



CITY OF TRAVERSE CITY

# Consolidated Annual Performance and Evaluation Report (CAPER)

**Program Year 2025**

July 1, 2025 through June 30, 2026

Prepared by  
**City of Traverse City**  
Planning and Zoning Department

September 2026

With Assistance from



## DRAFT

## Table of Contents

|                                                                                      |    |
|--------------------------------------------------------------------------------------|----|
| CR-05 - Goals and Outcomes .....                                                     | 2  |
| CR-10 - Racial and Ethnic composition of families assisted .....                     | 4  |
| CR-15 - Resources and Investments 91.520(a) .....                                    | 5  |
| CR-20 - Affordable Housing 91.520(b) .....                                           | 8  |
| CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c) ..... | 11 |
| CR-30 - Public Housing 91.220(h); 91.320(j) .....                                    | 14 |
| CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j) .....                             | 15 |
| CR-40 - Monitoring 91.220 and 91.230 .....                                           | 20 |
| CR-45 - CDBG 91.520(c) .....                                                         | 21 |
| CR-58 – Section 3 .....                                                              | 22 |

## CR-05 - Goals and Outcomes

**Progress the jurisdiction has made in carrying out its strategic plan and its action plan.**

### **91.520(a)**

*This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.*

The City of Traverse City's Planning and Zoning Department oversees preparation of the Consolidated Plan and Annual Action Plan, as well as administration of the Community Development Block Grant (CDBG) Program. This CAPER represents the second reporting year of the 2025/2026 – 2029/2030 Consolidated Plan, covering Program Year (PY) 2025/2026.

This report outlines the City's accomplishments during PY 2025/2026 in advancing the goals of the five-year Consolidated Plan. It documents activities undertaken between July 1, 2025, and June 30, 2026, and compares actual outcomes to the targets established in the 2025/2026 Annual Action Plan. In addition to federally funded projects, the CAPER highlights locally supported programs that contribute to broader community development objectives.

During Program Year 2025, the City received \$367,861 in CDBG funding and continued to focus its resources on affordable housing, homelessness assistance, community development, and program administration activities.

During the program year, the City expended \$309,924.93 in CDBG funds, including \$118,413 in Program Year 2025 funds. A major accomplishment was the investment of \$53,234 for the replacement of aging heating and cooling units with high-efficiency HVAC systems at East Bay Flats, a permanent supportive housing development owned and operated by Goodwill Northern Michigan. This activity helped preserve affordable housing opportunities and benefited 14 low-income residents. An additional 15 were assisted with 2024 CDBG funds. In addition, the City invested \$55,179 in operations at the Jubilee House Day Shelter, which served 277 individuals experiencing homelessness during the program year.

The City also continued to coordinate with housing providers, homeless service organizations, fair housing agencies, and community stakeholders to advance local housing and community development goals. Public participation remained an important component of the planning process through stakeholder meetings, focus groups, public hearings, and public comment opportunities. These efforts helped ensure that funding decisions remained responsive to locally identified needs and priorities.

Overall, the City made measurable progress toward the goals outlined in the Consolidated Plan by preserving affordable housing, supporting services for individuals experiencing homelessness, and strengthening partnerships that improve access to housing and supportive services. Several activities remain ongoing and are expected to generate additional accomplishments in future program years as implementation continues.

**Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)**

*Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.*

| Goal                               | Category                          | Source / Amount | Indicator                                                                                   | Unit of Measure         | Expected – Strategic Plan | Actual – Strategic Plan | Percent Complete | Expected – Program Year | Actual – Program Year | Percent Complete |
|------------------------------------|-----------------------------------|-----------------|---------------------------------------------------------------------------------------------|-------------------------|---------------------------|-------------------------|------------------|-------------------------|-----------------------|------------------|
| Community and Economic Development | Non-Housing Community Development | CDBG: \$20,000  | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted        | 0                         | 0                       | 0.00%            | 200                     | 0                     | 0.00%            |
| Homelessness                       | Homeless                          | CDBG: \$50,000  | Public service activities other than Low/Moderate Income Housing Benefit                    | Persons Assisted        | 120                       | 277                     | 230.8%           | 90                      | 277                   | 307.7%           |
| Housing                            | Affordable Housing                | CDBG: \$270,323 | Rental Units Constructed                                                                    | Household Housing Units | 4                         | 0                       | 0.00%            | 44                      | 0                     | 0.00%            |
|                                    |                                   |                 | TBRA / Rapid Rehousing                                                                      | Households Assisted     | 225                       | 0                       | 0.00%            | 45                      | 0                     | 0.00%            |
|                                    |                                   |                 | Rental Units Rehabbed                                                                       | Household Housing Units | 0                         | 29                      | 0.00%            | 0                       | 14                    | 0.00%            |
| Program Administration             | Program Administration            | CDBG: \$25,000  | Other                                                                                       | Other                   | N/A                       | N/A                     | N/A              | N/A                     | N/A                   | N/A              |

**Table 1 - Accomplishments – Program Year & Strategic Plan to Date**

**Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.**

During this year, year two of the Five-Year Consolidated Plan, Traverse City is working toward effectively using its CDBG funds to undertake a variety of programs, projects and activities designed to address housing and community development needs throughout the City. High-priority initiatives affordable

housing development, public services such as housing counseling and transportation assistance, and community improvements through infrastructure projects and renovation of community services buildings. The accomplishments of the City were consistent with the Consolidated Plan's high-priority community development housing, social services, and homeless objectives, and are presented in this report within this program year.

At its May 12, 2025, meeting, the City Commission approved funding for the following projects:

1. Affordable Housing Assistance and Development - \$270,323 for a new affordable project
2. Public Facilities and Infrastructure Improvements - \$20,000 for infrastructure improvements within low- and moderate-income areas
3. Homeless Shelter Support - \$50,000 for support homeless shelters, including day shelters or overnight shelters
4. Program Administration - \$25,000 for assistance with the administration of the City's CDBG program to meet all HUD requirements

To date the City has drawn down funding for Affordable Housing Assistance and Development, Homeless Shelter Support, and Program Administration (Fair Housing). The above projects are all currently underway.

## CR-10 - Racial and Ethnic composition of families assisted

**Describe the families assisted (including the racial and ethnic status of families assisted).**

**91.520(a)**

|                                           | CDBG       |
|-------------------------------------------|------------|
| White                                     | 244        |
| Black or African American                 | 20         |
| Asian                                     | 0          |
| American Indian or American Native        | 26         |
| Native Hawaiian or Other Pacific Islander | 0          |
| Other                                     | 1          |
| <b>Total</b>                              | <b>291</b> |
| Hispanic                                  | 0          |
| Not Hispanic                              | 291        |

**Table 2 – Table of assistance to racial and ethnic populations by source of funds**

### Narrative

Federal regulations require CDBG entitlement communities to maintain records on the racial and ethnic characteristics of persons and households benefiting from federally funded activities. During Program Year 2025, the City of Traverse City funded the East Bay Flats HVAC Replacement project and operations at the Jubilee House Day Shelter. Together, these activities assisted a total of 291 individuals. Beneficiary

data reported through IDIS indicate that those served included 244 White persons, 20 Black or African American persons, 26 American Indian or Alaska Native persons, and 1 person identified as Other. No beneficiaries were reported as Asian or Native Hawaiian/Other Pacific Islander. In addition, four female-headed households benefited from the East Bay Flats activity.

## CR-15 - Resources and Investments 91.520(a)

### Identify the resources made available

| Source of Funds | Source           | Resources Made Available | Amount Expended During Program Year |
|-----------------|------------------|--------------------------|-------------------------------------|
| CDBG            | public - federal | \$367,861                | \$319,924.93                        |

**Table 3 - Resources Made Available**

### Narrative

Information presented in Table 4 summarizes the resources made available through the Community Development Block Grant (CDBG) program during Program Year 2025. Traverse City received a CDBG entitlement allocation of \$367,861 to address priority housing, homelessness, community development, and administrative needs identified in the 2024-2028 Consolidated Plan. During the program year, the City expended \$319,924.93 in CDBG funds to carry out eligible activities that furthered these goals. The PR26 Financial Summary Report, which is required as part of the CAPER submission, documents total expenditures of \$319,924.93, including \$201,511.93 from prior year (2024) CDBG-funded activities and \$118,413.00 from Program Year 2025 activities including \$53,234 for high-efficiency HVAC replacements at East Bay Flats, \$55,179 for operations at the Jubilee House Day Shelter, and \$10,000 for Fair Housing activities.

The 2025 Annual Action Plan included the following projects:

- Affordable Housing Assistance and Development (\$270,323) for the development of new affordable housing opportunities.
- Public Facilities and Infrastructure Improvements (\$20,000) for infrastructure improvements benefiting low- and moderate-income areas.
- Homeless Shelter Support (\$50,000) to assist organizations providing services and shelter to persons experiencing homelessness.
- Program Administration (\$25,000) to support the administration and oversight of the City's CDBG program and ensure compliance with HUD requirements, including fair housing activities.

These resources supported the City's efforts to expand affordable housing opportunities, assist individuals experiencing homelessness, improve community facilities and infrastructure, and effectively administer the CDBG program. While a substantial portion of available funds was expended during the program year, several activities funded under these projects remain ongoing and will continue into future program years.

**Identify the geographic distribution and location of investments**

| Target Area | Planned Percentage of Allocation | Actual Percentage of Allocation | Narrative Description                                                                                                                                                                                                                                          |
|-------------|----------------------------------|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Citywide    | 100%                             | 32.2%                           | The City allocates funding citywide to address identified needs and serve eligible populations. Because the full 2025 allocation has not yet been expended, the City expects to reach its planned allocation percentage as remaining activities are completed. |

**Table 4 – Identify the geographic distribution and location of investments****Narrative**

For this Consolidated Plan, the City of Traverse City did not designate specific target areas for investment. Instead, the City focused on addressing priority housing, homelessness, and community development needs throughout the community through activities that benefit low- and moderate-income residents. During Program Year 2025, CDBG resources were allocated to Affordable Housing Assistance and Development, Public Facilities and Infrastructure Improvements, Homeless Shelter Support, and Program Administration in accordance with the priorities established in the 2024-2028 Consolidated Plan.

During Program Year 2025, the City expended \$118,413 in CDBG funds, or approximately 32.2 percent of its annual allocation, to support affordable housing preservation, homeless assistance, and fair housing. The City provided \$53,234 to replace aging heating and cooling units with high-efficiency HVAC systems at East Bay Flats, a permanent supportive housing development owned and operated by Goodwill Northern Michigan. These improvements help preserve the property's long-term quality, energy efficiency, and affordability for low- and moderate-income residents. The City also awarded \$55,179 to support operations at the Jubilee House Day Shelter, which served 277 individuals experiencing homelessness by providing meals, laundry facilities, internet and email access, and secure storage for personal belongings. In addition, the City expended \$10,000 on fair housing assistance. Together, these investments addressed critical housing and service needs and improved stability for vulnerable Traverse City residents.

## Leveraging

**Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.**

The Community Development Block Grant (CDBG) program does not require matching funds; however, the City recognizes that CDBG resources alone are not sufficient to address all identified housing, homeless assistance, community development, and public service needs. As a result, the City seeks opportunities to coordinate CDBG funding with other available public and private resources to maximize the impact of its investments.

During Program Year 2025, CDBG funds supported activities consistent with the priorities identified in the 2024-2028 Consolidated Plan, including affordable housing assistance and development, public facilities and infrastructure improvements, homeless shelter support, and program administration. These investments were intended to improve housing opportunities, support individuals experiencing homelessness, address community development needs, and ensure effective administration of the City's CDBG program.

The City will continue to pursue partnerships and additional funding opportunities that complement CDBG investments and help advance local housing and community development goals. By coordinating available resources, the City can expand the reach of its programs, support a broader range of eligible activities, and respond more effectively to community needs identified through the Consolidated Planning process.

## CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

|                                                                            | One-Year Goal | Actual   |
|----------------------------------------------------------------------------|---------------|----------|
| Number of Homeless households to be provided affordable housing units      | 0             | 0        |
| Number of non-homeless households to be provided affordable housing units  | 89            | 14       |
| Number of Special-Needs households to be provided affordable housing units | 0             | 0        |
| <b>Total</b>                                                               | <b>89</b>     | <b>0</b> |

Table 5 – Number of Households

|                                                                      | One-Year Goal | Actual    |
|----------------------------------------------------------------------|---------------|-----------|
| Number of households supported through Rental Assistance             | 45            | 0         |
| Number of households supported through The Production of New Units   | 44            | 0         |
| Number of households supported through Rehab of Existing Units       | 0             | 14        |
| Number of households supported through Acquisition of Existing Units | 0             | 0         |
| <b>Total</b>                                                         | <b>89</b>     | <b>14</b> |

Table 6 – Number of Households Supported

**Discuss the difference between goals and outcomes and problems encountered in meeting these goals.**

For Program Year 2025, the City of Traverse City supported efforts to prevent homelessness and promote housing stability through investments in both supportive services and permanent supportive housing. Funding provided to the Jubilee House Day Shelter helped maintain a critical community resource for individuals experiencing homelessness or housing instability. The shelter served 277 individuals during the program year and provided a stable environment where participants could access services and remain connected to community resources and assistance programs.

The City also supported the preservation of permanent supportive housing through improvements at East Bay Flats, a development owned and operated by Goodwill Northern Michigan. CDBG funds were used to replace aging heating and cooling units with high-efficiency HVAC systems, helping to maintain the quality and long-term viability of housing available to residents with limited incomes and supportive

service needs. Maintaining safe, stable, and affordable housing opportunities is an important component of preventing homelessness among vulnerable populations and helping households remain successfully housed.

In addition, the City continued to coordinate with local housing providers, homeless service agencies, fair housing organizations, and community partners to ensure residents have access to available housing resources, supportive services, and assistance programs. These collaborative efforts help strengthen the community's capacity to address housing instability, support residents with complex needs, and reduce the likelihood that individuals and families will experience homelessness or return to homelessness in the future.

As part of a planned public/non-profit partnership, the City intended to use part of its CDBG allocation to fund some pre-development costs for the proposed construction of a 47-unit low/moderate-income qualified residence. The non-profit developer anticipated LIHTC funding to help finance this project. Ultimately, the project did not receive LIHTC funding and did not move forward. In addition, the City anticipated using part of its CDBG allocation for emergency rental assistance for individuals experiencing homelessness. When a group of individuals living in an encampment needed relocation and rental assistance, the service provider used other readily available resources to fund emergency rental assistance because CDBG compliance requirements could not be met within the necessary timeframe.

The City intends to amend its 2025 Annual Action Plan to reallocate the funding for both of these activities that do not move forward.

Several activities funded during Program Year 2025 remain underway and are expected to generate additional accomplishments in future program years. The City will continue to monitor expenditures, accomplishments, and beneficiary data through IDIS to evaluate progress toward Consolidated Plan goals and ensure that available resources are directed toward activities that address priority community needs and provide measurable benefits to low- and moderate-income residents

### **Discuss how these outcomes will impact future annual action plans.**

The outcomes achieved during Program Year 2025 will help inform future Annual Action Plans by providing the City with valuable information about the effectiveness of funded activities and the ongoing needs of the community. Accomplishments during the program year demonstrated continued demand for affordable housing improvements and services for individuals experiencing homelessness, particularly through supportive housing rehabilitation projects and homeless shelter operations. The City will use performance data, expenditure trends, and accomplishments reported through IDIS to evaluate which activities are producing measurable results and advancing the goals identified in the 2024-2028 Consolidated Plan. This information will assist the City in prioritizing future funding decisions, refining project selection criteria, and ensuring that CDBG resources continue to address the most pressing housing, community development, and homeless assistance needs. As ongoing activities are completed and additional performance data become available, the City will continue to assess

community needs and adjust future Annual Action Plans accordingly to maximize the impact of available CDBG funding.

**Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.**

| Number of Households Served | CDBG Actual |
|-----------------------------|-------------|
| Extremely Low-income        | 13          |
| Low-income                  | 1           |
| Moderate-income             | 0           |
| <b>Total</b>                | <b>14</b>   |

**Table 7 – Number of Households Served**

### **Narrative**

For Program Year 2025, the City of Traverse City funded two activities that required income-based eligibility determinations. Under the Affordable Housing Assistance and Development project, the City invested \$53,234 in HVAC improvements at East Bay Flats, a permanent supportive housing development operated by Goodwill Northern Michigan. This activity benefited 14 persons, including 13 extremely low-income persons and 1 low-income person. No moderate-income persons were assisted through this activity. It should be noted that the city also completed 15 additional HVAC improvements with 2024 CDBG funds during the 2025 program year.

The City also provided \$55,179 in CDBG funding to support operations at the Jubilee House Day Shelter. The shelter served 277 individuals experiencing homelessness during the program year, all of whom were classified as extremely low-income. The shelter provided access to essential services and served as a critical community resource for individuals facing housing instability and homelessness.

## **CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)**

**Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:**

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

The City of Traverse City continues to support efforts to reach individuals experiencing homelessness and connect them with essential services through partnerships with local service providers. During Program Year 2025, the City provided \$55,179 in CDBG funding to support operations at the Jubilee House Day Shelter. The shelter served 277 unduplicated individuals experiencing homelessness and provided a safe and accessible location where participants could access meals, laundry facilities, internet and email services, and secure storage for personal belongings. For many individuals utilizing nearby overnight shelter facilities, the day shelter served as an important point of contact during daytime hours and helped address immediate needs while connecting individuals with available community resources. The high level of utilization during the program year underscores the continued demand for homeless assistance services within Traverse City and highlights the importance of maintaining accessible facilities where individuals can seek assistance and access supportive services. Through these efforts, the City continues to support community-wide strategies aimed at addressing homelessness and helping individuals move toward greater housing stability.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

During Program Year 2025, the City of Traverse City supported homeless assistance efforts through funding for the Jubilee House Day Shelter. A total of \$55,179 in CDBG funds was awarded to support day shelter operations for individuals experiencing homelessness. The shelter served 277 unduplicated individuals during the program year and provided essential services, including access to meals, laundry facilities, internet and email services, and secure storage for personal belongings. The facility serves as an important resource for individuals utilizing nearby overnight shelter accommodations and provides a safe location during daytime hours where participants can access basic needs and supportive services. Continued utilization of the shelter demonstrates the ongoing demand for emergency shelter and related services within the community and the important role these programs play in addressing the needs of persons experiencing homelessness.

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

For Program Year 2025, the City of Traverse City supported activities that help reduce the risk of homelessness among low-income individuals and families by maintaining access to both supportive services and stable housing opportunities. Funding provided to the Jubilee House Day Shelter helped ensure that individuals experiencing homelessness or housing instability had continued access to a safe daytime environment and supportive resources within the community.

The City also invested in the preservation of permanent supportive housing at East Bay Flats through the replacement of aging HVAC systems. These improvements help maintain the quality and long-term viability of housing that serves residents with limited incomes and supportive service needs, reducing the risk of housing instability and future homelessness.

In addition, the City continued to coordinate with local housing providers, homeless service organizations, fair housing agencies, and community partners to connect residents with available housing resources, supportive services, and housing opportunities. These collaborative efforts help ensure that vulnerable populations, including those transitioning from homelessness or other challenging circumstances, have access to the resources necessary to maintain stable housing and avoid future episodes of homelessness.

Previously city partnered with Northwest Michigan Supportive Housing to complete boiler, water heater, and roof replacements at Three Mile Road four-plex. The mission of the Northwest Michigan Supportive Housing is to provide permanent supportive housing to those experiencing homelessness and struggling with mental illness.

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

For Program Year 2025, the City of Traverse City supported activities that assist individuals experiencing homelessness in achieving greater housing stability and reducing barriers to permanent housing. Funding provided to the Jubilee House Day Shelter helped connect individuals experiencing homelessness with essential services and community resources that support their transition toward stable housing and independent living. The shelter served 277 individuals during the program year and provided a safe, supportive environment where participants could access basic necessities and maintain connections to service providers and other assistance programs.

The City also invested in the preservation of permanent supportive housing through improvements at East Bay Flats, a housing development owned and operated by Goodwill Northern Michigan. By funding the replacement of aging HVAC systems, the City helped maintain the long-term viability of housing that serves residents who may otherwise be at risk of homelessness. Preserving existing supportive housing

opportunities is an important component of preventing homelessness and ensuring vulnerable individuals have access to stable housing and the supportive services needed to maintain independence. Together, these investments support a community-wide approach to reducing homelessness, increasing housing stability, and helping residents remain housed over the long term.

DRAFT

## **CR-30 - Public Housing 91.220(h); 91.320(j)**

### **Actions taken to address the needs of public housing**

The Traverse City Housing Commission (TCHC) owns and operates public housing within the City; however, other housing providers in the community continuously seek to rehabilitate the supply of housing affordable to low and very low-income persons. The TCHC administers vouchers to cover the Traverse City area.

Available assistance includes the Housing Choice Voucher Assistance Program, which provides financial rental assistance to eligible individuals and families based upon income. The amount paid for rent and utilities will generally not exceed 30% of income. Family income must be within HUD's guidelines for household size to qualify. Housing units must pass the Housing Quality Standards Inspection per guidelines established by HUD. This program typically has a waiting list.

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

The City will work cooperatively with TCHC, other public housing authorities within Grand Traverse County, and private entities in the provision of public and subsidized housing within the City of Traverse City. Several PHAs administer vouchers in Grand Traverse County and cover the Traverse City area. The City of Traverse City will continue to encourage and refer residents in need of housing to these programs.

### **Actions taken to provide assistance to troubled PHAs**

The City of Traverse City is served by the Traverse City Housing Commission, which owns and operates Riverview Terrace, the community's public housing development. The Housing Commission is not designated as a troubled Public Housing Authority and continues to maintain its public housing inventory in a safe and habitable condition. The most recent HUD inspection of Riverview Terrace was conducted on January 6, 2026, and the property received a score of 89. This inspection score reflects satisfactory management and maintenance of the development and demonstrates the Housing Commission's ongoing commitment to providing quality affordable housing opportunities for residents. The City will continue to coordinate with the Housing Commission to support the preservation and long-term viability of public housing within the community.

## **CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)**

**Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)**

The City of Traverse City recognizes that local policies, regulations, and development costs can influence the availability and affordability of housing. To help address these challenges, the City has undertaken several initiatives aimed at reducing barriers to housing development and expanding housing opportunities throughout the community.

### **Zoning and Land Use Improvements**

The City has continued implementing zoning and land use policy changes that support a broader range of housing types, including accessory dwelling units (ADUs), duplexes, and other housing options that increase residential density and housing choice.

### **Development Review Process Improvements**

Efforts have been made to improve and clarify development review procedures, helping to create a more predictable approval process and reduce delays associated with project development.

### **Fee Reduction and Development Incentives**

The City has explored opportunities to reduce or waive certain development-related fees for housing projects and continues to encourage the use of available state and federal funding sources that support affordable housing development.

### **Parking Requirement Modifications**

Parking standards have been evaluated and adjusted in selected areas to reduce unnecessary development costs while supporting housing construction in walkable and transit-accessible locations.

### **Coordination with Housing and Service Providers**

The City continues to coordinate with housing providers, nonprofit organizations, and community partners to better understand local housing needs and identify opportunities to support housing development and housing stability initiatives.

### **Ongoing Policy Review**

The City regularly evaluates its land use regulations, development standards, and planning policies to identify opportunities for improvement. Future updates to planning documents and development regulations will continue to consider strategies that promote housing availability and address community housing needs.

Through these efforts, the City is working to encourage the development and preservation of housing opportunities, reduce unnecessary regulatory barriers, and support a range of housing options for current and future residents.

**Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)**

For Program Year 2025, the City of Traverse City continued to address underserved needs through strategic investments in housing, homeless assistance, community development, and program administration activities. While available funding resources remain limited relative to the community's needs, the City leveraged its CDBG allocation to support projects that benefited low- and moderate-income residents and individuals experiencing homelessness. Notable accomplishments included funding for the Jubilee House Day Shelter that provided services for individuals experiencing homelessness.

The City continues to rely on strong partnerships with nonprofit organizations, housing providers, and community service agencies to maximize the impact of available resources. Despite increasing housing costs, construction expenses, and growing demand for services, these collaborative efforts help expand access to housing opportunities and supportive services for vulnerable populations. The City remains committed to identifying additional funding opportunities, strengthening partnerships, and directing resources toward activities that address the priority needs identified in the Consolidated Plan.

**Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)**

At this time, the City of Traverse City does not anticipate directly funding housing rehabilitation for lead-based paint abatement; however, should this change, each substandard housing unit to be rehabilitated will be inspected and tested by a licensed inspector to identify lead-based paint hazards. A report with the rehabilitation approach and strategy to eliminate lead hazards is issued to the City and the homeowner by the inspector(s).

**Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)**

Most CDBG program funds are directed toward meeting the needs of low- and moderate-income residents. Recently, the City partnered with Goodwill Northern Michigan, Northwest Michigan Supportive Housing, Central United Methodist Church Outreach Program, and Safe Harbor of Grand Traverse, Inc. to expand services for households living at or below the poverty level. Additionally, the city partnered with Jubilee House Day Shelter that provided services for individuals experiencing homelessness and funded \$55,179 to keep this crucial day shelter open.

These partner agencies provide critical housing, shelter, and supportive services to vulnerable families and individuals. Many of their programs go beyond immediate assistance, offering opportunities for self-sufficiency, life skills development, and long-term stability. By addressing both urgent needs and the underlying barriers to economic independence, these efforts help reduce poverty in Traverse City and

support the goals of the Consolidated Plan.

### **Actions taken to develop institutional structure. 91.220(k); 91.320(j)**

During Program Year 2025, the City of Traverse City continued to strengthen its capacity to administer the CDBG program and coordinate housing and community development activities. As a relatively new CDBG entitlement community, the City continued developing internal procedures and administrative practices necessary to ensure compliance with HUD requirements and effective program management.

The City maintained coordination among City departments involved in program administration, including planning, finance, and other staff responsible for implementing and monitoring CDBG-funded activities. This coordinated approach helped ensure that available resources were managed efficiently and that program activities remained aligned with the goals and priorities established in the 2024-2028 Consolidated Plan.

The City also continued to work with local housing and service providers to identify community needs and implement eligible activities. During the program year, CDBG funding supported operations at the Jubilee House Day Shelter, which provided services to individuals experiencing homelessness. Ongoing communication with service providers and community stakeholders helped the City monitor program performance, identify emerging needs, and evaluate opportunities for future investments.

In addition, the City continued to monitor CDBG-funded activities and maintain required financial and performance reporting systems, including the use of IDIS for tracking expenditures and accomplishments. These efforts have strengthened the City's institutional framework for administering federal funds and have positioned the City to effectively manage and implement future housing and community development activities.

### **Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)**

During Program Year 2025, the City of Traverse City continued to strengthen coordination among housing providers, social service agencies, and community organizations to address identified housing and homelessness needs. Through ongoing collaboration and communication with local partners, the City worked to ensure that CDBG-funded activities supported community priorities and complemented existing housing and supportive service efforts.

Key coordination activities during the program year included:

- **Coordination with Jubilee House Day Shelter**

The City worked closely with Jubilee House to support day shelter operations for individuals experiencing homelessness. CDBG funding helped maintain a safe daytime facility where individuals could access meals, laundry facilities, internet and email services, and secure storage

for personal belongings. Ongoing communication with shelter staff helped ensure services remained responsive to community needs and integrated with the broader homeless assistance network.

- **Coordination with East Bay Flats**

The City coordinated with Goodwill Northern Michigan involved in the East Bay Flats permanent supportive housing development to support capital improvements that preserve affordable housing opportunities. During the program year, CDBG funds were used to replace individual heating and cooling units with high-efficiency HVAC systems, helping to maintain safe, decent, and energy-efficient housing for low- and moderate-income households.

- **Collaboration with Fair Housing Service Providers**

The City continued to coordinate with organizations providing fair housing services in the Traverse City area to support housing choice, fair housing education, and compliance with federal fair housing requirements. These efforts help ensure residents have access to information and resources related to their housing rights and housing opportunities.

- **Partnership Development**

The City maintained partnerships with local housing providers, nonprofit organizations, and community service agencies to align available resources with identified housing and community development needs.

- **Collaboration with the Continuum of Care (CoC)**

The City coordinated with organizations involved in the Greater Grand Traverse Area Continuum of Care to better understand homelessness trends, identify service gaps, and support community-wide efforts to address homelessness.

- **Cross-Sector Engagement**

Through public involvement and focus group meetings the City engaged public agencies, housing providers, nonprofit organizations, and community stakeholders through meetings, public hearings, and ongoing discussions regarding housing, homeless assistance, and community development priorities.

- **Resource Leveraging**

The City encouraged coordination among funding partners and service providers to maximize available resources and support projects that address local housing and community development needs.

- **Ongoing Communication and Monitoring**

Regular communication with subrecipients and community partners helped the City monitor project progress, ensure compliance with program requirements, and identify emerging needs and opportunities.

Through these efforts, the City enhanced coordination among public agencies, housing providers, fair housing organizations, and social service providers, helping to improve the delivery of housing and supportive services and maximize the impact of available community development resources.

**Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)**

In 2025, the city partnered with Fair Housing Center of West Michigan (FHCWM) and supports efforts in educating realtors and enforcing fair housing laws throughout the region. This effort is working toward the development of fair housing programming and public information campaigns.

Additionally, the City has complete an Analysis of Impediments to Fair Housing Choice and is working toward addressing the new impediments identified and the 8 action items that were developed. Action items include:

1. Increase efforts to provide fair housing reports to the public and private sectors, initiate dialogue, and solicit assistance.
2. Establish a process for disseminating Fair Housing Education Efforts through deliberate and targeted strategies.
3. Increase efforts to disseminate fair housing information and educate local officials, employees and residents on fair housing laws
4. Increase the availability of fair housing materials through electronic means and ensure that the fair housing logo and fair information are included in all related housing materials.
5. Review regulations and policies that may have an impact on the location, cost and supply of housing.
6. Encourage the development affordable housing for the persons included in the protected classes
7. Continue and Evaluate and Improve ADA Education
8. Work to prepare a formalized fair housing complaint procedure and fair housing monitoring procedures

## **CR-40 - Monitoring 91.220 and 91.230**

**Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements.**

The Planning and Zoning Department is responsible for administering the CDBG program and has regular contact with the public, projects, Traverse City staff, and other agencies that receive funds through this program. Staff monitors activities and provides technical assistance to all other departments and subrecipient agencies. Staff may provide oversight of projects run by the City, and regular review and oversight of subrecipient programs and progress reports. Staff will be diligent with the timely expenditure of federal funds and have made sure that regulations have been followed prior to the release of funds.

The City of Traverse City shall monitor its Consolidated Plan strategies by utilizing the Consolidated Annual Performance and Evaluation Report (CAPER) to ensure that its community development goals are being carried out in a timely manner. The City is responsible for ensuring that the performance of CDBG program funding meets the national objectives established by Congress and the programmatic requirements established by HUD. Traverse City 's Finance and Budget Department maintains a continual performance monitoring system through the annual single audit at the end of each calendar year and the annual performance report at the end of each CDBG program year which includes HUD's performance measurement reviews.

- Monthly IDIS Drawdown and Reporting – Traverse City has an internal program goal of completing CDBG Requests for Reimbursements (drawdowns) in a timely manner. The drawdowns are electronically submitted to HUD via the computer-based Integrated Disbursement and Information System (IDIS). Program accomplishments are also reported to HUD via the IDIS on a quarterly basis.
- Pre-award Review - Prior to the award of CDBG funds, all awardees receive a pre-contract review to assess the capacity of the agency's administrative and fiscal management systems to successfully complete the proposed activities.
- Post-award Monitoring – After funding approval, ongoing monitoring and technical assistance is provided on a continual basis as monthly billings are reviewed and processed. In addition, on-site monitoring visits may be conducted annually.

## **Citizen Participation Plan 91.105(d); 91.115(d)**

**Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.**

The draft CAPER was made available for public comment from September 6 through September 21, 2026. The City published notice of its availability in the weekend edition of the *Record-Eagle* on September 6, 2026, and posted the notice at City Hall on September 6, 2026. The draft report was also posted on the City's website on September 6, 2026, and was accessible at City offices during the public comment period. A public hearing was held with the City Commission on September 21, 2026, to review the performance report and provide an opportunity for public comment. Any comments received during this period will be included in the Appendix of this document.

### **CR-45 - CDBG 91.520(c)**

**Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.**

No changes were made to the City's program objectives or activities during Program Year 2025. The City continues to implement the priorities and strategies established in the 2024-2028 Consolidated Plan and Annual Action Plan and will evaluate future modifications as additional program experience and performance data become available.

**Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?**

No

**[BEDI grantees] Describe accomplishments and program outcomes during the last year.**

N/A

## CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

| Total Labor Hours                     | CDBG | HOME | ESG | HOPWA | HTF |
|---------------------------------------|------|------|-----|-------|-----|
| Total Number of Activities            | 0    |      |     |       |     |
| Total Labor Hours                     | 0    |      |     |       |     |
| Total Section 3 Worker Hours          | 0    |      |     |       |     |
| Total Targeted Section 3 Worker Hours | 0    |      |     |       |     |

**Table 8 – Total Labor Hours**

| Qualitative Efforts - Number of Activities by Program                                                                                                                                                   | CDBG | HOME | ESG | HOPWA | HTF |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|-----|-------|-----|
| Outreach efforts to generate job applicants who are Public Housing Targeted Workers                                                                                                                     |      |      |     |       |     |
| Outreach efforts to generate job applicants who are Other Funding Targeted Workers.                                                                                                                     |      |      |     |       |     |
| Direct, on-the job training (including apprenticeships).                                                                                                                                                |      |      |     |       |     |
| Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.                                                                                                     |      |      |     |       |     |
| Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).                                                                                                    |      |      |     |       |     |
| Outreach efforts to identify and secure bids from Section 3 business concerns.                                                                                                                          |      |      |     |       |     |
| Technical assistance to help Section 3 business concerns understand and bid on contracts.                                                                                                               |      |      |     |       |     |
| Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.                                                                                                     |      |      |     |       |     |
| Provided or connected residents with assistance in seeking employment including; drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services. |      |      |     |       |     |
| Held one or more job fairs.                                                                                                                                                                             |      |      |     |       |     |
| Provided or connected residents with supportive services that can provide direct services or referrals.                                                                                                 |      |      |     |       |     |
| Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.          |      |      |     |       |     |
| Assisted residents with finding childcare.                                                                                                                                                              |      |      |     |       |     |
| Assisted residents to apply for or attend community college or a four-year educational institution.                                                                                                     |      |      |     |       |     |
| Assisted residents to apply for or attend vocational/technical training.                                                                                                                                |      |      |     |       |     |
| Assisted residents to obtain financial literacy training and/or coaching.                                                                                                                               |      |      |     |       |     |
| Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.                                                                                               |      |      |     |       |     |
| Provided or connected residents with training on computer use or online technologies.                                                                                                                   |      |      |     |       |     |
| Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.                                                                                       |      |      |     |       |     |
| Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.                                                    |      |      |     |       |     |
| Other.                                                                                                                                                                                                  |      |      |     |       |     |

**Table 9 – Qualitative Efforts - Number of Activities by Program**

## Narrative

During Program Year 2025, the City of Traverse City did not undertake any housing rehabilitation, housing construction, demolition, infrastructure, or other public construction projects that triggered Section 3 requirements under 24 CFR Part 75. The City's CDBG-funded activities during the program year were limited primarily to homeless assistance and program administration activities, which did not meet the thresholds requiring Section 3 reporting. As a result, no Section 3 workers, Targeted Section 3 workers, or Section 3 contract opportunities were generated during the reporting period. The City will continue to evaluate future CDBG-funded activities for Section 3 applicability and will comply with all applicable Section 3 requirements if covered projects are undertaken in future program years.

DRAFT