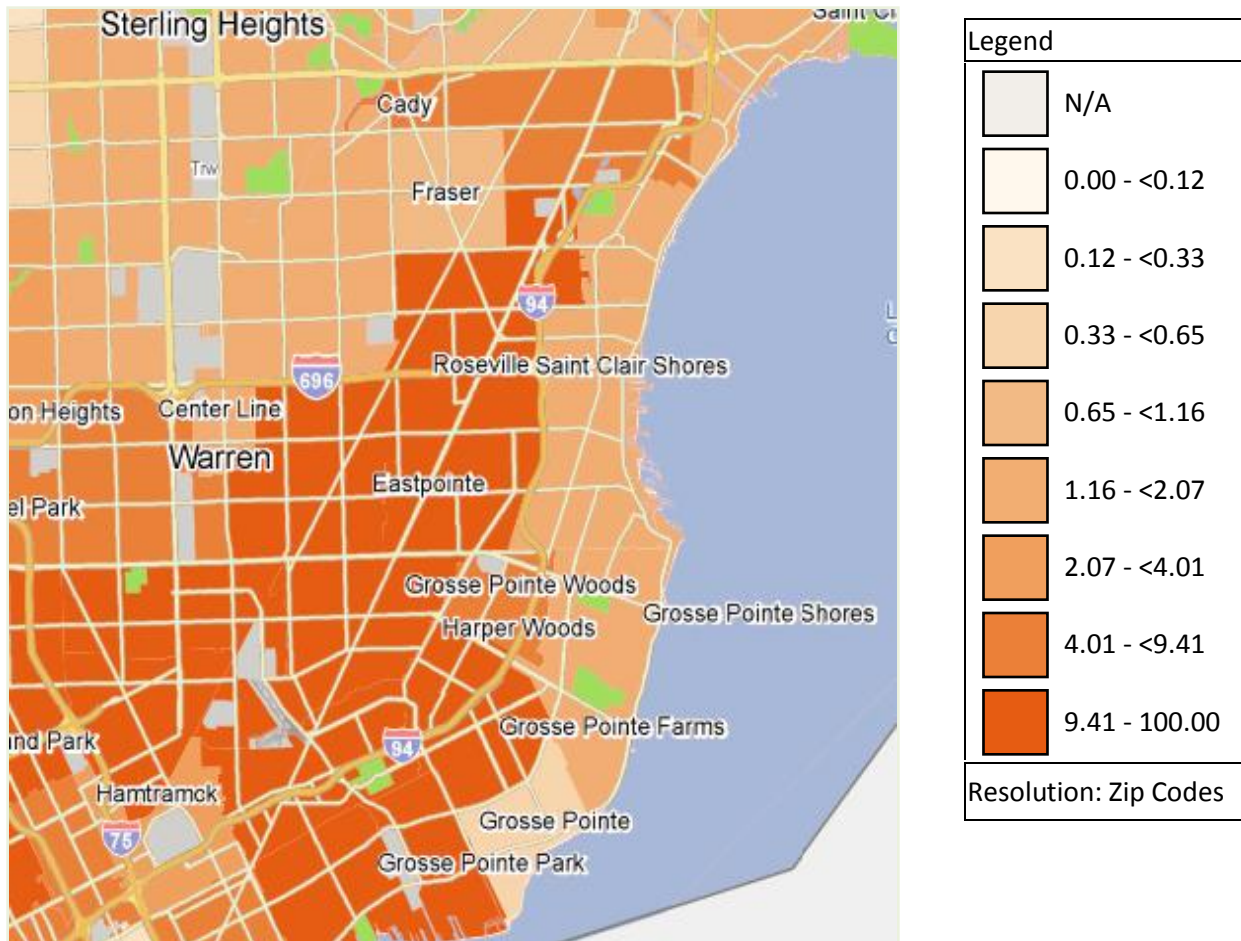


Figure 4.2F: LISC Composite Foreclosure Needs Score, June 2008 Eastpointe, MI
 Source :(LISC, 2008), (DataPlace, 2009)

Mount Clemens has a higher score than both Michigan and Macomb County. Mount Clemens has a Composite Foreclosure Needs Score of 2.97 and is ranked 113 among all zip codes in Michigan. Mount Clemens is ranked seventh among the neediest in Macomb County. Mount Clemens is one bracket higher than the County’s median and three brackets higher than the State’s median.

LISC Composite Foreclosure Needs Score, June 2008 in Mount Clemens, MI

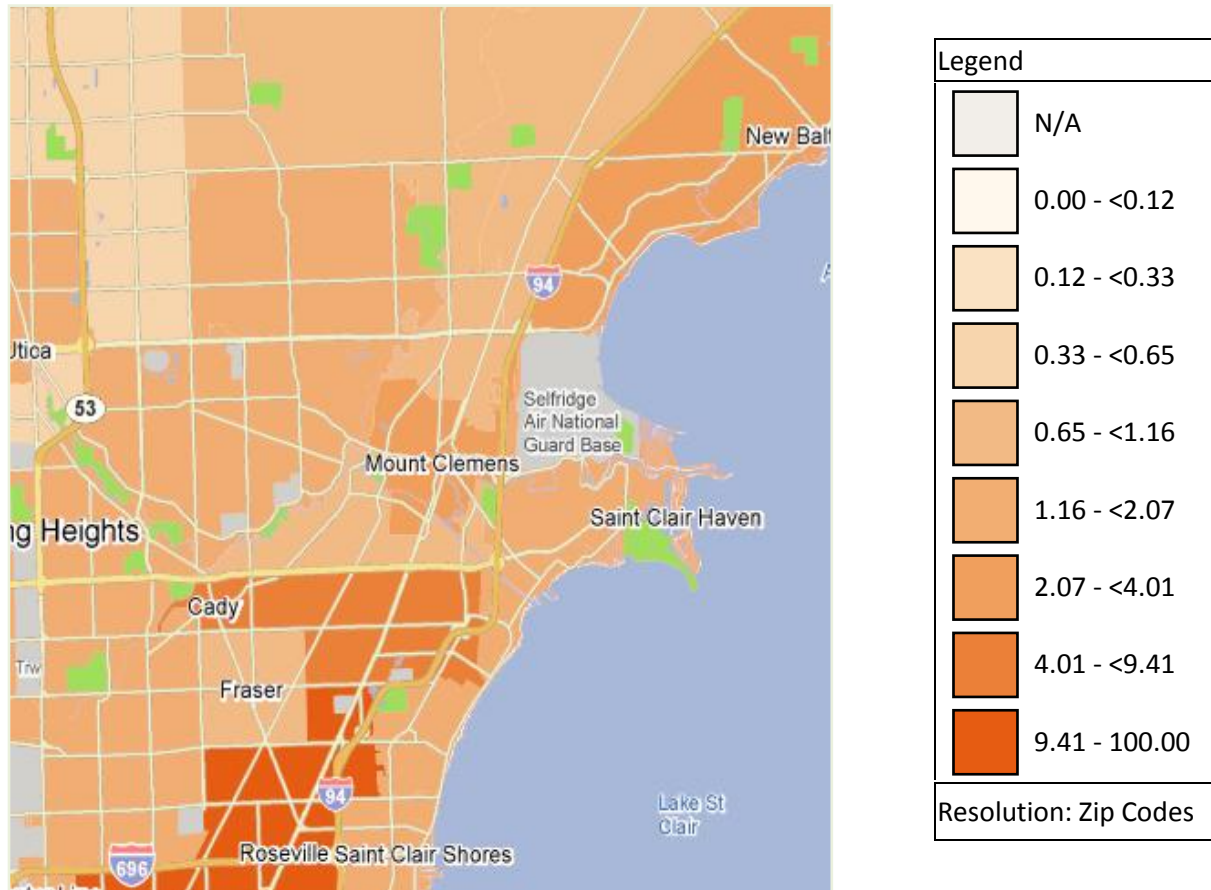


Figure 4.2G: LISC Composite Foreclosure Needs Score, June 2008 in Mount Clemens, MI
 Source: (LISC, 2009), (DataPlace, 2009)

Subprime Lending

Subprime Lending is a component used in determining the Composite Foreclosure Needs Score. United Way indicates, “Subprime lending is the primary cause of foreclosure.” Subprime lenders target individuals who have high credit risk that would otherwise prevent him/her from receiving a prime loan. Subprime loans have a higher interest rate on mortgages when compared to prime loans. According to LISC subprime loans have a default rate seven to ten times greater than prime loans. LISC used data from McDash Analytics to establish a Subprime Component Score. The score is a number 0 to 100 that represents the subprime component when compared

to the rest of the state. Michigan has a median Subprime Component Score of 0.37 and Macomb County has a score of 0.95 (Fig. 4.2H).

Subprime loans help indicate the risk of future foreclosures for Eastpointe and Mount Clemens. Eastpointe has a Subprime Component Score of 10.52, which ranks 34 in the state. Mount Clemens has a Subprime Component Score of 2.25 and ranks 113 in the state. The Subprime Component Scores for both Eastpointe and Mount Clemens are higher than the median scores for both Macomb County and Michigan. The Subprime Component Scores indicate that Eastpointe and Mount Clemens are at risk of future foreclosures.

Source: (United Way, 2008), (LISC, 2009)

Mortgage Delinquencies

Borrowers that are 30 days late in their mortgage payments are what characterize mortgage delinquencies. Mortgage delinquency can lead a borrower into foreclosure. The Local Initiatives Support Corporation (LISC) used data from McDash Analytics to establish a Delinquency Foreclosure Score. The Mortgage Delinquency Score is measured as a number 0 to 100 that represents how the city is affected by delinquency when compared to the rest of the state. Michigan has a median Delinquency Foreclosure Score of 0.93 and Macomb County has a score of 2.89 (Fig. 4.2H).

The Delinquency Foreclosure Score helps predict future foreclosures. Eastpointe has a Delinquency Foreclosure Score of 25.49, which ranks 21 in Michigan. Mount Clemens has a Delinquency Foreclosure Score of 6.7, which ranks 92 in Michigan. Eastpointe and Mount Clemens have higher scores than both the state and county medians. The Delinquency Foreclosure Score indicates that Eastpointe and Mount Clemens are at risk of future foreclosures.

Source: (LISC, 2009), (McDash Analytics, 2009)

Foreclosure Component

LISC used data from McDash Analytics to establish a Foreclosure Component Score that represents which cities have experienced high foreclosures. The Foreclosure Component Score is measured as a number 0 to 100 which represents the Foreclosure Component Score compared to the rest of the state. Michigan has a median Foreclosure Component Score of 0.38 and Macomb County has a score of 1.51 (Fig. 4.2 H).

Eastpointe has a Foreclosure Component Score of 17.86, which ranks 21st in Michigan. Mount Clemens has a Foreclosure Component Score of 1.56, which ranks 182nd in Michigan. The score indicates that Eastpointe and Mount Clemens have experienced levels of foreclosure that exceed state and county medians.

Source: (LISC, 2009), (McDash Analytics, 2009)

Foreclosure Needs Score: Subprime Component, Delinquency Foreclosure and Foreclosure Component

	Foreclosure Needs Score	Rank	Subprime Component Score	Rank	Delinquency Foreclosure Score	Rank	Foreclosure Component Score	Rank
Eastpointe	14.17	27	10.52	34	25.49	21	17.86	21
Mount Clemens	2.97	113	2.25	113	6.7	92	1.56	182
Macomb County Median	1.43	X	0.95	X	2.89	X	1.51	X
Michigan Median	0.46	X	0.37	X	0.93	X	0.38	X

Figure 4.2H: Foreclosure Needs Score: Subprime Component, Delinquency Foreclosure and Foreclosure Component

Source: (LISC, 2009), (McDash Analytics, 2009)

High-cost Home Purchase Loans

High-cost home purchase loans are at risk of becoming foreclosed due to high interest rates. The Home Mortgage Disclosure Act (HMDA) and The Local Initiatives Support Corporation (LISC) present information on the number of high-cost home purchase loans per 1,000 1-4 family units from 2004 to 2006. The high-cost home purchase loans were both owner-

occupied and investor loans. The median number of high-cost home purchase loans is 24.2 in Michigan and 37 in Macomb County.

Eastpointe has 65.5 high-cost home purchase loans per 1,000 1-4 family units and is ranked 12 in Michigan (Fig 4.2I). Eastpointe has a higher number of high-cost loans than both Michigan and Macomb County's median. Mount Clemens has 42.7 high-cost home purchase loans and is ranked 54 in Michigan. Mount Clemens also has a higher number of high-cost loans than both Michigan and Macomb County's median.

Source: (LISC, 2009), (HMDA, 2009)

High-cost home purchase loans per 1,000 1-4 family units, 2004-2006 in Eastpointe and Mount Clemens, MI

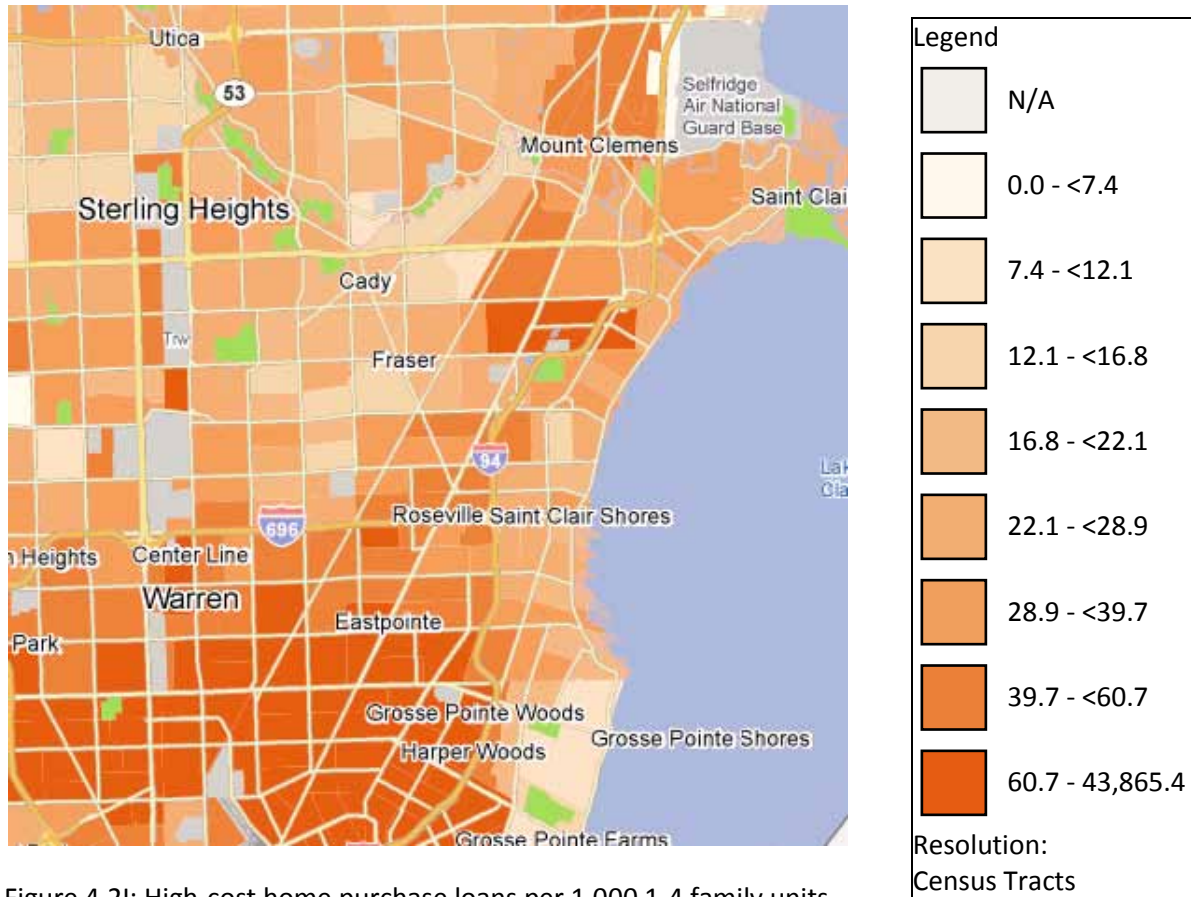


Figure 4.2I: High-cost home purchase loans per 1,000 1-4 family units, 2004-2006 in Eastpointe and Mount Clemens, MI

Source: (LISC, 2009), (DataPlace, 2009)

Average Foreclosure Sale Price

The foreclosure sale price tends to be lower than the initial value at the time of purchase. Michigan has an average foreclosure sale price of \$76,930, which is much lower than the average sale price of \$125,018. Macomb County has an average foreclosure sale price at \$94,576, which is lower than the average sales price of \$115,610. Eastpointe has a lower foreclosure sale price than both the county and state with an average sale price at \$61,055 (Fig. 4.2J). The median estimated average sales price for Eastpointe is \$88,023. Information was unavailable for the reason average sales price spiked in January 2009.

Source: (RealtyTrac, 2009)

Average Sales Price Feb, 2009- Eastpointe, MI

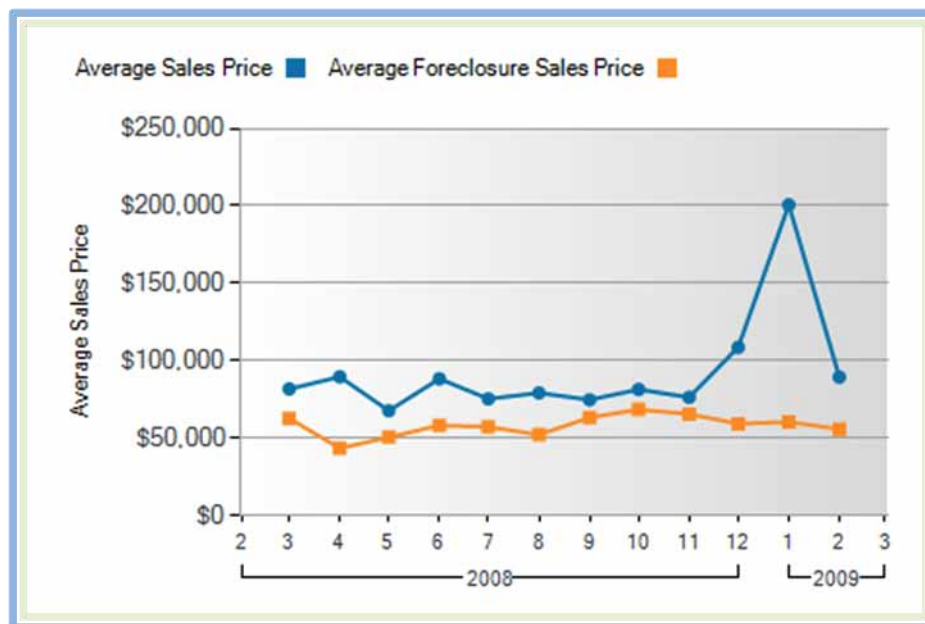


Figure 4.2J: Average Sales Price- Eastpointe, MI
Source: (RealtyTrac, 2009)

Mount Clemens has a foreclosure sale price of \$71,002, which is lower than the average sales price \$104,188 (Fig. 3.2K). See Appendix G for Average Foreclosure Sale Price Methodology.

Average Sales Price- Mount Clemens, MI



Figure 4.2K: Average Sales Price- Mount Clemens, MI
Source: (RealtyTrac, 2009)

4.3 Foreclosure Best Management Practices

Public Sector Best Practices in Foreclosure Prevention & Mitigation

Introduction

There are many approaches to combating the foreclosure crisis. The key element to success is collaboration among homeowners, lenders, non-profit agencies and governmental bodies. The most basic method of organizing these strategies is within the following categories:

- I. Foreclosure Prevention
- II. Mitigation
- III. Displaced Homeowner Recovery



This best practices guide provides strategies to prevent and mitigate the impacts of foreclosure, as well as provides information on how to help displaced homeowners. Each strategy is listed under its respective category (prevention, mitigation, homeowner recovery) and then briefly explained. Examples and case studies are provided where applicable. These case studies are denoted under the strategy's summary and provided in greater detail in Appendix J. A matrix is provided at the beginning of Appendix J that serves as a quick reference guide listing the case study name, type of strategy, funding source, the level the study was initiated on (local, state, or national), whether the study may be applicable for Eastpointe, or Mount Clemens, and page number. Funding sources are also provided when information was available, with a detailed overview. See Appendix K for an Overview of Funding Sources.

I. Foreclosure Prevention

Foreclosure prevention should be a primary focus in economically prosperous times, as well as during economic downturns. Most prevention efforts include aggressive homeowner education and outreach. There are numerous prevention resources already in place that local municipalities can connect their community members with.

a. Homeowner Education & Counseling (Pre-mortgage & Post-mortgage)

These programs offer:

- Help to homeowners or potential homeowners in order to educate them on household budgeting and foreclosure prevention.
- Outreach to homeowners and their lenders to understand the mortgage and/or foreclosure process.
- Facilitation of loan modifications or short-sales.

An example of this type of program is MSHDA's Save the Dream Program, which assists homeowners by providing low-interest fixed rate mortgages to replace the homeowner's previous adjustable rate mortgage (ARM).

President Obama announced a \$75 billion dollar foreclosure prevention plan in March of 2009. This plan is part of the Homeowner Affordability and Stability plan. The plan focuses on aiding homeowners with restructuring their loans with their lenders to prevent foreclosures. This will help strengthen incentive for lenders to work with homeowners to keep them in their homes, which in turn, helps strengthen and increase the effectiveness of these counseling programs. Appendix B lists local agencies that can provide foreclosure prevention counseling programs for residents Eastpointe and Mount Clemens.

Source: (Immergluck, 2008)

- ***Case Studies: Minneapolis Department of Community Planning and Economic Development, Chicago's HOPI Initiative***
- ***Funding: Homeownership counselors are available through MSHDA, therefore this resource does not need to be funded by Eastpointe or Mount Clemens.***

b. Foreclosure Task Force/Coalition

A foreclosure taskforce is an agency or committee whose sole purpose is to promote strategies to prevent and mitigate the impacts of foreclosures. These task forces may include: both public and private sector representatives, advocacy groups, real estate professionals and banking representatives. Since this type of service provider has a single issue to focus on, it provides a more comprehensive approach. Accessing and properly analyzing quality data related to foreclosures is difficult due to the complex nature of foreclosures and its various causes. Navigation of ownership and control of vacant/abandoned land is also very cumbersome and, in some cases, there may be multiple loans on multiple parcels of land. Therefore, developing a coalition or working closely with agencies that are experienced with the proper technical knowledge are key to: protecting homeowners, properly analyzing foreclosures' root causes and taking proper steps for mitigation.

Coalitions work together to: gather and analyze data, retain foreclosed property databases and provide a multitude of interventions for residents during various phases of the foreclosure process. For example, task forces access mortgage data in accordance with the mortgage disclosure act. If the mortgage is high cost and underwritten by a HUD subprime list lender, the mortgage can be flagged for early intervention. A task force is a comprehensive approach to the foreclosure problem, which is vitally important during the current economic times.

Source: (Ohio Foreclosure Prevention Task Force, 2007), (Schramm, 2009)

- ***Case Studies: Neighborhood Progress Inc., Ohio’s Foreclosure Task Force, Virginia’s Foreclosure Taskforce***

c. *City/State Help lines (United Way 2-1-1, Save the Dream)*

United Way’s 2-1-1 program provides a 24 hours/day, 365 days/year resource for individuals at-risk or in crisis. United Way 2-1-1 lists over 20,000 programs in their database including services for rental/utility assistance, food pantries, legal assistance, support groups, shelters and more. This program also provides delinquency and foreclosure assistance to help homeowners make payments and become educated to prevent losing their homes. United Way 2-1-1 provides an excellent resource already in service to help residents in both the Eastpointe and Mt. Clemens communities. In January 2009, over 1,700 Macomb County residents utilized this service. Another advantage of the United Way 2-1-1 service is that it provides assistance in Spanish and Arabic.

MSHDA’s Save the Dream Program also provides a toll-free number that connects residents with a homeownership counselor in their area (1-866-946-7432).

Source: (Bold, 2009), (MSHDA, 2009)

- ***Funding: The Save the Dream Program and United Way 2-1-1 are resources that are already in place; therefore neither Mount Clemens or Eastpointe need to spend money for implementation.***

d. *Emergency Loan Fund*

The Emergency Loan Fund assists community members with short-term low to no interest loans in order to continue to live in their homes. These funds can cover shelter or utility

bills and provide homeownership counseling, as well as resources for loan workouts. Although the program requires initial upfront costs, keeping people in their homes ensures tax revenues will be maintained. This emergency loan fund may be administered in-house or in partnership with a local nonprofit.

Source: (SEMCOG, 2009)

- ***Case Study: Housing Emergency Loan Program (HELP)***
- ***Funding: Community Development Block Grants (CDBG)***

II. Mitigation

Foreclosures affect not only individual homeowners, but entire communities. Homes left vacant or abandoned as a result of foreclosure become safety hazards, are at risk of being vandalized and cause neighboring property values to decrease. These foreclosures force families from their homes and cause localities to lose tax revenue, which impacts schools, hospitals, infrastructure and other public amenities. Foreclosure prevention is vitally important; however, it is also essential to have numerous resources and tools available to mitigate the impacts of foreclosures. These strategies help prevent spill-over effects and also provide models on how to restore foreclosed and vacant properties to use.

a. Mapping foreclosed and at-risk properties

In order to expedite the acquisition of tax-foreclosed properties, an inventory of the tax and title status of properties should be maintained via a computer database. The local planning commission or tax commissioner's office in turn, may operate this. These listings should be easily accessible from the City's official webpage.

- ***Case Study: Neighborhood Progress, Inc.***

b. Upkeep & Maintenance

- Strong code enforcement of current laws.
- Alter nuisance, anti-blight and property management ordinances to strengthen enforcements. Require lenders to register foreclosed properties with city, as well as property management company or maintenance schedule.
- Get volunteers to assist in maintenance.
- Levy or increase fees on foreclosure filings. (Monies can be dedicated to maintenance of properties or reclamation.)

Source: (Stable Communities.org, 2009)

c. Develop a Blight Eliminating Committee

Develop an “Eyesore” Eliminating Committee to address vacant buildings and blighted areas. The purpose of this committee is to unite community members and officials in reclaiming their communities and restoring a sense of pride. Community members and officials canvass their neighborhoods and make a to-do list to repair or demolish blighted or abandoned buildings. This process also allows for community officials or inspectors to determine which maintenance ordinances are being violated in order to place fines accordingly. Once the committee has begun work in a specific neighborhood, all community members are invited to join in to volunteer or enjoy a picnic in a “block-party” style environment.

Source: (Michigan Municipal League, 2007)

- ***Case Study: Muskegon’s Traveling Trio***
- ***Funding: CDBGs, Neighborhood Stabilization Program (NSP), Michigan Housing and Community Development Fund (MHCDF), Housing Resource Funds (HRF)***

d. Land Bank Formation

Cities or counties organize to promote redevelopment in blighted areas, and generally form land banks. Most commonly, properties that have been tax-foreclosed are assembled and redeveloped by either the government land bank itself or through a partnership with a nonprofit entity. This is a strategy that can be very successful in redeveloping foreclosed properties, as well as rehabilitating Brownfield's into a productive use.

Source: (The Land Bank, 2009)

- ***Case Study: Genesee County Land Bank***
- ***Funding: CDBGs, Neighborhood Stabilizations Program (NSP) Funds, MHCDF, HRF***

e. Nonprofit Real Estate Brokerage

A firm such as this can work on connecting first time homebuyers or landlord investors with vacant properties. It also allows real estate executives an opportunity to invest their expertise in a not-for-profit environment that benefits the local community of which they too live in. This firm can be in charge of all marketing endeavors related to low-income housing or foreclosed housing sales. They can also connect potential owners with Michigan State Housing Development Authority (MSHDA) financing packages as well, to help service low and moderate-income groups. Any profit made from the real estate endeavors can be channeled back into other community revitalization efforts. This nonprofit should be locally or regionally based.

Source: (Immergluck, 2008)

f. Neighborhood Watch & Neighborhood Clean-up Initiatives

Building and encouraging neighborhood watches and associations has always been a stabilizing force in communities. Some coalitions help maintain vacant properties through cutting grass or parking their cars in the driveways. Other creative strategies include plywood on

boarded up vacant homes to blend in with siding or to look like a door in order to give the appearance of occupancy. This strategy may be effectively combined with the installation of a blight eliminating committee (See Mitigation Item C).

Source: (StableCommunities.org, 2009)

- ***Case Study: Beyond Housing®- A NeighborWorks Organization***

- g. *Rehabilitation Partnerships*

One strategy is to form a partnership with a nonprofit or community development corporation (CDC) that is experienced in rehabilitation of vacant or abandoned properties. For example, Habitat for Humanity formerly focused on building new homes for low-income families; however, since the collapse of the housing industry, they are focusing on acquiring and rehabilitating foreclosed and/or abandoned homes. This strategy may be coupled with the land banking strategy. Appendix A includes a list of local CDCs.

Three potential partnerships would work well within this program. The first potential strategic partnership includes working with a nonprofit that is approved to participate in the HUD/FHA single-family programs. If a nonprofit is allowed to participate in this program, they can purchase HUD homes at discounted prices, passing the savings along to low-income families or first time homebuyers. They can also underwrite loans and mortgages that are FHA-insured. Another promising partnership is between the municipality and a nonprofit organization designated by MSHDA as a Community Housing Development Organization (CHDO). This partnership can allow both the municipality and the nonprofit to pool together Human Resource Funds (HRF). These funds can be used for homeownership assistance, loans, acquisition, rehabilitation and even beautification efforts. Since the application process for these funds is

competitive, it is important to work with other experienced nonprofits in the community to have the best chance to receive some funding.

A final partnership involves working with a Community Development Financial Institution (CDFI). A certified CDFI has access to funds allocated through the Community Development Financial Institution Fund. The purpose of the CDFI Fund is to support financial institutions that provide their services to promote community development in underserved markets and low-income neighborhoods. Some of the work performed by CDFI's includes:

- Mortgage financing for first time homeowners and low-income applicants.
- Providing technical assistance or financing to start-up businesses and businesses that will service low-income communities (LICs).
- Financing for non-profit developers.

There are two CDFI's in the Detroit area: Communicating Arts Credit Union ((313) 965-8640 x212) and First Independence National Bank of Detroit ((313) 256-8400).

Source : (HUD, 2009), (MSHDA, 2009), (CDFI, 2009)

- ***Case Study: Beyond Housing®- A Neighborhood Works Organization, Corridor Revitalization, Minneapolis City Council***
- ***Funding: MHCDF, HUD FHA Lending Program, CDFI***

III. Displaced Homeowner Recovery

a. Protect Tenants (Renters) Living in Foreclosed Properties

A 2008 study of rental housing in the U.S. by the Harvard University Joint Center for Housing Studies notes that almost 20 percent of all foreclosures are rental properties. This means a significant amount of foreclosures force renters to be evicted. It is vitally important that these

renters are protected and have assistance when being displaced. Some methods to protect renters include:

- Enacting “just-cause” legislation that prevents tenants from being evicted unless landlords have proper cause. This law prevents renters from eviction when due to foreclosure, leading to a more stable community. This type of legislation is common in many cities and can be implemented by the city council or by a ballot vote.

Examples of Actions that can Lead to a Just Cause Eviction:

- Failure to pay rent
- Use of premises for illegal purposes
- Failure to follow rules and regulations the landlord has drawn up for tenants in the building
- Failure to meet obligations toward the property as required by state law (e.g. creating a nuisance, causing substantial damage, disturbing the neighbor's peace and quiet, or failing to keep unit clean and safe)
- Owner permanently removes apartment from the housing market
- Landlord takes apartment for use by immediate family members

Source: PolicyLink.org

- Ensure that foreclosures do not harm renters’ future housing options. If a renter has been evicted due to foreclosure upon the landlord, legislation should be enacted to prevent the previous eviction from limiting the renter’s housing choices. “It is a common practice among landlords to reject an applicant if he or she has been evicted from a prior rental property. However, when the eviction is due to a foreclosure on the house or apartment, rather than the renter's actions, this policy may not make much sense. Eviction can also damage a renter's credit rating, making it difficult for a renter to find future housing or get loan approval. Communities may wish to adopt policies that make it easier for renters to access new housing after foreclosure.”

Source: (*Housingpolicy.org, 2009*)

b. Provide Transitional Housing and Shelter

Although it is important to provide homeowner education courses and proper interventions to prevent foreclosures, it is also important to provide the necessary services to

community members that have already been displaced. Whether by utilizing resources and agencies already in place, or building a post-foreclosure task force, residents need to be connected with the proper resources so that they may remain within the community. If residents lose their homes, they may choose to leave the community entirely, which causes tax revenues and other monies to be lost. If the resident has school-aged children, the educational system suffers, too. It is not only important to try to attract new homeowners, but it is also imperative to retain the current community members.

- *Case Study: Coalition on Temporary Shelter*
- *Funding: Emergency Shelter Grants (ESGs)*

5. Asset Study

5.1 Strengths, Weaknesses, Opportunities, and Threats (S.W.O.T)

During the initial site visit on January 23, 2009 to both communities, the group conducted an assessment of the strengths, weaknesses, opportunities, and threats (S.W.O.T.) of the area. This analysis will allow us to understand why people are leaving each city and reasons people may look to relocate there in the future. From the strengths and opportunities we will be able to understand which assets should have more focus in our marketing plan. The weaknesses and threats will give us a starting point for understanding the types of programs needed in order to alleviate the observed problems. Overall the S.W.O.T. analysis will assist in our final objective of developing a “niche” market strategy, and program implementation. It should be noted that the majority of the S.W.O.T. analysis is based on observations by the group as well as information from the clients, it does not serve as the only basis to our final marketing and best practices strategies. The analysis is presented below, along with data to support our observations. In addition, a table is provided for easy reference.

<p style="text-align: center;"><u>City of Eastpointe</u></p> <p style="text-align: center;"><i>Strengths</i></p>	<p style="text-align: center;"><u>City of Mount Clemens</u></p> <p style="text-align: center;"><i>Strengths</i></p>
<p>Parks & Recreation</p> <p>The city has 8 parks scattered throughout different neighborhoods. These parks can be seen on the parks and recreation map (Figure 2.8A). The city also offers many festivals held within the various parks throughout the summer months.</p>	<p>Parks & Recreation</p> <p>There are 12 parks total including a dog park, baseball fields, several ice-skating rinks, a skate park, and picnic areas. These parks can be seen on the parks and recreation map (Figure 2.8B).</p>

<p style="text-align: center;"><i>City of Eastpointe</i> <i>Strengths</i></p>	<p style="text-align: center;"><i>City of Mount Clemens</i> <i>Strengths</i></p>
<p>Proximity to Major Expressways</p> <p>The city is situated with easy access to I-94, I-696 and I-96, allowing citizens’ accessibility to the region’s assets as well as access to jobs outside of the city.</p> <p><i>Please refer to section 2.5, Transportation for more details.</i></p>	<p>Traditional Downtown</p> <p>Mount Clemens has a traditional downtown with many shops and restaurants. It provides a central gathering point for residents. The city hosts numerous festivals throughout the year downtown and among the riverfront.</p> <p><i>Please refer to section 2.6, Commercial District for specific businesses.</i></p>
<p>Low-cost Housing</p> <p>There are many rental units throughout the city as well as affordable homes for purchase.</p> <p><i>Please note housing vales previously given in section 3.1. While the gross rental values were not available for the United States in the 2005-2007-census estimate, the City of Eastpointe’s median is extremely close to the state of Michigan, within a few dollars.</i></p>	<p>Neighborhood Enterprise Zones</p> <p>Tax incentives are given to eligible communities. This provides an option of affordable housing for many residents.</p>
<p>Community Center</p> <p>The community center in the City of Eastpointe is highly utilized and provides citizens with a central meeting place for activities or functions.</p>	<p>County Seat</p> <p>Mount Clemens is the county seat for Macomb County and is home to many county administration buildings, which draws many people into the city on weekdays.</p>
<p>Senior Citizen Center</p> <p>At their senior citizen center, Eastpointe holds many senior citizen activities for ages 55 and older.</p>	<p>Farmers Market</p> <p>Mount Clemens has a strong Farmers Market that is highly utilized throughout from May to November. Not only does this support local farmers but it provides a place for residents to meet and spend time outside of their homes.</p>

<p style="text-align: center;"><i>City of Eastpointe</i> <i>Strengths</i></p>	<p style="text-align: center;"><i>City of Mount Clemens</i> <i>Strengths</i></p>
<p>Children’s Garden</p> <p>The city has a small children’s garden, which gives children an opportunity to learn about caring for plants.</p>	<p>The Clinton River</p> <p>The Clinton River runs through downtown Mount Clemens and is a popular event destination.</p>
<p>Active Beautification Commission</p> <p>Beautification of neighborhoods provides a sense of pride, giving community members motivation to improve their homes. Working alongside the Beautification Commission is the Master Gardener Club, bringing community members and city officials together.</p>	<p>Crocker House Museum</p> <p>The Crocker House Museum provides a historic look into the City of Mount Clemens.</p>
<p>Southeast Michigan Regional Transportation (SMART)</p> <p>SMART buses are provided as a transportation alternative for residents and are also available to senior citizens’ homes by request.</p> <p><i>Please refer to section 2.5, Transportation for more information on SMART bus system.</i></p>	<p>Active Beautification Committee</p> <p>Mount Clemens beautification advisory committee takes great pride in actively promoting efforts to beautify to the city.</p>
	<p>Anton Art Center</p> <p>Anton Art Center adds a cultural experience to Mount Clemens. It gives many local artists an opportunity to display their art.</p>
	<p>Southeast Michigan Regional Transportation (SMART)</p> <p>SMART buses are provided as a transportation alternative for residents and are also available to senior citizens’ homes by request.</p> <p><i>Please refer to section 2.5, Transportation for more information on SMART bus system.</i></p>

<p style="text-align: center;"><i>City of Eastpointe</i> <i>Strengths</i></p>	<p style="text-align: center;"><i>City of Mount Clemens</i> <i>Strengths</i></p>
	<p>Michigan Transit Museum The Michigan Transit Museum preserves the history of Michigan railway transportation.</p>
<p style="text-align: center;"><u>City of Eastpointe</u> <i>Weaknesses</i></p>	<p style="text-align: center;"><u>City of Mount Clemens</u> <i>Weaknesses</i></p>
<p>Education System School enrollment has been decreasing, which contributes to funding losses and to potential school closures. Many people decide where they want to live based upon the school system; therefore, current trends could hinder attracting young families with school-aged children.</p>	<p>Education System School enrollment has been decreasing, which contributes to funding losses and to potential school closures. Many people decide where they want to live based upon the school system; therefore, current trends could hinder attracting young families with school-aged children.</p>
<p>Deteriorating Infrastructure The majority of homes were built within 1940-1959 that has resulted in an older housing base. Many homes are lacking necessary updates.</p>	<p>Vacant Land There are various vacant properties around the city, including a large area behind Clemens Park (See park & recreation map; Figure 2.8B). This area is composed of boarded up vacant homes.</p>
<p>Lack of Mixed-Use & Central Downtown There is a lack of businesses within residential areas making it difficult for residents of limited mobility to easily access amenities, such as grocery stores and pharmacies. (See Figure 3.4A)</p>	
<p>Lack of Walk-ability Currently, the City of Eastpointe’s walk-ability is low, especially considering the high traffic volume of Gratiot Ave.</p>	
<p>Community Organization There are limited community organizations and neighborhood groups within the city. Groups that have been attempted were not successful or are not currently very strong.</p>	

<p style="text-align: center;"><i>City of Eastpointe</i> Weaknesses</p>	<p style="text-align: center;"><i>City of Mount Clemens</i> Weaknesses</p>
<p>Housing Diversity</p> <p>Since many of the homes were built during the same time period, there is a lack of variety within the housing stock.</p>	
<p>Entertainment</p> <p>The City of Eastpointe currently lacks entertainment opportunities within the city. The majority of people travel outside of the city.</p>	
<p style="text-align: center;"><u>City of Eastpointe</u> Opportunities</p>	<p style="text-align: center;"><u>City of Mount Clemens</u> Opportunities</p>
<p>Corridors (Gratiot & Kelly)</p> <p>Improvements of the Gratiot and Kelly corridors would allow for a downtown feel even though Eastpointe doesn't have the accommodations for a traditional downtown. The corridors would improve the infrastructure along the roads and allow for a more people friendly environment. Through the improvements, new businesses also may be attracted to Eastpointe.</p>	<p>Cool Cities Initiative</p> <p>The City of Mount Clemens is designated a “Cool City.” This could be used to market the city’s impressive downtown.</p>
<p>Neighborhood Stabilization Plan</p> <p>The Neighborhood Stabilization Plan funds will allow the city of Eastpointe to invest in improving vacant land and foreclosed homes.</p>	<p>Vacant Land</p> <p>The vacant land behind Clemens Park is an opportunity to incorporate some mixed-use areas into the residential neighborhood.</p> <p><i>See parks & recreation map figure 2.8B.</i></p>
<p>Economic Incentives</p> <p>Incentives are available for businesses and residents alike to invest in the city as well as attracting new businesses and/or developments to come to the city.</p>	<p>Neighborhood Stabilization Plan</p> <p>Neighborhood Stabilization Plan is a great opportunity for Mount Clemens. The plan focuses on foreclosed and abandoned homes, and the grants will be used to rehabilitate, resell, and redevelop these homes in order to help stabilize these neighborhoods.</p>

<p style="text-align: center;"><i>City of Eastpointe</i> <i>Opportunities</i></p>	<p style="text-align: center;"><i>City of Mount Clemens</i> <i>Opportunities</i></p>
	<p>Economic Incentives</p> <p>Incentives are available for businesses and residents alike to invest in the city as well as attracting new businesses and/or developments to come to the city.</p>
	<p>Architecture</p> <p>The historic architecture of many homes throughout the city is an opportunity to promote the historic buildings, which could potentially draw many people to the area.</p>
	<p>Community Organization</p> <p>There is no networking of community organization in Mount Clemens. Since the city has many non-profit organizations, it should utilize them by connecting the organizations with the city government. Some of these non-profits include Salvation Army, Habitat for Humanity, St. Vincent De Paul, and The United Way.</p>
<p style="text-align: center;"><u>City of Eastpointe</u> <i>Threats</i></p>	<p style="text-align: center;"><u>City of Mount Clemens</u> <i>Threats</i></p>
<p>Foreclosures</p> <p>There is a high rate of foreclosures in the City of Eastpointe. <i>Please refer to section 3.2, Foreclosure Data for more detailed information.</i></p>	<p>Foreclosures</p> <p>There is a high rate of foreclosures in the city. <i>Please refer to section 3.2, Foreclosure Data for more detailed information.</i></p>
<p>Population & Tax Base Loss</p> <p>The city is experiencing a loss of population resulting in decreasing tax base. <i>Please refer to section 2.2, Demographics for population trends.</i></p>	<p>Population & Tax Base Loss</p> <p>The City of Mount Clemens is having a difficult time keeping residents within city limits. There is also a problem with people outside city limits utilizing the city’s assets who are not paying city taxes. <i>Please refer to section 2.2, Demographics for population trends.</i></p>

<p style="text-align: center;"><i>City of Eastpointe</i> Threats</p>	<p style="text-align: center;"><i>City of Mount Clemens</i> Threats</p>
<p>Unemployment</p> <p>Due to loss of jobs, there is a high unemployment rate. This trend is exacerbating the foreclosure rate.</p> <p><i>Please refer to section 2.3 Employment for unemployment rates.</i></p>	<p>Unemployment</p> <p>Mount Clemens is experiencing a high unemployment rate due to job loss.</p> <p><i>Please refer to section 2.3 Employment for unemployment rates.</i></p>
<p>School Closings</p> <p>Loss of schools will show lack of funding and put the city in a poor position when people are looking to relocate.</p>	<p>School Closings</p> <p>Mount Clemens is experiencing lack of school funding putting the school system in the position of possible school closures.</p>
<p>Senior Housing</p> <p>The city is currently lacking a variety of senior housing options. This poses a problem since the 65 and older age cohort is the single age group that is expected to increase in population.</p>	<p>Senior Housing</p> <p>The city is currently lacking a variety of senior housing options. This poses a problem since the 65 and older age cohort is the single age group that is expected to increase in population.</p>

City of Eastpointe S.W.O.T

Strengths	Weaknesses
Parks & Recreation	Education system
Festivals	Deteriorating infrastructure
Proximity to Major expressways	Bedroom Community
Low cost housing	Lack of mixed-use
Community Center	Lack of central downtown
Children’s Garden	Loss of tax base
Active Beautification Commission	Accessibility
Southeast Michigan Regional Transportation	Lack of walkability
Senior Citizen Center	Entertainment
	Housing Diversity
	Community Organization
Opportunities	Threats
Corridor	Population Loss & Tax Base Loss
Gratiot & Kelly	School Closings
Neighborhood Stabilization Plan	Foreclosure
	Unemployment
	Senior Housing

City of Mount Clemens S.W.O.T

Strengths	Weaknesses
Vibrant downtown district	Education System
The Clinton River	Tax base, 40% non-profit
Housing Variety	5% homes foreclosed
Marina	
City owned & maintained water sewage treatment plant	
Festivals	
Michigan Transit Museum	
Active Beautification Commission	
Farmers Market	
12 parks	
Neighborhood Enterprise Zones (NEZ)	
County Seat	
DuPont Factory	
Historic bath houses	
Opportunities	Threats
Vacant land	Foreclosure
Low property values	Unemployment
Neighborhood Stabilization Program	Age of infrastructure
Economic Incentives	Possible school closings
Cool Cities Initiative	Closing of Cairns Community Center
Architecture	Population Loss & Tax Base Loss

5.2 Community Assets

Assets give people a reason to live in a neighborhood or community, as well as give a reason to invest their time and money in the area. Both Eastpointe and Mount Clemens have many assets that represent market opportunities. In order to adequately market communities with weak market systems, each asset must be identified in efforts to rebuild the economy and quality of life. The following will address the assets identified in both cities.

Eastpointe Assets:

Community Center

The City of Eastpointe's Community Center offers a high school sized gymnasium with bleacher seating for 225, rental/activity rooms, as well as an auditorium with seating for 250. The Auditorium is dedicated to Astronaut Jerry Linenger, from Eastpointe, and displays exhibits from his very own space excursions.

Senior Citizen Center

Eastpointe residents 55 and older are welcome to join other seniors for a wide range of activities held at the Senior Citizen Center. Detailed information on the programs and services available are listed in the monthly Senior Activities Newsletter.

Children's Garden

Eastpointe features a children's garden tucked between businesses on Gratiot Ave. The colorful arch welcomes visitors and residents to the children's garden.

Chapaton Boat Ramp

Eastpointe residents who are interested in boating may ramp their boats at the Chapaton Boat Ramp located at the foot of Nine Mile Road on Lake St. Clair. This boat ramp offers great opportunities for Eastpointe residents to spend the warm beautiful days on the water during the summer.

Mount Clemens Assets

The Clinton River

The Clinton River runs through Mount Clemens and is a positive attribute. The river is a popular destination for events such as weddings, festivals and many others. Canoeing and kayaking are other popular recreation activities the river provides.



Source: cityofmountclemens.com

Traditional Downtown

Downtown Mount Clemens has become a very vibrant area with many attractions. The recent revitalization of the downtown has promoted economic growth and increased property values. Downtown Mount Clemens offers many dining, entertainment and retail opportunities during both day and night. The versatility of downtown Mount Clemens is a vital resource for the overall well being of the city and is one of its best features.

Farmers Market

Mount Clemens Farmers Market is open May through November and offers a fresh array of locally grown fruits and vegetables for local residents to purchase. In addition to fresh produce the market offers plants, perennials, shrubs and herbs for those interested in gardening. The market holds a variety of monthly



Source: cityofmountclemens.com

events throughout the summer. Including a weekly Chef in the Market event, where Chef Mark Miller holds demonstrations of cooking techniques, recipes and free samples of the chef's cuisine.

Crocker House Museum

The Crocker House Museum offers a late Victorian home-life experience reminiscent of the world renowned Mineral Bath Era of Mount Clemens. The museum provides educational experiences of Mount Clemens history through the use of artifacts, publications, exhibits, stories and unique educational programs. The Crocker House aims to preserve the community's local heritage as well as displaying the unique characteristics of the city.

Anton Art Center

The Art Center is housed in the historic Carnegie Library Building in downtown Mount Clemens. Many artist opportunities are offered through the Art Center including monthly exhibitions ranging from statewide competitions to invitational and student shows. Two well known, annual events are held at the Art Center, The Stars and Stripes Festival and the Christmas

Market. The Art Center also offers grants to non-profit organizations in Macomb and St. Clair County to help finance arts and cultural programs.

Michigan Transit Museum

The Michigan Transit Museum preserves the history of Michigan railway transportation and offers rides on the historic trains throughout Mount Clemens. The Museum collects and preserves historical data on mass transportation systems and has such information on display at the Museum.



Source: michigantransitmuseum.org

It is difficult for cities to effectively utilize their assets to break the cycle of decline and begin the process of neighborhood revitalization, but according to a report published, entitled *Building a Better Urban Future: New Directions for Housing Policies in Weak Market Communities* it is a challenging project to attempt, yet completely viable by taking the correct steps forward. The report states in order to do so “a community must not only make a commitment to change, but must pull all of its key stakeholders together to design a strategy to invest its housing resources in ways that respond to and build on the realities of the local markets” (NHI Research and Reports, 2005). The assets of each city are going to provide the fundamental framework necessary in selecting the appropriate market strategies for the respective cities.

6. Strategies & Recommendations

6.1 Defining the Niche Market

Now that the communities' unique assets have been identified; it is important to determine which demographic these assets and community amenities may attract. In this section, the community's potential niche market is identified. The following section of this report provides an in-depth look at strategies to entice potential residents to the community.

Eastpointe

1st Potential Niche: Senior Citizens (aged 65 and older)

Eastpointe has numerous assets that may attract an older population. Some of the assets that may attract older residents include the community center, senior center, numerous parks, the transit system and a small, local healthcare cluster. The senior center also provides meals on wheels, which is an important program. Many senior citizens are choosing to age in place, which means that they want to stay in their homes as they age instead of moving to an independent living or other facility. If Eastpointe capitalizes on its current assets and expands its services to encourage successful senior living, this niche could be very successful in attracting more homebuyers.

According to SEMCOG's population estimates, Macomb County's population has increased by approximately 44,847 over the last decade. SEMCOG estimates that the population in Macomb County will continue to grow during the next decade. Households with seniors are expected to increase from 25% to 40%. As the senior population grows in Macomb County, it has the potential to grow in Eastpointe. Properly marketing the city as senior-friendly and

providing amenities desired by seniors can help Eastpointe ensure that this rising population will want to reside in their city.

The style of housing is important as well. Many of the vacant homes lack large yards, which may be attractive to an older generation that may not want to perform much upkeep on a large yard. Even the close proximity of the homes to one another is a benefit, as community and neighbor interaction is very important. As Macomb County’s population ages, it would be the perfect opportunity for Eastpointe to market itself as the retirement destination, with a community that assists seniors in staying in their homes as they age. Figure 5.3 lists some amenities desired by the senior population. Eastpointe has a lot to attract this population and the items they may not currently offer may easily be made available.

Amenity	Currently offered in Eastpointe
Community and Senior Centers	✓
Delivery Services	✓
Volunteer Services (for assistance in home maintenance, shopping, etc.)	Not identified
Outdoor gardens and parks	✓
Handicap Accessibility	Beyond the scope of this study
Public Transit (Bus System)	✓
Access to Healthcare	✓
Neighborhood Parks	✓
Figure 5.3A: Amenities that Attract the Senior Population (65 years and older)	

2nd Potential Niche: First Time Homebuyers

Although the foreclosed and vacant homes are currently a detriment to the community, they can be transformed into an asset by providing opportunities for first-time homebuyers. The prices are affordable and homes are often located on smaller lots. These are perfect starter homes and there is an opportunity to market them as such.

Mount Clemens

Potential Niche: Young Professionals/First Time Homebuyers

Mount Clemens has numerous assets that appeal to this demographic. The vibrant downtown is a major draw for young professionals that seek to live, work and play in their community. Mount Clemens has a rich history and coupled with the numerous festivals it could easily be branded as a cultural destination, which also attracts this target demographic. These young professionals may eventually become young families who choose to stay and raise their children in the community for which they have become acquainted with.

Many young professionals find downtown apartments, condos or lofts appealing in order to be close to entertainment and to their place of employment. There are a variety of housing options in the city, which is an important strength. Coupled with good marketing strategies and resources to assist first-time homebuyers, the variety of housing choices and entertainment options makes Mount Clemens very attractive to both first-time homebuyers and young professionals alike.

Mount Clemens is part of Michigan's Cool Cities initiative, which provides a unique resource that enhances the city's ability to attract young, talented professional people. The

money from this program has been successfully used in other cities in Michigan to create opportunities for young artists to live in a downtown art space; to engage youth in volunteer efforts that connect them to their downtown; to developing competitions for young entrepreneurs. Mount Clemens could potentially use this resource to fund a branding campaign that showcases the amenities available to this target market.

Figure 5.3B lists some amenities that appeal to young professionals.

Amenity	Currently offered in Mount Clemens
Diversity and Tolerance (“Feeling Welcome”)	✓
Affordable Housing	✓
Entertainment Opportunities	✓
Outdoor Entertainment & Recreation	✓
Cultural Events	✓
Shopping & Retail Options	✓
Walkability	✓
Downtown Housing Options	✓
Public Transportation	✓

Figure 5.3B: Amenities that Attract Young Professionals
(Source: City of Salisbury, North Carolina)

6.2 Marketing Strategies & Case Studies

Marketing Strategies

A list of marketing strategies includes the most important activities to focus on when effectively marketing a city according to *Building a Better Urban Future: New Directions for Housing Policies in Weak Market Communities*. The strategies mentioned were prioritized according to each city's market dynamics, which offered the greatest potential impact for each city. The activities are as follows:

- ***Maintain a website that offers extensive information on neighborhoods, home-buying incentives, and other matters of interest to potential residents.***

The cities of Eastpointe and Mount Clemens, like many U.S. cities, currently have websites dedicated to news and information about the area. The websites include information on parks and recreation, public school districts and an overview about what their city has to offer. Many residents and potential residents use technology as a mean of inquiring about the area. If each city offers a wide range of information on matters of interest to future residents, this will allocate more time someone will spend on their website. Examples where this strategy has been implemented are of the cities Baltimore, MD and Allegan, MI, which use their city websites as a means to connect with the public.



Source: LiveBaltimore.com

Baltimore, Maryland

“Live Baltimore is the most comprehensive organization focused on Baltimore City Living. We exist for one reason - to market the City of Baltimore as a great place to live. Our goal is to grow the City's population so we provide a lot of education and marketing outreach to the public so they'll know the facts about city living. We search for those with the "urban gene" and invite them to be a part of our City!”

Source: (LiveBaltimore, 2009)

Allegan, Michigan

“Treat yourself to a change of pace of this charming and historic downtown that has something for everyone! We invite you to kick back in our newly revitalized downtown; shop at our unique specialty stores, dine at one of our delicious restaurants, or enjoy a scenic walk on Downtown Allegan’s picturesque boardwalk.”



Source: cityofallegan.org

Source: (City of Allegan, 2009)

- ***Promote the city’s advantages as a place to live.***

When making the decision to purchase a home, people choose a neighborhood based on the amenities it provides, the cost of living, and the likelihood they will be making a sound investment. The goal should be to create healthy, mixed-income neighborhoods where all homeowners can enjoy a decent return on their investment. Many of these advantages include:

- *Convenience:* Many city residents only need to drive a few blocks to find a major road or expressway to travel to work or for recreation. Eastpointe and Mount Clemens are only minutes from downtown Detroit that hosts a range of sporting events, concerts and nightlife. Most often the amenities are located within minutes of the city's grocery stores, gas stations, restaurants and shopping centers. Eastpointe has many opportunities for dining and shopping along the Gratiot corridor. In the traditional downtown district of Mount Clemens, there is dining and shopping for almost any taste along with many opportunities for nightlife.
- *Culture:* Macomb County offers access to everything from museums, theater and concerts to sporting events, festivals and historical sites. It's easy to become involved through community centers, religious institutions, classes and volunteer networks.
- *Life-long learning:* Eastpointe and Mount Clemens are in close proximity to many universities (Wayne State University, Oakland University, Center for Creative Studies, and Macomb Community College). Students of all ages have access to a wide range of classes, through local universities, museums and city recreation departments.
- *Schools:* Eastpointe and Mount Clemens have a range of public schools and an increase of public charter schools and private schools.
- *Active Lifestyle:* Families in Eastpointe and Mount Clemens enjoy wonderful parks, playgrounds and community gardens.

- ***Publish and disseminate factual information for potential homebuyers.***

Future residents trust the City and current residents for information regarding their relocation into these communities. The information should be based on local amenities and news. Unbiased information can be distributed via television and radio commercials, flyers and city meetings and speakers. Types of homes, their prices and locations should be available to future homebuyers.

- ***Target marketing efforts towards a specific demographic, and/or geographic area, which expand economic investment for the city.***

Each community encourages a wide range of demographics. If the city is to target any specific demographic they must provide effective marketing. This marketing should communicate to that demographic according to their age, interests, culture, and/or language. For instance, if the city were to market the younger generation, marketing through the television or internet would be most effective in reaching out to that target demographic. While marketing towards seniors, efforts made by word of mouth or through flyers at the local stores would receive a higher return of interest.

Salt Lake City, Utah

Salt Lake magazine is written and designed to help readers experience “the brilliance that is the Intermountain West”. The magazine celebrates a zest for living, sparks an exchange of ideas, explores new experiences for our readers and informs them of all the events and social happenings in and around town. A list of comprehensive recreation opportunities is provided and is a reliable resource for fine and casual dining for residents and tourists. There is also a photo

collage presented of recent social gatherings and events in Salt Lake City, promoting past and future community events. Stories that profile people around the state are given to provide a personal connection with residents and the community. This also offers a way to give information on outdoor activities, attractions and historical aspects of the city and surrounding areas.



Source: saltlakemagazine.com

Charlotte, North Carolina

Lease-purchase agreements are used to fill vacant housing units by renting the unit to a family who later may purchase the home. The rental period will allow a family to complete mortgage and homeownership counseling and become financially stable in order to purchase the home within a five-year period. The counseling programs educate the individuals in order keep them out of foreclosure. The agreements also help low income families become first time homebuyers. Self- Help in North Carolina provides a case study where lease-purchase agreements are being used to battle the foreclosure crisis.

Self-Help is a non-profit organization that has success using lease-purchase agreements to fill vacant housing units. Self-Help joined with Fannie Mae to purchase housing units that were later leased to future homebuyers. One of the most recent projects occurred in a subdivision in Charlotte known as Peachtree Hill. Peachtree Hill had 40 of its 147 units that were vacant as of January 2009. Self-Help CDC is currently working with the city and Charlotte-Mecklenburg Housing Partnership (CMHP) to combat the vacancy status. Self-Help CDC will purchase 25 units that will be used as lease-purchase programs. The CDC also hired a management firm that

will help manage until the time of purchase. Lease-purchase agreements are beneficial programs that can be adapted to communities faced with vacant properties.



Source: self-help.org/about-us

State of New Jersey

Rent-back programs are used to help individuals stay in their homes once their property is foreclosed. The individuals have the option of staying in their home and paying rent until a new buyer is found. This program can prevent units from becoming vacant and can give the affected families additional time to save for a deposit on a different rental.

New Jersey distributed Mortgage Stabilization and Relief Act funds to nonprofits that developed a rent-back program. The program helped nonprofits purchase the foreclosed properties and rent them back to their original owner through lease-purchase agreements. The homeowners pay a rent that is no more than 33% of their income for 36 months. At this point the homeowners have an opportunity to purchase the home back from the nonprofit for a lower or equal price from which the organization paid.

- ***Build relationships with major employers and key institutions, which create employer incentives for city residence.***

Major institutions, employers or corporations within or adjacent to a community have the potential for great partnership as well as revitalization efforts within that community. Colleges, Universities, Hospitals, and Medical Centers are all good examples of major institutions that have great reputations and have the potential to attract many new residents to communities. Both Eastpointe and Mount Clemens have employers and/or institutions they could potentially partner with to offer employer incentives for city residence. Employers and institutions such as the school districts, DuPont, Mount Clemens Regional Medical Center, Macomb Community College, as well as those employed by the city itself have the potential for partnership.

- ***Organizing homebuyer fairs and house tours***

A relatively easy way to market communities is to organize homebuyer fairs and home tours. This strategy is less time consuming in an aspect because it involves a group of potential residents and homebuyers at one time, rather than individual tours to interested residents. Examples of how this has been done by other cities are following:

Stockton, California

Outside the Box Marketing- The Foreclosure Bus Tour: Real estate agent Cesar Dias launched his own marketing ploy of giving



Source: Bloomberg.com

weekly bus tours to interested homebuyers to foreclosed properties around the city of Stockton. Stockton is a city facing high numbers of foreclosed homes, and he took it upon himself to help combat this ever-growing problem. Weekly he takes a dozen to 20 people around the city to 10-12 foreclosed properties in hopes of helping the housing market. Dias says a few deals have been made, reassuring him that his marketing strategy has potential.

Source: (The Real Estate Bloggers, 2009)

Atlanta, Georgia

Paid Foreclosure Tour Starts in Atlanta: This isn't the traditional foreclosure bus tour, on this tour you pay a fee to be taken on a tour of foreclosed homes. For \$49 or \$65 per couple you can take a 5-hour tour of foreclosed properties but also on the tour is an inspector who discusses the condition and potential of each home after it is visited. This puts a different spin on a regular home tour, but provides professional expertise to benefit the attendees.

Source: (The Real Estate Bloggers, 2009)

- ***Provide information on financial incentives offered by the city.***

Incentives are important because that is what is going to make one community significantly stand out from another. Providing incentives in the form of tax abatements, tax credits, or rebates help encourage people to buy and rehabilitate properties that otherwise would sit on the market. These incentives can have many positive effects in the long run. The overall impact these improvements can have on the neighborhoods can be tremendous; the increases in property values will impact the entire surrounding areas positively. Incentives are also a way to attract potential developers and business owners to the area, people who are willing to invest time and money in the area but who are worried they might not see great returns. Incentives of

this type can alleviate a lot of financial pressure and attract a wide variety of people to invest in the community whether it is residential or commercial. Providing information on financial incentives available for potential homebuyers should be advertised by the city. This can be done through the web or provided by city officials in some other fashion. The following contain examples of cities that utilize this strategy. The cities are Richmond, VA, and Hartford, CT.

Richmond, Virginia

The city's Redevelopment and Housing Authority has created the Urban Pioneer Incentive Program for the Jackson Ward neighborhood, offering matching fund loans for the purchase and renovation of homes for owner occupancy up to a maximum of \$30,000. If the owner lives in the house for 7 years, the entire loan amount is forgiven.

Source: (Richmond City, 2009)



Source: RichmondGov.com

Hartford, Connecticut

Hartford, Connecticut has created a similar incentive program to attract people to the city. The Homeownership Appraisal Gap Funding program provides loans up to \$40,000 to residents buying homes and for the use of rehabilitation.

Source: (City of Hartford, 2009)



Source: livehartford.org

- ***Working with the city to mesh its financial incentives with the marketing strategy.***

This marketing strategy focuses on meshing the financial incentives the city has to offer with the marketing strategy chosen to represent the community to the public. As mentioned previously, financial incentives are really important because it is what helps communities stand out from one another and what attracts potential residents to the community. The marketing strategy chosen to attract homebuyers in cities facing a loss of population should be incorporated with the financial incentives available. The financial incentives should be a major part in the marketing strategy itself to produce the most successful.

State of Florida

The Front Porch Florida Initiative was created in 1999 as a means to reconstruct distressed communities. Front Porch Florida takes this challenge to rejuvenate underserved communities that are dedicated to positive cooperation and communication to make their community a better place to live, work, and play. As a part of the initiative, the Front Porch Communities are provided the educational and technical aid to help residents



Source:

floridacommunitydevelopment.org

plan and put into practice projects that will make long-term changes. Throughout the process, the communities can be reassured that the Office of Urban Opportunity is committed to their success and will help them form long term relationship with public and private partners, provide

technical assistance and guidance, and whatever means possible to ensure that the communities find the resources they need and complete the goals they have presented to the residents and stakeholders.

Goals include:

- Establish Front Porch Communities across Florida. These are specialized communities that will share an image with all key participants that make a healthy community. This unique relationship of residents, government, and service providers will develop new ways to resolve community improvement issues.
- Have each community develop a specialized and detailed Neighborhood Action Plan that will serve as a blueprint to all key players on what the community needs are and how they would like to implement those changes. It is through this document that residents will be empowered to define the problems specific to their community and develop the solutions that will result in change.
- Manage Front Porch Florida funds necessary to enhance the implementation of the Neighborhood Action Plan.
- Connect the Front Porch Communities with federal and state funding, other agencies and departments, and private and not-for-profit resources necessary to implement the Neighborhood Action Plan.
- Simplify administration, create strategic alliances and networks of community partnership, and develop and form better relationships between Front Porch Communities and other community, corporate and faith-based organizations.

State of California

California Housing Finance Agency (CalHFA) established the Community Stabilization Home Loan Program (CSHLP). “The CSHLP offers a below market rate, conventional first mortgage loan to first-time



Source: calhfa.gov

homebuyers purchasing select real estate owned (REO) properties in specific California communities. (CSHLP, 2008)” CSHLP provides a reduced interest rate on a 30-year fixed mortgage on specific advertised properties. This gives first homebuyers a more affordable option while bringing new residents to the community. Borrowers must be first-time homebuyers, with the intention for owner-occupancy. This includes anyone who has not owned and occupied a home in the past three years. Program homes must be existing single family, one-unit residences which may include condos. However, manufactured housing is not allowed with this program. Income limits are required for a borrower to be eligible, and the mortgage must be available through a list of approved lenders. In addition, homebuyer education is required for all borrowers who wish to utilize this program.

While this is a statewide program in California, it is possible to establish a program at the local level. By creating partnerships with various real estate agencies, banks and community organizations this could be a successful long-term goal in both target communities. If both Mount Clemens and Eastpointe can attract first time homebuyers through a program, which is paralleled to the example provided, it is possible that they will bring in permanent residents who will eventually have families. This will result in reducing the amount of vacant properties and

increasing the tax base. In order for this program to work it is vital that each community does their part in advertising the opportunity to possible residents. This can be done through websites, flyers and newspaper and magazine articles.

- ***Recruiting real estate agents, title insurance companies, and others to become part of the marketing effort.***

Real estate agents can play an important role in marketing foreclosures. Local real estate agents and local title insurance companies should be hired to market the communities' foreclosed homes because they have a strong knowledge of the area and would be a good asset to help attract home buyers. The city can hire a specific real estate company to handle the task of marketing foreclosed properties and to find buyers for the foreclosed homes in their city. These agents must have a strong knowledge of the area and understand how to make these homes appealing to potential buyers. A title insurance company could be hired to work on the foreclosures throughout the city and assure potential buyers that the titles of these foreclosed properties are free and clear of any liens.

Chelsea, MA

Chelsea, MA has many low-income minority residents, with a high demand for affordable housing and the need to revitalize the existing housing stock. Chelsea Neighborhood Developers (CND) is a



Source: chelseand.org

community program whose vision is to “engage residents in determining neighborhood changes

through neighborhood planning, to transform underutilized commercial sites and problematic residential neighborhoods into healthy neighborhoods. (CND, 2009)” In order to reach their goals, CND partnerships with many community organizations, banks, non-profit corporations, the city government, the school district and real estate agencies. Through their vast amount of networks, CND is able to fund their projects through donations and grants. “CND and their partners develop affordable apartments and homes for mixed-income households, through the purchase of existing substandard properties and former industrial sites. (CND, 2009)” This puts many vacant properties back into the tax base providing the city with increased funding for future projects. In order for a program like this to work in our target cities, community involvement is an imperative element. The city government can assist community leaders in setting up and establishing a neighborhood development organization, as well as providing possible network opportunities.

- ***Generating positive word-of-mouth advertising by engaging residents as “city ambassadors”.***

Citizens are the most important assets to the community that they live in. Residents who are proud of the city they live in are the best natural ambassadors to that city. In order for residents to be natural ambassadors to their city, they must establish a strong sense of place within their community. This is a bottom-up effort to market the city, and it is up to citizens to build excitement about the city that will bring in more residents.

Zeeland, Michigan

“Feel the Zeel” is Zeeland Michigan’s new marketing slogan to attract new residents to their community.

“The campaign's central figure is the fictional Zeelander, Fred Zeely, and his family who recently moved to town” (Rapid Growth, 2009). “The city



Source: ci.zeeland.mi.us

hopes to attract new residents and businesses, and retain the businesses and industry Zeeland has now” (Rapid Growth, 2009). A campaign slogan is a good marketing option for both communities because it does not take a lot of money or resources to implement. A slogan could be added to the cities website, newspapers, and local fliers for little money, and with little effort the city is can begin to become “branded” by their slogan of choice.

- ***Preparing and distributing themed promotional materials, such as banners, bumper stickers, and license plates.***

This step coincides with the previous step that residents are the best natural ambassadors to the city that they live in. Residents that have made a connection with the city and are proud to be part of the community are more likely to talk positively about their city. When residents have a positive feeling about their community, they might display it with a bumper sticker on their car. This will help create excitement about living in that particular city to people who are not currently residents. Hanging banners from street light posts is another example of a way to create a community feeling and bring new residents to a city. These banners will advertise community pride and help create a sense of place in the city.

Sun City, Arizona

One of their many slogans “promoting a vibrant community” in addition to banners and bumper stickers helps to promote this city to new and potential residents. A relatively easy marketing strategy that can promote each city as a great place to live is very applicable to both Eastpointe and Mount Clemens.



Source: suncityaz.org

- ***Work with neighborhoods to mesh marketing efforts with a citywide strategy.***

The overall marketing strategy will be inefficient and unsuccessful when the city and its neighborhoods are not working together towards a common goal. It is important for community leaders from across the city to be on the same page with residents throughout the city. The marketing efforts for a city need to be a collective where everyone works together to achieve the same goal.

The marketing strategies mentioned, have been proven to be successful by studying the changes and effects different strategies have had on cities. The marketing strategies mentioned were included based on; a focus of revitalizing weak market cities, those facing a loss of jobs resulting in the loss of population, as well as those struggling to attract new residents to their city. Eastpointe and Mount Clemens have taken the first step by requesting assistance in finding what marketing efforts have been successful and effective. Using these marketing strategies as a reference guide way assist them in their marketing efforts.

7. Conclusion

The primary purpose of this report was to give both the City of Eastpointe and the City of Mount Clemens strategies to market their communities and to provide a best practices guide for mitigating the foreclosed, vacant home crisis. In addition to these two communities, this study is applicable for other cities facing similar issues of population loss and high vacancy rates. However, because this study retains relevancy for many communities, it is important to understand that each community possesses not only unique assets, but also different weaknesses. The analysis gathered a wide range of demographic data, which identified trends and revealed the degree of foreclosures within the community. Thorough background research also allowed for an understanding of each community's unique character and history.

An important feature of this report was to understand the nature of the communities, available housing stock, the communities' demographics and the likely niche market. Important aspects considered included; foreclosure rates, foreclosure status distribution (auction & bank owned), geographical comparisons among the area and percent of mortgage delinquency. In order for a city to effectively reach out to community members who are struggling to keep their homes, it is important for the city to understand foreclosure trends. Once a thorough foreclosure analysis is completed, implementation of a plan from best management practices can be organized. From this report, research suggested dividing the plan into three primary objectives: foreclosure prevention, mitigation and displaced homeowner recovery. Case studies provided potential complement strategies and demonstrated real-life application.

This report identified community marketing strategies that can assist in attracting new residents. As previously mentioned, each community has unique assets or strengths. In order to

develop a workable marketing strategy in the current economy, it is important to perform an asset study. Unique community assets are what make the city marketable and it is vitally important to capitalize on these strengths. The marketing strategies mentioned outline specific strategies on how a community can effectively retain and attract new residents based on its assets. By understanding community demographics, foreclosure trends and community assets it is possible for each city to develop a strategic plan towards attracting and retaining new residents as well as improve the loss of properties.

8. Appendix

8.1 Appendix A

CDCs in Southeastern Michigan - (Source: LISC Detroit)

Central Detroit Christian Community Development Corporation

Lisa Johanon
313-873-0064
ljohanon@aol.com
20 Gladstone
Detroit, MI 48202

Church of the Messiah Housing Corporation

Fran Howze
313-567-7966, ext. 225
fhowze@messiahhousing.com
231 East Grand Blvd.
Detroit, MI 48207

Core City Neighborhoods

Willie Cambell
313-894-8431
3301 Twenty-third Street
Detroit, MI 48208

Bagley Housing Association

Vincent Murray
(313)964-6847
vmurray@bagleyhousing.com
2715 Bagley
Detroit, MI 48216
<http://bagleyhousing.com>

Detroit Catholic Pastoral Alliance

Christopher Bray
(313)922-1435
dcpa2@sbcglobal.net

5807 McClellan
Detroit, MI 48213

Jefferson Avenue Housing Association

Pastor Peter C. Smith
313-822-3456
8625 E. Jefferson Avenue
Detroit, MI 48214

Mexicantown Community Development Corporation

Maria Rodriguez
313-967-9898
2630 Bagley
Detroit, MI 48216
<http://mexicantown.org>

Grandmont Rosedale Development Corporation

Tom Goddeeris
313-835-8190
tgoddeeris@grdc.org
15888 Archdale
Detroit, MI 48227
<http://grdc.org>

Greater Corktown Development Corporation

Scott Martin
313-965-5853
2020 Fourteenth Street
Detroit, MI 48216

New Hope Non-profit Housing

Mary Bishop
313-255-6275
19487 Evergreen
Detroit, MI 48219

Northern Area Association

Jeanne Wardford
313-875-3333
84 Alger
Detroit, MI 48202

NorthStar Community Development Corporation

Pamela Martin-Turner
313-341-9088
NorthstarC@msn.com
7526 West McNichols Road
Detroit, MI 48221

Northwest Detroit Neighborhood Development Inc.

John O'Brien
313-535-9164
jobndnd@ameritech.net
8200 West Outer Drive
Detroit, MI 48219

Prevailing Community Development Corporation

Pastor Claude O. Cline
313-896-4070
6136 Haslett
Detroit, MI 48210

Sacred Heart/St. Elizabeth

Jacqueline Taliaferro
313-921-2090
4141 Mitchell
Detroit, MI 48207

Southwest Detroit Business Association

Kathy Wendler
313-842-0986
wendler.k@juno.com
7752 West Vernor
Detroit, MI 48209
<http://southwestdetroit.com>
Southwest

Southwest Non-profit Housing Corporation

Dennis Quinn
313-841-1369
dquinn@swcds.org
3627 W. Vernor
Detroit, MI 48216

U-SNAP-BAC

Linda Smith
313-640-1100
LSUNAPBAC@aol.com
11101 Morang
Detroit, MI 48224

V.I.S.I.O.N., Inc.

Yvonne Christopher
313-579-1488
P.O. Box 07099
Detroit, MI 48207

Vanguard Community Development Corporation

Donna Williams
313-872-7831
dwilliams@vanguardcdc.org
2791 E. Grand Boulevard
Detroit, MI 48211

Warren Conner Development Coalition

Maggie DeSantis
313-571-2800
1148 Harper
Detroit, MI 48213

8.2 Appendix B

Homeowner Counseling Agencies serving Macomb County - (Source: Michigan State Housing Development Authority (MSHDA))

Bethel Housing Counseling Agency

(313)833-9912

Detroit

Counseling Services

- Homebuyer Education - Group and Individual
- Financial Management Education
- Pre-Purchase / Credit Repair Counseling
- Pre-Purchase Home Inspection Funds
- Home Maintenance Training
- Foreclosure Prevention Counseling
- FSS/Key To Own Counseling
- HomeChoice Counseling
- HELP Loan Counseling
- HUD Referral Counseling

Detroit Catholic Pastoral Alliance

(313)922-1435

Detroit

Counseling Services

- Homebuyer Education - Group and Individual
- Financial Management Education
- Pre-Purchase / Credit Repair Counseling
- Home Maintenance Training
- FSS/Key To Own Counseling

Detroit Non-Profit Housing Corporation

(313)972-1111

Detroit

Counseling Services

- Homebuyer Education - Group and Individual
- Financial Management Education

- Pre-Purchase / Credit Repair Counseling
- Pre-Purchase Home Inspection Funds
- Home Maintenance Training
- Foreclosure Prevention Counseling
- FSS/Key To Own Counseling
- HomeChoice Counseling
- HELP Loan Counseling
- HUD Referral Counseling

Family Tree

(313)962-2329

Detroit

Counseling Services

- Homebuyer Education - Group and Individual
- Financial Management Education
- Pre-Purchase / Credit Repair Counseling
- Pre-Purchase Home Inspection Funds
- Home Maintenance Training
- Foreclosure Prevention Counseling
- FSS/Key To Own Counseling
- HUD Referral Counseling
- National Foreclosure Mitigation Counseling

Jewish Vocational Service

(248)233-4482 ext:

Southfield/Detroit

Counseling Services

- FSS/Key To Own Counseling
- Homebuyer Education - Group and Individual
- Financial Management Education
- Pre-Purchase / Credit Repair Counseling
- Home Maintenance Training
- HomeChoice Counseling
- HELP Loan Counseling

Lighthouse Community Development

(248)920-6200 ext: 2426

Pontiac

Counseling Services

- Homebuyer Education - Group and Individual
- Financial Management Education
- Pre-Purchase / Credit Repair Counseling
- Pre-Purchase Home Inspection Funds
- Home Maintenance Training
- Foreclosure Prevention Counseling
- FSS/Key To Own Counseling
- HomeChoice Counseling
- HELP Loan Counseling
- HUD Referral Counseling
- National Foreclosure Mitigation Counseling

Michigan Neighborhood Partnership

(313)361-4530

Detroit

Counseling Services

- Homebuyer Education - Group and Individual
- Financial Management Education
- Pre-Purchase / Credit Repair Counseling
- Pre-Purchase Home Inspection Funds
- Home Maintenance Training
- Foreclosure Prevention Counseling
- FSS/Key To Own Counseling
- HomeChoice Counseling
- HELP Loan Counseling
- HUD Referral Counseling

MSU Extension - Macomb

(586)469-6430

Clinton Township

Counseling Services

- Homebuyer Education - Group and Individual

- Financial Management Education
- Pre-Purchase / Credit Repair Counseling
- Foreclosure Prevention Counseling
- Home Maintenance Training
- FSS/Key To Own Counseling
- HELP Loan Counseling
- HUD Referral Counseling
- National Foreclosure Mitigation Counseling

Neighborhood Legal Services of Michigan

(313)964-1975

Detroit

Counseling Services

- Homebuyer Education - Group and Individual
- Financial Management Education
- Pre-Purchase / Credit Repair Counseling
- Pre-Purchase Home Inspection Funds
- Home Maintenance Training
- Foreclosure Prevention Counseling
- FSS/Key To Own Counseling
- HomeChoice Counseling
- HELP Loan Counseling
- HUD Referral Counseling

New Hope Community Development

(313)255-6275

Detroit

Counseling Services

- Homebuyer Education - Group and Individual
- Financial Management Education
- Pre-Purchase / Credit Repair Counseling
- Pre-Purchase Home Inspection Funds
- Home Maintenance Training
- Foreclosure Prevention Counseling
- FSS/Key To Own Counseling
- HomeChoice Counseling
- HELP Loan Counseling
- HUD Referral Counseling

- National Foreclosure Mitigation Counseling

Perfecting Community Development Corporation

(313)365-2273

Detroit

Counseling Service

Homebuyer Education - Group and Individual

Phoenix Housing and Counseling Non Profit, Inc.

(313) 964-4207

Detroit

Counseling Services

- Homebuyer Education - Group and Individual
- Financial Management Education
- Pre-Purchase / Credit Repair Counseling
- Pre-Purchase Home Inspection Funds
- Home Maintenance Training
- Foreclosure Prevention Counseling
- FSS/Key To Own Counseling
- HomeChoice Counseling
- HELP Loan Counseling

HUD Referral Counseling

Southwest Housing Solutions Corporation

(313) 841-9641

Detroit

Counseling Services

- Homebuyer Education - Group and Individual
- Financial Management Education
- Pre-Purchase / Credit Repair Counseling
- Foreclosure Prevention Counseling
- Pre-Purchase Home Inspection Funds
- Home Maintenance Training
- FSS/Key To Own Counseling

- HomeChoice Counseling
- HELP Loan Counseling
- HUD Referral Counseling

U-SNAP-BAC Non-Profit Housing Corp

(313) 640-1100 ext:

Detroit

Counseling Services

- Homebuyer Education - Group and Individual
- Financial Management Education
- Pre-Purchase / Credit Repair Counseling
- Foreclosure Prevention Counseling
- HELP Loan Counseling
- HUD Referral Counseling
- Pre-Purchase Home Inspection Funds
- Home Maintenance Training
- FSS/Key To Own Counseling
- HomeChoice Counseling

8.3 Appendix C

H.U.D Foreclosure Timeline - October 2008

Few people think they will lose their home, they think they have more time. Here's how it happens. Note: Timeline varies by state.

- **First month missed payment** – your lender will contact you by letter or phone. A housing counselor can help.
- **Second month missed payment** – your lender is likely to begin calling you to discuss why you have not made your payments. **It is important that you take their phone calls.** Talk to your lender and explain your situation and what you are trying to do to resolve it. At this time, you **still may be able to make one payment** to prevent yourself from falling three months behind. A housing counselor can help.
- **Third month missed payment** – after the third payment is missed, you will receive a letter from your lender stating the amount you are delinquent, and that you have 30 days to bring your mortgage current. This is called a "Demand Letter" or "Notice to Accelerate". If you do not pay the specified amount or make some type of arrangements by the given date, the lender may begin foreclosure proceedings. They are unlikely to accept less than the total due without arrangements being made if you receive this letter. **You still have time** to work something out with your lender. A housing counselor can still help.
- **Fourth month missed payment** – now you are nearing the end of time allowed in your Demand or Notice to Accelerate Letter. When the 30 days ends, if you have not paid the full amount or worked our arrangements you will be referred to your lender's attorneys. **You will incur all attorney fees** as part of your delinquency. A housing counselor can still help you.
- **Sheriff's or Public Trustee's Sale** – the attorney will schedule a Sale. **This is the actual day of foreclosure.** You may be notified of the date by mail, a notice is taped to your door, and the sale may be advertised in a local paper. The time between the Demand or Notice to Accelerate Letter and the actual Sale varies by state. In some states it can be as quick as 2-3 months. This is not the move-out date, but the end is near. You have until the date of sale to make arrangements with your lender, or pay the total amount owed, including attorney fees.
- **Redemption Period** – after the sale date, you may enter a redemption period. You will be notified of your time frame on the same notice that your state uses for your Sheriff's or Public Trustee's Sale.

Source: "Are you at risk of foreclosure and losing your home?" *Homes and Communities* 7 Oct. 2008. U.S. Department of Housing and Urban Development <<http://www.hud.gov/foreclosure/fctimeline.cfm>>.

8.4 Appendix D

Foreclosure Heat Rate Map Methodology

The foreclosure rate is calculated by dividing the total housing units in the state (based on the most recent estimate from the U.S. Census bureau) by the total number of properties that received foreclosure filings during the month (using most recent monthly data available), and that number is expressed as a ration (i.e. 1 in 100 housing units received a foreclosure filing during the month). The lower the second number in the ratio, the higher the foreclosure rate. So 1 in 100 is higher than 1 in 1000.

Source: (RealtyTrac, 2009)

8.5 Appendix E

Geographical Comparison of Foreclosures

Foreclosure rate calculated by dividing total number of properties that received a foreclosure filing in the most recent month by the total number of housing units in the ZIP Code, county, state or nation. Some ZIP Code rates may not be available due to lack of housing unit data.

Source: (RealtyTrac, 2009)

8.6 Appendix F

Foreclosure Status Distribution

Percentages based on total number of properties in some stage of the foreclosure process- default, auction or bank-owned. Default is the first stage of the foreclosure process, followed by auction-when the property is scheduled for a public foreclosure auction- and finally bank-owned, when the property has been repossessed by the foreclosing lender.

Source: (RealtyTrac, 2009)

8.7 Appendix G

H.U.D Foreclosure Types

Judicial Foreclosure: All states allow this type of foreclosure, and some require it. The lender files suit with the judicial system, and the borrower will receive a note in the mail demanding payment. The borrower then has only 30 days to respond with a payment in order to avoid foreclosure. If a payment is not made after a certain time period, the mortgaged property then is sold through an auction to the highest bidder, carried out by a local court or sheriff's office.

Power of Sale: This type of foreclosure, also known as statutory foreclosure, is allowed by many states if the mortgage includes a *power of sale* clause. After a homeowner has defaulted on mortgage payments, the lender sends out notices demanding payments. Once an established waiting period has passed, the mortgage company rather than local courts or sheriff's office carries out a public auction. Non-judicial foreclosure auctions are often more expedient, though they may be subject to judicial review to ensure the legality of the proceedings.

Strict Foreclosure: A small number of states allow this type of foreclosure. In strict foreclosure proceedings, the lender files a lawsuit on homeowner that has defaulted. If the borrower cannot pay the mortgage within a specific timeline ordered by the court, the property goes directly back to the mortgage holder. Generally, strict foreclosures take place only when the debt amount is greater than the value of the property.

Source: "Foreclosure Process." Homes and Communities 30 Sept. 2008. U.S. Department of Housing and Urban Development <<http://www.hud.gov/foreclosure/foreclosureprocess.cfm>>.

8.8 Appendix H

ZIP Code Foreclosure Needs Score Methodology Appendix October 2008

To help State and local governments identify areas of greatest need for Neighborhood Stabilization Program (NSP) funding, LISC researchers calculated a foreclosure needs score for most US ZIP codes that incorporates factors specified in the authorizing legislation. This document describes how this score is calculated.

NOTE: LISC has prepared a separate file showing the relative foreclosure needs scores of CDBG jurisdictions with each state. Those data are similar, but not entirely comparable with the ZIP Code level data discussed below. To access foreclosure needs scores for CDBG jurisdictions within each state, visit www.foreclosure-response.org/maps_and_data/lisc_data.html#sub1.

The Congressional legislation authorizing creation of the NSP requires States and local jurisdictions to allocate funding to areas (1) with the greatest percentage of home foreclosures; (2) the highest percentage of homes financed by a subprime mortgage related loan; and (3) identified by the grantee as likely to face a significant rise in the rate of home foreclosures. The legislation also allows grantees to add related factors they deem important.

Absent a single national source of data on these factors, researchers drew on information from four different sources:

- U.S. Census Bureau estimates of the total number of housing units by county;
- American Community Survey counts by county of the owner-occupied housing units with mortgages, and of single-family rental housing units;
- Residential Finance Survey on the share of U.S. single-family rental homes with mortgages
- Mortgage Bankers Association's National Delinquency Survey State-level reports on numbers of prime and subprime mortgages and their delinquency and default rates;
- ZIP Code level June 2008 reports from McDash Analytics (a vendor of loan performance data from the nation's largest loan servicers) on the performance of prime and subprime loans; and
- Special tabulation of the U.S. Postal Service data created by the US Department of Housing and Urban Development.

The indicators themselves include:

- First-lien mortgages in foreclosure as a percentage of all units with a residential mortgage;
- Subprime first-lien mortgages as a percentage of all units with a residential mortgage;
- First-lien mortgage delinquencies of 30 days or more as a percentage of all units with a residential mortgage (used to anticipate future foreclosures); and
- Vacancies as a percent of occupied units in ZIP codes with high rates of subprime loans (to reflect the program's emphasis on vacant properties).

Our treatment of these variables is similar to HUD's method for calculating relative need across states and local governments for the purpose of making the initial funds allocation. Most

important was our method of weighting the percentage of foreclosures, subprime loans, and delinquencies by the actual counts of these same factors. This ensures that very small places with high percentages of foreclosures do not receive very large amounts of funding, in total disregard of the number of units involved.

To transform data and calculate the needs score, researchers:

(1) Weighted number of loans from McDash to correct for undercounting of outstanding mortgages

McDash Analytics releases its data at the ZIP code level, but the data are incomplete, as are all other data sources. To correct for this, we weighted up the number of loans from the McDash file to the estimated number of total housing units with a mortgage.

Mortgage loans outstanding include all mortgaged owner-occupied units, plus 40 percent of the single-family rental units – the percentage of units with residential mortgages in the 2002 Residential Finance Survey. We used the number of mortgaged owner-occupied units and 40 percent of the single-family rental units from the 2006 American Community Survey (ACS) to estimate the number of homes with mortgage loans outstanding in the 2007 US Census county-level counts of total housing units. ACS county level data were used to estimate the 2007 share of homes with mortgage loans outstanding for the 783 counties in the ACS and state proportions were used for remaining counties. We then applied the distribution of each county's mortgage loans across ZIP codes. Original McDash percentages of foreclosures, subprime loans and delinquent loans in each ZIP code were used to calculate new counts based on the adjusted total of outstanding mortgages.

(2) Further adjusted the interim McDash subprime loan counts to match counts from the Mortgage

Bankers Association (MBA), the single best source on the number of subprime loans. The MBA's June 2008 National Delinquency Survey (NDS) provides more accurate state-level percentages of subprime loans, so we multiplied the MBA shares by our estimated number of outstanding mortgage loans to create control counts for subprime loans by state. The state adjustment was applied to each ZIP codes number of subprime loans, so our state counts of subprime loans equaled the MBA totals.

(3) Adjusted interim state totals of foreclosures and delinquencies with results from the NDS.

In the states where McDash counts of foreclosures and delinquent loans fell short of the NDS totals for these categories, the counts were pro-rata adjusted across all ZIP codes to produce counts equal to the MBA totals. (In some states, the NDS showed lower delinquency or foreclosure percentages than calculated from McDash, in which case the higher estimates were retained.) These steps ensured a reasonable correspondence between estimates from two different sources of mortgage loan, delinquency, and foreclosure information, and while doing so, maintained the relative inter-state proportions.

(4) Calculated percentages for each ZIP code.

We re-calculated the three key measures used in the needs score: percent of loans in foreclosure, percent of loans that are subprime, and the percent of loans that are delinquent.

(5) Calculated an initial score for each ZIP code

To account for the incidence as well as the concentration of each measure, we created three product indicators:

- Percent of loans in foreclosure weighted by number of foreclosures
- Percent of subprime loans weighted by number of subprime loans
- Percent of delinquent loans weighted by number of delinquent loans.

In other words, the percent of foreclosures was multiplied by the number of foreclosures, and so on.

We next needed to standardize the three products since the ranges of the values varied greatly. To create comparable values that would give the indicators equal weight, we calculated what share each ZIP codes product represented of the total product summed across all states. We summed these three shares for each place to create an initial allocation score.

(6) Adjusted each initial score by a local vacancy factor.

Following HUD's example, each ZIP codes initial score was multiplied by the ratio of the local vacancy rate in high subprime ZIP codes to the overall state vacancy rate in high subprime ZIP codes.

High-subprime ZIP codes are those that fell in the top quartile nationwide of the percent of first-lien mortgages that are subprime. In these ZIP codes, more than 17.2 percent of loans are subprime. The vacancy rate adjustment to the initial score was capped at 10 percent, making the minimum adjustment equal to 0.9 and maximum equal to 1.1.

(7) Created a final score for each ZIP code, indicating need relative to other ZIP codes within the same state.

Using the adjusted initial scores in (6), we assigned a final score of 100 to the ZIP code with the highest adjusted initial score in each state, which identified it as the neediest ZIP code. Each remaining ZIP code was assigned a final score based on the ratio of its adjusted initial score to the adjusted initial score of the neediest ZIP code. For example, an initial score of 80 in the neediest Michigan ZIP code would earn it the top final score of 100. A ZIP code with an adjusted initial score 20 would receive a final score of 25 (20 being 25 percent of 80).

***Indicator Note: All loan and foreclosure counts are restricted to first-lien mortgages only. Delinquent loans are loans overdue by 30 days or more. Foreclosures include loans where banks have begun the foreclosure process, but have not sold the property to another owner. REO properties are not included in the ZIP code analysis.

Geographic Note: All ZIP codes with less than 10 total weighted loans were removed before initial and final scores were calculated. In addition, PO Box and Unique ZIP codes were not included in final calculations.

8.9 Appendix I

Average Sales Price

Foreclosure sales are sales of properties that are in some stage of the foreclosure process—default, foreclosure auction or bank-owned. The average foreclosure sales price is calculated by summing up the total amount of all foreclosure sales (excluding any that do not have the sales price data available) and dividing that amount by the total number of sales.

8.10 Appendix J

Case Study	Foreclosure Prevention	Marketing Efforts	Neighborhood Revitalization	Funding Source	Local Level	County Level	State Level	National Level	Eastpointe	Mount Clemens	Pg. #
Beyond Housing - A Neighborhood Works Organization <i>St. Louis, MO</i>	◆	◆	◆	Donations	◆	◆	◆	◆	◆	◆	121
Neighborhood Progress Inc. <i>Cleveland, OH</i>	◆			Enterprises & Foundations	◆				◆	◆	123
Minneapolis Department of Community Planning <i>Minneapolis, MN</i>	◆			City of Minneapolis & Partners	◆				◆	◆	125
Corridor Revitalization - Minneapolis City Council <i>Minneapolis, MN</i>		◆	◆	NRP Funds	◆				◆		127
Genesee County Land Bank <i>Flint, MI</i>	◆	◆	◆	Land Bank, Grants		◆			◆	◆	129
Chicago's Home Ownership Prevention Initiative <i>Chicago, IL</i>	◆			City of Chicago, Investors, Partners	◆				◆	◆	133
Ohio Foreclosure Prevention Task Force	◆			State Dept. & Partners			◆		◆	◆	135
Virginia Foreclosure Prevention Task Force	◆						◆		◆	◆	137
Muskegon's Traveling Trio <i>Muskegon, MI</i>			◆	Ordinance Violation Fees	◆				◆	◆	139
Housing Emergency Loan Program <i>Hamilton, Ontario</i>	◆				◆				◆	◆	141
Coalition on Temporary Shelter <i>Detroit, MI</i>	◆		◆	Volunteer Efforts & Donations	◆				◆	◆	143
Salt Lake City Magazine <i>Salt Lake City, UT</i>		◆			◆				◆	◆	96
Front Porch Florida Initiative			◆	Grants			◆		◆	◆	90
Self-Help <i>Charlotte, NC</i>		◆	◆		◆		◆		◆	◆	85
"Feel the Zeel" Slogan Campaign <i>Zeeland, MI</i>		◆		City of Zeeland	◆				◆	◆	95
Community Stabilization Home Loan Program		◆	◆	California Housing Finance Agency			◆		◆	◆	92
Chelsea Neighborhood Developers <i>Chelsea, MD</i>			◆	Grants, Donations	◆				◆	◆	93
Live Baltimore <i>Baltimore, MD</i>		◆	◆	Grants, Donations, Public Funds	◆				◆	◆	81

Case Study	Foreclosure Prevention	Marketing Efforts	Neighborhood Revitalization	Funding Source	Local Level	County Level	State Level	National Level	Eastpointe	Mount Clemens	Pg. #
Outside-The-Box Marketing: The Foreclosure Bus Tour <i>Stockton, CA</i>		◆	◆		◆				◆	◆	87
Paid Foreclosure Tour <i>Atlanta, GA</i>		◆	◆	Homebuyers	◆				◆	◆	88
Homeownership Appraisal Gap Funding <i>Hartford, CT</i>			◆	Donations, Community Orgs., Govt. Agencies, Private Companies	◆				◆	◆	89
Urban Pioneer Program: Jackson Ward Neighborhood <i>Richmond, VA</i>			◆	Grants, Donations, Public Funds	◆				◆	◆	89

Case Studies

Beyond Housing®- A Neighborhood Works Organization

Beyond Housing is located in St. Louis, MO with a mission to “strengthen neighborhoods, one family at a time.”

Beyond Housing provides a comprehensive

range of educational, employment, youth development and other support services in addition to housing assistance. It also works to identify and nurture resident leadership in its target communities.



Pagedale, Missouri

- Pagedale is a blue collar, post-war community.
- A community of about 3,600 residents.
- Unemployment rate of 29%.
- 36 to 54 percent of mortgage loans originated for home purchase and refinance in 2004 were subprime loans.
- Began with a series of surveys, focus groups, and stakeholder interviews to identify assets and weaknesses and gather input on resident priorities.

Results

- Built 90 new homes, renovated 12, and provided grants to over 100 seniors to help them with home repairs.
- Newly formed Pagedale Community Association helps to attract, organize, and train neighborhood volunteers to continue the work going forward.
- Created a community development plan for a tax increment-financing district (TIF). Plans are underway to open a new, 16,000 S.F grocery store, with other new stores to follow.

Actions

- Organize multiple volunteer efforts to help homeowners with limited incomes fix up dilapidated homes.
- Create a community development plan for a tax increment-financing district (TIF).
- Support families through rent subsidies, Individual Development Accounts (IDAs), and services which protects against further deterioration and decline.

Best Practices

- A neighborhood-focused revitalization approach engages residents in planning for and securing their community's future.
- Beyond Housing relies on a community stabilization strategy in which they already have considerable expertise; purchase-rehab and resale of single-family homes. The scattered-site rental approach allows low-income families to rent affordably in safe neighborhoods. Well-managed housing serves as a model for other property owners and encourages them to invest in maintenance and improvements.

Source: (Gass, 2008)

Neighborhood Progress, Inc.

Neighborhood Progress Inc. (NPI) is a local housing intermediary based in Cleveland and funded by Cleveland Foundation, Enterprise Community Partners and the George Gund Foundation. NPI supports the work of approximately 14 Cleveland CDCs (Community Development Corporations) through grants and technical assistance.



Source: stablecommunities.org

Cleveland, Ohio

- Population of approximately 438,042 people.
- Foreclosure filings in the city and county, which had averaged about 3,000 a year in 1995, doubled in 2000, and doubled again by 2005. As of 2008 there were close to 15,000 foreclosures, which had been filed in the region.
- Launched a small pilot, 50 units, in six neighborhoods that were already part of NPI's Strategic Investment Initiative (SII). This pilot started in 2004, provided additional funding and technical assistance to a handful of neighborhoods to help them become "regionally competitive neighborhoods of choice".
- Ohio Housing Finance Agency, Living Cities, and the City of Cleveland committed to providing gap financing, averaging \$40,000/unit that would allow the CDCs to properly renovate the units and still sell them at affordable prices to low and moderate-income buyers.
- First American Title supplied data on which homeowners had adjustable rate mortgages and when they were due to reset.
- From the supplied information, NPI and its partners chose three major criteria to identify homeowners at serious risk of foreclosure:
 - 1) Cases where the foreclosure was still pending, and if the water in the unit was still on, meaning it was still occupied.
 - 2) Homeowners who had received a loan from HUD's published list of subprime mortgage lenders.
 - 3) Homeowners who had obtained adjustable rate mortgages.

Results

- 17 foreclosures were averted.
- To increase these results NPI will work with Empowering and Strengthening Ohio's People (ESOP) to help with outreach to homeowners.

Actions

- Pinpoint homeowners at higher risk for foreclosure and reach out to them before it happens.
- Utilize existing investment initiatives to help target possible neighborhoods.

Best Practices

- NPI utilized its existing Strategic Investment Initiative to help target its work in neighborhoods. In doing so this helped protect current investment and assets, and ensured their work would have a more visible impact.
- Sophisticated use of technology and data provided the ability to pinpoint homeowners at higher risk for foreclosure and reach out to them before it happened. Since studies show that distressed homeowners often does not call for help, this early warning system is a tremendous boost to prevention efforts.
- CDCs that have focused on “bricks and mortar” over community outreach and organizing will need help adding this to their skill base. NPI's contract with ESOP will help the six participating CDCs learn how to improve the effectiveness of their outreach to at-risk homeowners.

Source : (U.S. Census, 2007), (Gass, 2008)

Minneapolis Department of Community Planning and Economic Development (CPED)

The City of Minneapolis has partnered with the Family Housing Fund which established the Minnesota Foreclosure Partners Council, and is addressing foreclosure through three stages: pre-purchase, post-purchase and remediation. Collaborative efforts have also been initiated on behalf of the Minneapolis elected officials to produce innovative and effective approaches.



Source: ci.minneapolis.mn.us

Minneapolis, Minnesota

- Population of approximately 377,392 people.
- Experienced about 6,500 foreclosures in 2005, and by 2008, that number increased to nearly 27,000 foreclosures.

Results

- Prevention initiatives to date have been investments of \$1.1 million in prevention since 2007 on behalf of the City. The annual investment assists 1000 households, which half of those receiving intensive support will avoid foreclosure. Homeowners, who attended a city-sponsored workshop on counseling assistance, were able to speak directly with their lender and were able to work out a plan of action to prevent foreclosure.
- Reinvestment initiatives to date have resulted in Hawthorne neighborhood's EcoVillage Cluster, which was designed to become a green, stable and healthy neighborhood, through the support of a \$500,000 grant from the Home Depot Foundation. The City has planned on utilizing the Housing and Economic Recovery Act funds, which will provide subsidies for rehabilitation of up to 100 properties, as well as the National Community Stabilization Trust, which may make available hundreds of foreclosed properties for bulk purchase at a reduced rate and provide access to \$30 million to assist in acquisition and rehabilitation.

- Repositioning initiatives include a grassroots marketing campaign called, “Get to NOMI” to promote the North side of Minneapolis’ art, parks, businesses, affordable housing and other amenities. Once property is acquired, the City works to reposition the neighborhood with community-based marketing efforts to bring new buyers to the neighborhoods.

Actions

- Homeowners should make an effort to attend a city-sponsored workshop on counseling assistance in order speak directly with lenders and work out a plan of action to prevent foreclosure.
- Utilize the Housing and Economic Recovery Act funds and the National Community Stabilization Trust to provide subsidies for homebuyers.
- Establish a grass roots marketing campaign as a way to utilize community-based marketing efforts in order to bring new homebuyers to the city.

Best Practices

- Efforts on behalf of the public sector expand investment opportunities for neighborhoods. The National Community Stabilization, which the City will rely on to assist in acquisition, and rehabilitation of foreclosed properties.
- Grassroots initiatives to market their community therefore attracting potential homebuyers to their neighborhoods.
- Prevention, reinvestment, and repositioning strategies that are working to not only help those in foreclosure but create a sense of pride and stability within the community.

Source: (City of Minneapolis Department of Community Planning and Economic Development, 2009)

Corridor Revitalization, Minneapolis City Council

In 1999, the Minneapolis City Council established a policy of targeted investment in four key commercial corridors – sections of West Broadway, Central, Franklin and Lake.



Source: ci.minneapolis.mn.us

Nicollet Avenue, Minneapolis, Minnesota

- Nicollet Avenues' key revitalization strategies:
 - Streetscape improvements
 - Business lending
 - Marketing and branding

Results

- The Stevens Square community, which adjoins Nicollet for three blocks, acknowledged the avenue as the neighborhood's front door. So together the Stevens Square Community Organization and the Whittier Neighborhood Association invested nearly \$800,000 of their Neighborhood Revitalization Program (NRP) funding for a corridor study and redevelopment and business loan funds.
- An additional \$310,000 of NRP dollars were invested in streetscape improvements which provided neighborhood residents and businesses leverage and a seat at the table for the planned reconstruction of the avenue.
- Streetscape improvements include benches, planters, and banners, which proclaim the street's brand and identity – Eat Street.

Actions

- Invest in well-defined commercial nodes and corridors.
- Redevelop under-utilized commercial areas.
- Encourage quality urban design and pedestrian-friendly environments.
- Manage traffic flow and reduce traffic speed.

Best Practices

- The Neighborhood Revitalization Program (NRP), which provides funding for a corridor study and redevelopment and business loan funds.
- Identifying key revitalization strategies through streetscape improvements, business lending, marketing and branding.
- Utilizing the corridor study to identify areas of needed; investment, redevelopment, encouragement, and management.

Source: (City of Minneapolis , http://www.ci.minneapolis.mn.us/cped/docs/great_streets_case_studies.pdf, 2005)

Genesee County Land Bank

Genesee County Land Bank (GCLB) is located in Flint, Michigan. Genesee County Land Bank's mission is "to manage land obtained through foreclosure, gift, or purchase in such a way as to return those properties to the tax roll, when appropriate, to a higher and better condition than when received."



Flint, Michigan

- County Seat of Genesee County
- Most know as "Birthplace of General Motors Corporation"
- Economy declining due to auto industry
- Experiencing high loss of jobs and foreclosures
- Unemployment rate in February 2009 was 27%

Programs

Adopt-A-Lot

- Residents and community organizations adopt vacant lots and homes
- Started informally by residents due to loss of housing
 - Included mowing grass, cleaning trash, planting flowers
 - Many vacant areas turned into pocket parks and community gardens
- Residents, businesses, neighbors, block clubs, or any organization interested in caring for vacant land are eligible
- No taxes or financial obligations with ownership
- Increases safety and property values
- Land bank provides contacts and resources for materials and assistance
- Lots are owned by the land bank, received through the tax foreclosure system

Clean & Green

- Community groups working together to improve look of vacant properties
- Started during summer of 2003

- Two community groups shared the maintenance of 45 Land Bank owned properties
- Summer 2006 – 12 community groups participated, maintained over 600 properties and developed 12 greening projects
- Looks for groups with certain qualities
 - Strong neighborhood ties
 - Past experiences
 - Access to tools and equipment
 - Required to maintain at least 20 properties & have two gardening projects.

Demolition

- The land bank has the power to speed up the demolition process, especially for extremely hazardous homes
- Since 2003: 524 structures have been environmentally cleaned & demolished
- 400 home demolition capacity in 18 months; funding from Genesee County Brownfield Redevelopment

Housing Renovation & Rental

- Renovates between 25 and 50 houses per year
- Helps to stabilize and revitalize neighborhoods
- Encourages homeownership through rental process
- Provides affordable housing

Sales

- Supports homeownership
- Offers option of a land contract or lease with intention to buy; allows buyer to build equity before making actual purchase
- Put tax dollars back into the community
- Will often credit renovations going towards purchase price
- Purchaser will help stabilize neighborhood by improving their property

Side Lot Transfers

- Homeowners in the City of Flint with vacant Land Bank property adjacent to the left or the right side of their home have the opportunity to purchase that property as a side yard for \$25.00,
- This program brings properties back onto the tax roll, while reducing the public costs associated with property maintenance.

Obtaining Land



Foreclosure Prevention

- Preventing properties from entering the foreclosure process is a key strategy for stabilizing neighborhoods
- Homeowners experiencing a significant financial hardship are able to request a one-year foreclosure postponement
- Since 2002, over 1,000 homeowners have been granted a postponement enabling them to keep their homes

Actions

- Connect with existing organizations to establish a land bank.
- Involve active community members in the various programs to improve vacant lots.
- Use incentives and land contracts in order to bring new residents into vacant homes.

Best Practices

- Working with the community to help mitigate their foreclosure circumstances
- Connecting with community organizations and groups to maximize resources and improve quality of vacant land

- Providing residents with the opportunity to build and improve their equity while providing affordable housing
- Bringing vacant properties back into the tax base
- Providing a credit or incentives to homebuyers who renovate the home before purchase

Source: Genesee County Land Bank, <http://www.thelandbank.org/default.asp>)



Source: thelandbank.org

Chicago's Home Ownership Preservation Initiative (HOPI)

HOPI was created in 2003 to unite key partners to develop new, creative strategies to combat foreclosures in Chicago. A large part of this initiative has been dedicated to researching the cause and effect of the foreclosures in order to develop proper interventions. HOPI develops and tests strategies to prevent and mitigate foreclosures on an ongoing basis in order to determine what works and what is irrelevant. Other facets of the program focus on:

- Pre-purchase homeowner counseling
- Post-purchase default counseling
- Refinancing Options
- Outreach to at-risk individuals and high risk communities



Source: nhschicago.org

Chicago, Illinois

- Nearly 3 million people live in the Chicago.
- Chicago's foreclosure starts doubled between 1992 and 2002. In 2006, they begin to increase at an even higher rate.
- HOPI was developed in response to the increased rate of foreclosures and is a partnership between Neighborhood Housing Services (NHS), The City of Chicago, key lenders, investors and servicers.

Results

- Prevented 690 foreclosures in the first 18 months of operation alone.
- Developed the 311 Homeownership Preservation Campaign (Citywide non-emergency hotline).
- Published best practices in partnership with Harvard Joint Studies and Neighborworks America.
- Counseled and educated over 4,000 people.
- Reclaimed over 300 buildings.

- Prevented 1,328 foreclosures.
- Saved the City of Chicago, homeowners and lenders an estimated **\$287,000,000**.

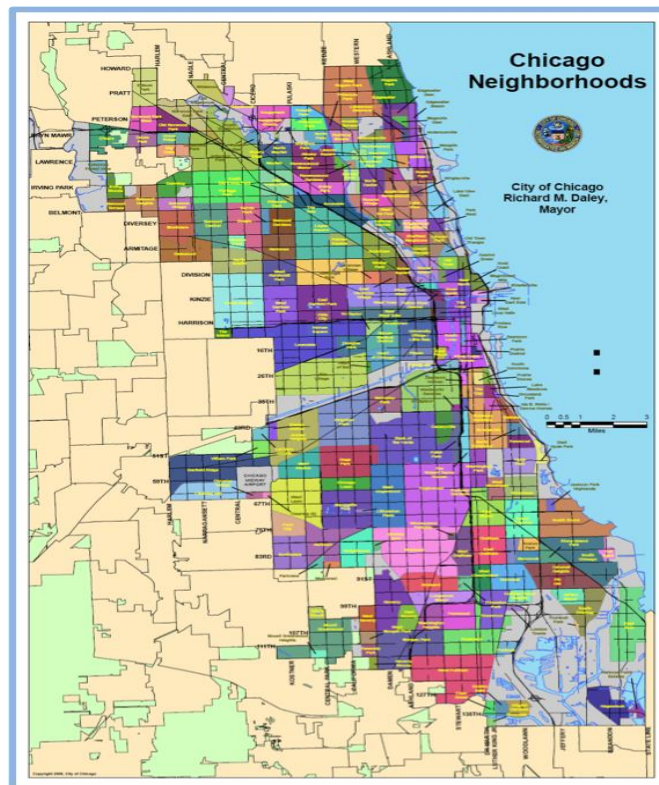
Actions

- Develop a homeownership preservation campaign.
- Connect with possible partner organizations and community members.
- Research nature of foreclosures within the city.
- Provide outreach and counseling to at-risk homeowners.

Best Practices

- In order to have the greatest impact, organizers determined public/private partnerships were crucial. This not only provided for expanded resources, but also greater collaboration amongst all stakeholders.
- Aggressive community outreach and marketing campaigns for homeownership counseling and services is required for programs to be successful.

Source: (Neighborhood Housing Services of Chicago , 2007)



Source: nhschicago.org

Ohio Foreclosure Prevention Task Force

Ohio's foreclosure prevention task force was assembled in 2007 to address Ohio's growing number of foreclosures. It exists as a coalition that brings together numerous stakeholders to make strategic recommendations to the Governor on how to resolve foreclosure issues. Coalition members include representatives from the financial industry, city and state officials, as well as non-profit industry representatives.

Ohio

- Approximately 11,459,011 people live in Ohio.
- In 2006, the Mortgage Brokers Association National Delinquency Survey revealed Ohio had the highest rate of mortgages that were seriously delinquent in the country at 5.5%. The survey also showed that Ohio's percentage of adjustable rate mortgages (ARM) that were in some stage of foreclosure was nearly double the national average.

Results

- Based upon the task force's recommendations, Ohio developed its Save the Dream Program, which provides outreach for early intervention, as well as mechanisms for borrowers to effectively communicate with lenders.
- The task force's recommendations also lead to the Save the Dream hotline which connects homeowners with legal aid in addition to housing counselors. One of its primary goals is to exist as a resource to educate the public on predatory lending, the foreclosure process and strategies to renegotiate mortgage terms with servicers.
- The number one recommendation made by Ohio's taskforce was to develop an aggressive borrower outreach campaign. In response, Save the Dream has outreach borrower days. These events bring together borrowers, servicers, legal aid and provide educational workshops. Over 2,500 borrowers attended these forums in just under a year.

Actions

- At the end of 2007, the task force gave several recommendations, including:

- 1) Encourage borrowers to get early help
 - 2) Expand housing counseling and intervention services
 - 3) Work with lenders and servicers to maximize alternatives to foreclosures
 - 4) Provide options to homeowners to restructure or modify their mortgage loans
 - 5) Strengthen protections for homeowners
 - 6) Improve Ohio's foreclosure process
 - 7) Help communities recover from the aftermath of foreclosures
- Provide a hotline that allows callers to be connected with appropriate resources to fit their situation.
 - Involve all possible stakeholders and organizations.

Best Practices

- Programs provided need to be marketed and need to be offered in different forums, such as via a hotline, website, seminar or street-level campaigns.

Source: (State of Ohio, www.savethedream.ohio.gov/, 2009)



Virginia Foreclosure Prevention Task Force

Virginia's foreclosure prevention task force was created in 2007. The purpose was to form workgroups comprised of key stakeholders and professionals to address Virginia's foreclosures.

Virginia

- Virginia has a population of approximately 7,459,827.
- The task force consists of banking, legal, and real-estate, non-profit and public sector representatives.

Results

- The taskforce was divided into three work groups:
 - 1) Workgroup 1 – Foreclosure Impact
 - 2) Workgroup 2 – Education and Outreach
 - 3) Workgroup 3 – Regulatory Reform
- The first workgroup assessed the fiscal and social impacts of the mounting foreclosures.
- Workgroup 2 focused on foreclosure prevention through homeowner education and outreach.
- The third workgroup focused on preventing future foreclosures through examination of regulatory practices and other legal practices.
- 239 foreclosure counselors were trained within the first year of the taskforce's operations.
- Public Service Announcements were developed, along with cable and print media efforts.
- Education and mortgage seminars reached 848 attendees.
- Senate Bill 797 was passed in 2008 to give homeowners more time to modify or adjust loans prior to foreclosure.
- Supported other foreclosure related bills that included rescue scam prevention.

Actions

- Develop a coalition
- Develop workgroups to target specific goals and objectives. This is an efficient process and maximizes task force volunteers' time and efforts.
- Market through public service announcements, newspapers, magazines, and cable
- Provide education seminars

Best Practices

- Develop a coalition. Not only does it bring together the brightest minds from each industry; it also builds more legislative influence.
- Policy is important, both statewide and federally. Although the coalition itself is only one body, it is still important to put effort into legislative influence for change on a larger scale.

Source: (State of Virginia, <http://www.virginiaforeclosureprevention.com>, 2009)

Muskegon's "Traveling Trio"

In Muskegon, MI an ad-hoc committee was formed to identify problem houses in the community that were blighted or vacant. The committee developed a process that followed these basic steps in order to reclaim and beautify the community:

- 1) Identify the problem through creation of a blighted house or "eyesore" to-do list.
- 2) Make an inventory of existing tools and enforcement procedures. (What ordinances in the "toolbox" apply? What aren't necessary?)
- 3) Develop and implement a plan that:
 - Enforces current codes and ordinances
 - Implements new codes or ordinances as necessary
 - Determines priorities within the community
 - Communicates goals to code enforcement and city attorneys
 - Addresses the to-do list in a manner that involves the community members

Muskegon, MI

- Muskegon is located on the western coast of Mid-Michigan.
- Muskegon has a population of just over 40,000 people.

Results

- The "traveling trio" as they became known of Muskegon, MI included a city commissioner, a fire department inspector and a police officer. This trio would tour neighborhoods within Muskegon to inspect vacant buildings. They would actively engage in conversation with neighbors within the community to help identify issues, as well as gain support for the clean-up, beautification or demolition efforts that would follow. While canvassing the neighborhoods, the trio would create a to-do list, which helped remold neighborhoods' landscapes on a house-by-house basis.

- Once this to-do list was completed for a specific target neighborhood. If there were any code violations, fees would be collected. These fees help with some of the community reclamation effort.
- Eventually, projects would be undertaken to restore blighted buildings to use or to demolish them or simply to help beautify the streetscape. When these projects occurred, the local community is actively engaged and volunteer to help paint, to help clean up and generally to assist in any way possible. Picnics and even block-party themed gatherings would occur, bringing community members closer and helping to stabilize the neighborhood through eliminating blighted and vacant buildings.

Actions

- Create an “eye-sore to-do list”.
- Establish an inventory of existing tools and resources.
- Create a program that helps stabilize communities and allows community members reclaim neighborhoods.
- Capitalize on sweat equity that volunteers are willing to give in order to improve the community.

Best Practices

- Effectively use one of the municipality’s most powerful tools - the law.
- Ordinances can be used in a manner that raises money for community development and in a way that requires owners to manage their properties in a responsible manner.

Source: (Michigan Municipal League, 2009)

Housing Emergency Loan Program (HELP)

The purpose of the Housing Emergency Loan Program (HELP) is to provide emergency funds to low-income families to pay utility or shelter bills. This program provides short-term, interest free loans in order to assist families experiencing financial difficulties.



Hamilton, Ontario

- Hamilton has a population of over 500,000.
- Historically, major employers have been in the steel and heavy manufacturing industry.

Results

- Numerous city residents to cover moving costs, utility costs and past-due rent.
- Coordinated other housing and social service needs based on applicants' information.
- Provided housing services referrals, mental health referrals, maintenance assistance and other supportive services.

Actions

- Assist low-income at-risk families.
- Connect with other organizations in the community to establish existing resources.

Best Practices

- Providing temporary assistance to low-income families at risk allows them to get through short-term financial hardships without losing their homes or destroying their credit. This contributes to neighborhoods remaining stable.
- Pooling funds from nonprofits and other community development agencies allows for more efficient resource delivery.

- Early interventions prevent community members from losing their homes, which allows for tax revenues to be maintained and also helps to prevent and minimize homelessness.

Source: (Hamilton Housing Centre, 2009)

Contact: (905) 526-8100 or via e-mail at info@helpcenter.ca

Coalition on Temporary Shelter (COTS)

The Coalition on Temporary Shelter (COTS) has been offering services to the homeless and those at risk of being homeless since 1982. Today they employ over 80 people and have 6 sites. The mission of COTS is to: alleviate homelessness by providing an array of services that enable people to achieve self-sufficiency and obtain quality affordable housing. COTS also exist to advocate for long-term solutions to the problems of homelessness.

Detroit, MI

- Detroit has a population of just fewer than 900,000.
- An estimated 9,500 individuals and families are homeless on any given night in Detroit.
- Nearly 27% of Detroit's families are living at or below poverty level.
- In 2007, COTS helped 1,480 of its guests obtain employment.
- Each year, over 2,000 people are provided shelter through COTS.
- COTS provide over 80 units of transitional housing for men, women and children for up to twenty-four months. This transitional housing is provided as part of their transitional housing program (THP) which provides supportive services in the form of: employment placement programs, permanent housing assistance, drug and alcohol recovery programs and child-care programming.
- On average, 23% of COTS' guests are children.

Actions

- Provide temporary shelter and supportive services for residents to remain within their community after being displaced.

Best Practices

- Connecting residents with temporary shelter and their services empower and enable them to return to the workforce and to find quality, affordable housing.

Source: (www.cotsdetroit.org, 2009)

Contact:

Coalition on Temporary Shelter - Detroit

26 Peterboro

Detroit, MI 48201

Telephone: (313) 831-3777

Fax: (313) 831-5199



8.11 Appendix K

Overview of Funding Sources

Community Development Block Grants (CDBGs)

Community Development Block Grants are a resource for municipalities to distribute for community development endeavors. Some activities this money can be used for include: production of affordable housing, infrastructure improvements, neighborhood blight removal and reclamation projects. CDBG funds are allocated annually on a formula basis. Entitlement communities receive their funds directly from the U.S. Department of Housing and Urban Development (HUD) and non-entitlement communities receive theirs from the state.

Source : (www.hud.gov)

Community Development Financial Institution Fund

The Community Development Financial Institution Fund is administered through the U.S. Department of Treasury. The CDFI Fund allocates money to certify CDFI's in order to promote economic development and community development in underserved and low-income communities. They provide loans and grants to certify CDFI's in order to invest in their local communities, while stimulating additional funds through private investment. They also provide technical assistance to certified CDFI's. The CDFI Fund also administers the New Markets Tax Credit Program (NMTC). Another source of funding is through the CDFI Fund's Bank Enterprise Award (BEA), which provides money to local banks that have proven they are committed to improving the communities in which they are located through community development efforts.

Source: (www.cdfifund.gov)

Continuum of Care Grants (CoC)

More than \$1.5 billion in Continuum of Care Grants are being awarded as part of the American Recovery and Reinvestment Act of 2009. These funds are used for transitional and permanent housing for homeless individuals and families. These grants are similar to the Emergency Shelter Grants; however, they are awarded on a competitive basis to local programs that are successfully meeting the needs of their homeless clients. Job training, substance abuse counseling, healthcare and child care services are also supported through these funds.

Currently, over \$24 million have been allocated to 23 local communities that have developed pilot programs to rapidly relocate homeless families with children. In Michigan, a program in Portage (Kalamazoo County) received \$232,318 as one of the 23 pilot communities across the nation.

Source :(www.hud.gov)

Emergency Shelter Grants (ESGs)

The Emergency Shelter Grants (ESGs) have been increased as part of the American Recovery and Reinvestment Act of 2009. This increase in funding is in response to the rapidly growing number of families that are losing their homes, forcing them into shelters. The funds are intended to aid in operation of shelters and social service programs, including job training, substance abuse rehabilitation, childcare services and other homeless prevention initiatives. \$160 million in ESGs will be allocated on a formula basis to state and local governments.

Source :(www.hud.gov)

HOME Investment Partnerships Program (HOME)

HOME funds are administered through HUD and provide the largest federal block grant for affordable housing for low-moderate income individuals and families. Each year, HUD allocates approximately \$2 billion under this program between states and localities. Each state receives a formula-based allocation or \$3 million dollars, whichever is greater. If a locality does not qualify for its own allocation directly through HUD, it can join with other neighboring localities to form a legal consortium in order to receive funds.

Source :(www.hud.gov)

Housing Resource Fund (HRF)

The Housing Resource Fund is a pool of money from Community Development Block Grants, HOME funds and the Michigan State Housing Development Authority (MSHDA). It is administered through MSHDA's Office of Community Development (OCD). The purpose of this fund is to provide money to: reshape residential neighborhoods into attractive places to live, to make the area more livable for current residents and also to provide housing for low-moderate income families. The OCD evaluates proposed projects and awards funding based on community priorities and MSHDA's priorities; therefore, funding is competitive. Both local governments and non-profit agencies can apply.

Source: (www.michigan.gov/mshda)

Michigan Housing and Community Development Fund (MHCDF)

The Michigan Housing and Community Development Fund were designed to pool together money in order to help revitalize the state of Michigan. It provides \$100 million dollars annually, but stimulates even more in private investment. It focuses on affordable housing initiatives; however, areas of greatest need are determined yearly. These funds are allocated by MSHDA and based on a yearly plan determined through public hearings throughout Michigan.

Source :(www.livinginmichigan.org)

Neighborhood Stabilization Program Grants (NSP)

The Neighborhood Stabilization Program Grants provide emergency funds to communities to help stabilize neighborhoods experiencing high rates of foreclosure. It is a provision of Title III of the Housing and Economic Recovery Act of 2008. Macomb County received an allocation of \$9,765,375.00. Eastpointe, Mount Clemens and Center Line are three communities in Macomb County with especially high rates of foreclosure. They are receiving allocations as denoted in the matrix below.

Source: (www.hud.gov), (*Macomb County Planning Office, 2008*)

Community	Homebuyer & Rehab Assistance	Accomplishments	Demolition	Accomplishments	Total
Eastpointe	\$2,803,315.00	70 homes	\$210,000.00	20 homes	\$3,013,319.00
Mount Clemens	\$1,146,658.00	10 homes	\$360,000.00	35 homes	\$1,506,658.00
Centerline	\$643,330.00	16 homes	\$110,000.00	10 homes	\$753,326.00
Total Allocated to Target Communities:					\$5,273,303.00

Figure 4.3a: NSP Funding Allocation to Macomb County's Target Communities.

Source: (Macomb County Planning Office, 2009)

Section 108 Loan Guarantee Program

The Section 108 Loan Guarantee Program is a lending tool for local governments. It is a provision of the CDBG program, providing long-term loans to local governments for economic development projects. Over 1200 projects have been funded using this program; some projects include revitalization of entire neighborhoods to prevent blight. This economic tool can also be used to develop a public-private partnership to pool resources and provide gap funding for development to occur in this difficult financial atmosphere.

Source: (HUD, 2009), (RealtyTrac, 2009)

9. Bibliography

- Anton Art Center. (2009). *Anton Art Center*. Retrieved February 9, 2009, from Anton Art Center: <http://www.theartcenter.org>
- Bold, K. (2009). *United Way 2-1-1 monthly report*. Retrieved February 13, 2009, from http://www.uwsem.org/collateral/pdf/211/monthly_reports/JAN09.pdf
- Bloomberg.com. (2009). *Foreclosure Bus Tour, Sign of Housing Bust, Hits New York Area*. Retrieved April 20, 2009, from Bloomberg.com: <http://www.bloomberg.com/apps/data?pid=avimage&iid=i7I7UQyUtkw>
- Center for Housing Policy, KnowledgePlex, Local Initiatives Support Corporation (LISC), and the Urban Institute. (2009) *Bringing Foreclosed Properties Back into Use*. Retrieved April, 2009 from Foreclosure-Response: http://www.foreclosure-response.org/policy_guide/bring_back.html?tierid=266
- City of Chattanooga. 21 Apr. 2009
<http://www.chattanooga.gov/General_Government/62_1812.htm>.
- City of Eastpointe, Michigan. (2009). *City of Eastpointe, Michigan History & Demographics*. Retrieved February 25, 2009, from City of Eastpointe: <http://www.cityofeastpointe.net/history.htm#history>
- City of Mount Clemens. (2009). *City Facts*. Retrieved February 19, 2009, from Official City of Mount Clemens Web Site: <http://www.cityofmountclemens.com/facts.htm>
- City-Data.com. (2009). *City-Data, Mount Clemens, Michigan*. Retrieved February 26, 2009, from City-Data.com: <http://www.city-data.com/city/Mount-Clemens-Michigan.html>
- City of Zeeland. 2009. Retrieved April 24, 2009, from: <http://www.ci.zeeland.mi.us/>
- Detroit Free Press. (2009). *Delinquent mortgages reach U.S. record of 8.63%*. Retrieved March 6, 2009, from Detroit Free Press: <http://www.freep.com/apps/pbcs.dll/article?AID=2009903060373>
- East Detroit Historical Society. (2008). *Erin-halfaway*. Retrieved February 25, 2009, from Erin-halfaway: <http://www.erin-halfwaydays.org/AboutErin-halfwayDays.html>
- Econmagic.com. (n.d.). *Economic Time Series Page*. Retrieved February 26, 2009, from EconmMagic: <http://www.economagic.com/em-cgi/data.exe/blsla/lauct26040003>
- Federal Reserve Bank of Atlanta. *Community Foreclosure Mitigation Toolkit*. Retrieved March 31, 2009 from: <http://www.frbatlanta.org/comm.cfm>

- Hoene, C. & Pagano, M. (2008, September). *Municipal finance: conditions, local responses, and outlook for the future*. Retrieved February 13, 2009, from http://www.stlouisfed.org/RRRSeries/event4/Event4_Hoene-Pagano.pdf
- Immergluck, D. (2008). Community response to the foreclosure crisis: Thoughts on local interventions. [Electronic version]. *The Federal Reserve Board of Atlanta Community Affairs*, 1(8), 1-22.
- Live Hartford. (2009). Retrieved April 20, 2009, from: <http://www.livehartford.org/>
- Local Initiatives Support Corporation. (2009) *Community Development Coalitions (CDC's) List*. Retrieved March 6, 2009, from http://www.lisc.org/detroit/partners/corporations_4044.shtml#G-M.
- MacLeod, M. K. (2009). *Bright Spots in County Foreclosure Landscape*. Retrieved March 6, 2009, from Macomb Daily: <http://macombdaily.com/articles/2008/12/07/news/srv0000004224520.txt>
- Mallach, A. (2008, September). *Rethinking housing strategies for weak market neighborhoods*. Retrieved February 13, 2009, from http://www.stlouisfed.org/RRRSeries/event4/Event4_Mallach.pdf
- Mallach, A. (2008, October). *How to spend \$3.92 billion: Stabilizing neighborhoods by addressing foreclosed and abandoned properties*. Retrieved February 13, 2009, from http://www.philadelphiafed.org/community-development/publications/discussion-papers/DiscussionPapers_Mallach_10_08_final.pdf
- Macomb County Treasurer's Office. (2008) *Addressing Foreclosure in Macomb County*. Retrieved March, 2009 from Yasmin Habib, Eric Stokan, MA and Lyke Thompson, PhD, Principle Investigator.
- McDash Analytics. (2009) LISC Foreclosure Needs Score. Retrieved Feb, 2009 from LISC: http://www.foreclosure-response.org/maps_and_data/needs_1.html
- Michigan Association of Planning. (2008). Battling foreclosures' and saving neighborhoods: What can local governments do? *Smart Growth Tactics*, 44(1), 1-9.
- Michigan CoolCities. (2009). *Michigan CoolCities*. Retrieved February 24, 2009, from CoolCities.com: <http://www.coolcities.com/whatscool/>
- Michigan Transit Museum. (2009). *Michigan Transit Museum*. Retrieved February 9, 2009, from <http://www.michigantransitmuseum.org>
- Mount Clemens Downtown Development Authority. (2009). *Downtown Development Authority*. Retrieved February 9, 2009, from Mount Clemens Downtown Development Authority: <http://www.downtownmountclemens.com>

- Mount Clemens Farmers Market. (2009). *The Mount Clemens Farmers Market (MCFM)*. Retrieved February 9, 2009, from Mount Clemens Farmers Market- Fresh, Locally Grown Since 1979: <http://mountclemensfarmersmarket.com>
- Mount Clemens Local History. (2008, November 4). *Mount Clemens Local History*. Retrieved February 19, 2009, from Mount Clemens Public Library: <http://www.libcoop.net/mountclemens/local.htm>
- MSN Live Search Maps. (2009). *Live Search Maps- Mount Clemens*. Retrieved February 26, 2009, from MSN Live Search Maps: <http://maps.live.com/>
- Michigan Municipal League. (2007). *Restoring Michigan Communities: Building by building*. Retrieved April 2, 2009 from <http://www.semcog.org/uploadedFiles/restoring-mi-communities2.pdf>
- Michigan State Housing Development Authority. (2009). *Labor and Economic Growth, Counselor Agency Locator*. Retrieved March 6, 2009, from http://www.mshda.info/counseling_search/index.jsp.
- Neighborhood Reinvestment Corporation (2009) Self-Help: National Initiative to Bring Lease Purchase to Scale Retrieved April, 2009 from Stable Communities: <http://www.stablecommunities.org/node/450>
- NHI Research and Reports. (2005). *Building a Better Urban Future: New Directions for Housing Policies in Weak Market Communities*. Retrieved March 25, 2009, from NHI Research and Reports: <http://www.nhi.org/policy/UrbanFuture.html>
- Ohio Foreclosure Prevention Task Force. (2007). *Final report*. Retrieved February 2, 2009 from <http://www.com.state.oh.us/admn/pub/FinalReport.pdf>
- Rapid Growth. 2009. *Zeeland residents 'Feel the Zeel' with new marketing campaign*. Retrieved April 24, 2009, from: Rapid Growth Media: <http://www.rapidgrowthmedia.com/developmentnews/zeel1213.aspx>
- RichmondGov.com. (2009). Neighborhood Guide. Retrieved April 20, 2009, from RichmondGov.com: <http://www.richmondgov.com/departments/pressesecretary/neighborhoodguide/Downtown.aspx>
- RealtyTrac. (2009) *Macomb County Trends*. Retrieved March, 2009 from RealtyTrac: <http://www.realtytrac.com/TrendCenter/default.aspx?address=Macomb%20county,%20MI&parsed=1&cn=Macomb%20county&stc=MI>
- Schramm, M. *NEO CANDO: Using data for foreclosure intervention, prevention and reclamation*. Retrieved February 13, 2009, from http://www.stlouisfed.org/RRRSeries/event4/Event4_Schramm.pdf

- Selweski, C. (2009). *Double trouble: Home values go down, tax bills still go up*. Retrieved March 6, 2009, from Macomb Daily: <http://macombdaily.com/articles/2009/01/25/news/srv0000004565081.txt>
- Selweski, C. (2009). *Top 2008 Macombs Biggest Stories*. Retrieved March 4, 2009, from Macomb Daily: <http://macombdaily.com/articles/2009/01/04/news/doc4960b3b34f2e5229169664.txt>
- SEMCOG. (2009). *SEMCOG*. Retrieved February 5, 2009, from South East Michigan Council of Governments: <http://www.semco.org/Population.aspx>
- SMART. (2009). *Suburban Mobile Authority for Regional Transportation*. Retrieved February 25, 2009, from Ride SMART: <http://www.smartbus.org/smart/Home>
- State Of Florida. Division of Housing and Community Development. 2009. Front Porch Florida Initiative. Date accessed April 25, 2009 from <http://www.floridacommunitydevelopment.org/fpf/index.cfm>
- The City of Allegan. Meet me in downtown Allegan. Retrieved April 5, 2009 from <http://www.cityofallegan.org/index.htm>
- The City of Baltimore. Live Baltimore. Retrieved April 1, 2009, from <http://www.livebaltimore.com/about/>
- The City of Hartford Department of Housing and Urban Development. Homeowner Appraisal Gap Financing. Retrieved April 9, 2009, from The City of Hartford: http://www.hartford.gov/housing/programs/Gap_financing/Gap_Financing_SL96147.htm
- The City of Richmond. Richmond Redevelopment and Housing Authority. Jackson Ward Urban Pioneer Incentive Program. Retrieved April 9, 2009, from Richmond Redevelopment and Housing Authority: www.rrha.org/html/departments/planning/UrbanPioneerFlyer.pdf
- The Crocker House Museum and Macomb County Historical Society. (2009). *The Crocker House Museum and Macomb County Historical Society*. Retrieved February 9, 2009, from <http://www.crockerhousemuseum.com>
- The Home Mortgage Disclosure Act. (2009) *High-Cost Home Purchase Loans*. Retrieved Feb, 2009 from: http://www.foreclosure-response.org/maps_and_data/needs_2.html#1
- The Land Bank. Genesee County Land Bank. Retrieved March 31, 2009 from: <http://thelandbank.org/aboutus.asp>
- The Real Estate Bloggers. *Outside the Box Marketing- The Foreclosure Bus Tour*. Retrieved April 8, 2009, from The Real Estate Bloggers: <http://www.therealestatebloggers.com/2007/10/16/outside-the-box-marketing-the-foreclosure-bus-tour/>

The Real Estate Bloggers. *Paid Foreclosure Tour Starts in Atlanta*. Retrieved April 8, 2009, from The Real Estate Bloggers: <http://www.therealestatebloggers.com/2008/05/20/paid-foreclosure-tour-starts-in-atlanta/>

The Syracuse Neighborhood Initiative. The Syracuse Neighborhood Initiative Housing Market Study. Retrieved April 2, 2009 from <http://www.nw.org/network/pubs/studies/documents/syracuseNIStudy2000.pdf>

U.S. Census Bureau. (2007). *American Community Survey*. Retrieved February 19, 2009, from U.S. Census Bureau: http://factfinder.census.gov/servlet/NPTable?_bm=y&-geo_id=16000US2624290&-qr_name=ACS_2007_3YR_G00_NP01&-ds_name=&-redoLog=false

U.S. Census Bureau. (2009). *MI QuickFacts-2000*. Retrieved February 19, 2009, from U.S. Census Bureau: <http://quickfacts.census.gov/qfd/states/26/2624290.html>

U.S. Department of Housing and Urban Development. About Good Neighbor Next Door. Retrieved April 9, 2009 from <http://www.hud.gov/offices/hsg/sfh/reo/goodn/gnndabot.cfm>

U.S. Department of Housing and Urban Development. (2008). *Are you at risk of foreclosure and losing your home?* Retrieved March, 2009 from H.U.D: <http://www.hud.gov/foreclosure/fctimeline.cfm>.

U.S. Department of Housing and Urban Development. (2008). *Foreclosure Process*. Retrieved March, 2009 from H.U.D: <http://www.hud.gov/foreclosure/foreclosureprocess.cfm>.

United States Department of Labor. (2009). *Bureau of Labor and Statistics*. Retrieved February 26, 2009, from Bureau of Labor and Statistics: <http://www.bls.gov/>

United Way. (2008) *Addressing Foreclosure in Macomb County*. Retrieved March, 2009 from Yasmin Habib, Eric Stokan, MA and Lyke Thompson, PhD, Principle Investigator

US Travel Weather. (2009). *Historical Detroit Weather Data*. Retrieved February 26, 2009, from US Travel Weather: <http://www.ustravelweather.com/michigan/detroit/>