

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 5/9/2013

Action Requested By:
Community
Development

Agenda Item Type
Resolution

Subject Matter:

Resolution authorizing the Mayor to approve and submit the 2023 Annual Action Plan.

Exact Wording for the Agenda:

Resolution authorizing the Mayor to approve and submit the 2013 Annual Action Plan. In order to receive Community Development Block Grant (CDBG), HOME and competitive grant funds, the City is required to submit a plan covering a five-year period; extracting a one-year Action Plan to the U.S. Department of Housing and Urban Development (HUD). The 2013 Action Plan identifies the amount of Community Development Block Grant and HOME funds that will be available, and the specific activities that will be undertaken during the HUD fiscal year of 2013.

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

The resolution will allow the Mayor to submit the City of Huntsville 2013 Action Plan to the Department of Housing and Urban Development, and to act in accordance with the submission to provide any additional information as may be required on behalf of the City of Huntsville, a municipal corporation in the State of Alabama.

Associated Cost: 0.00

Budgeted Item: No

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: _____



Date: 5/9/2013

ROUTING SLIP CONTRACTS AND AGREEMENTS

Originating Department: Community Development

Council Meeting Date: 5/9/2013

Department Contact: Turkessa Coleman Lacey

Phone # 256-427-5418

Contract or Agreement: Agreement

Document Name: 2013 Annual Action Plan

City Obligation Amount: 0.00

Total Project Budget: 0.00

Uncommitted Account Balance: 0.00

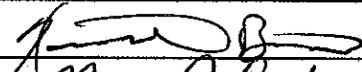
Account Number: n/a

Procurement Agreements

<u>Not Applicable</u>	<u>Not Applicable</u>
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Grant-Funded Agreements

<u>Not Applicable</u>	Grant Name:
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Department	Signature	Date
1) Originating		5/11/13
2) Legal		5/6/13
3) Finance		5/7/13
4) Originating		
5) Copy Distribution		
a. Mayor's office (1 copies)		
b. Clerk-Treasurer (Original & 2 copies)		

Resolution No. 13-_____

WHEREAS, the National Affordable Housing Act of 1990, as amended, requires that those cities which participate in certain federally funded housing programs have an approved Five-Year Consolidated Plan to include One-Year Action Plans; and,

WHEREAS, in order to receive Community Development Block Grant, HOME and competitive grant funds, the City is required to submit a plan covering a five-year period and a plan covering a one-year period to the U.S. Department of Housing and Urban Development. The One-Year Action Plan identifies the amount of Community Development Block Grant (CDBG) and HOME funds that will be available and the specific activities that will be undertaken during the HUD fiscal year 2012 program;

BE IT RESOLVED, by the City Council of the City of Huntsville, that the Mayor of the City of Huntsville be authorized, requested and directed to submit the attached "2013-2014 Annual Action Plan" to the U.S. Department of Housing and Urban Development, and to act in connection with the submission and to provide such additional information as may be required on behalf of the City of Huntsville, a municipal corporation in the State of Alabama. Said document being substantially similar in words and figures to that document identified as "The City of Huntsville's 2013-2014 Annual Action Plan" consisting of thirty (30) pages, to include attachments, and the date May 9, 2013 appearing on the margin of the first page, together with the signature of the President or President Pro tern of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

ADOPTED this the 9th day of May, 2013

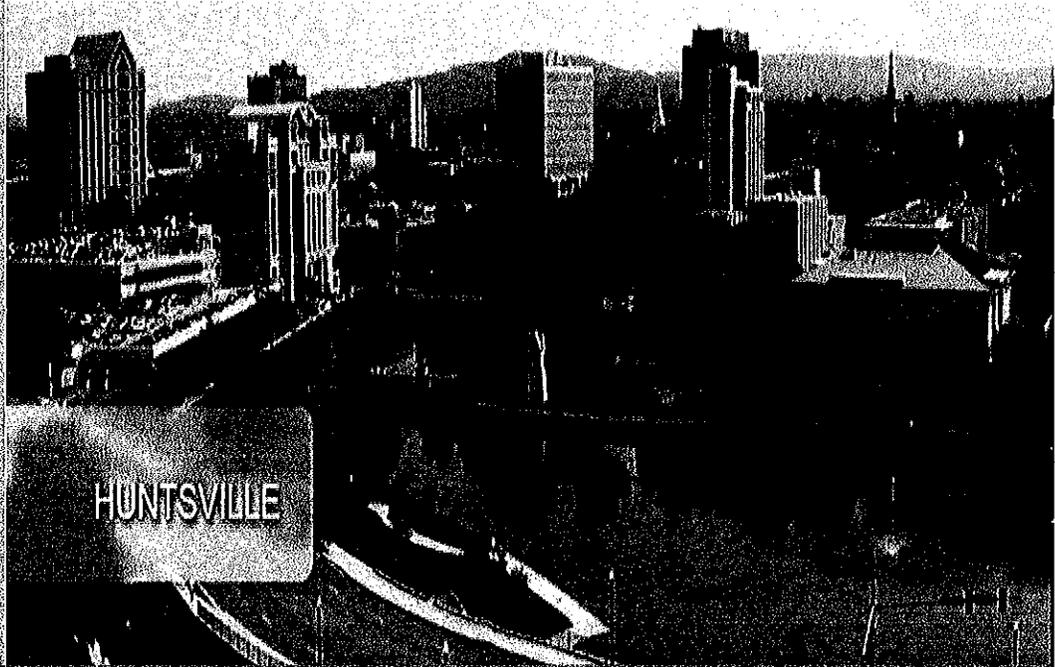
President of the City Council of the
City of Huntsville, Alabama

APPROVED this the 9th day of May, 2013

Mayor of the City of City of
Huntsville, Alabama

Huntsville City Alabama

2013-2014 Annual Action Plan



by
The Department of Community Development
City of Huntsville Alabama

May 13, 2013

05-09-2013

President or President Pro Tem,
City Council of Huntsville, AL

City of Huntsville, AL 2013 Action Plan

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I. EXECUTIVE SUMMARY

The Five Year Consolidated Plan provides an assessment of the housing and community development needs for the City of Huntsville, Alabama for 2010 to 2015. The primary aim of the Consolidated Plan's program goals is to develop viable communities by providing decent housing, a suitable living environment and expanding economic opportunities primarily for low and moderate-income persons. The plan contains a specific one year Action Plan (2013-2014), which addresses these needs.

As prescribed by statutory guidelines, the City of Huntsville will provide Certification of Consistency for all grant program, which adheres to the criteria established in 91.510 (c) of the Consolidated Plan regulations. See Appendix 1 for certifications.

The goals, as outlined guided the allocation of dollars for the Annual Action Plan. This plan embraces a mix of actions and resources designed to achieve an objective that addresses a priority community need. Not all listed strategies will be funded by CDBG and HOME dollars; it is expected that resources will be leveraged where possible. Based on this percept, the following are given as the guiding principles that will under gird how funds will be allocated. The guiding principles offered as expected outcomes or program impacts:

- Allocation of dollars as prescribed by the strategy outline in the five year consolidated plan should lead to an enhanced quality of life for Huntsville's extremely low, low and moderate income residents.
- Aim for lasting impacts of dollar investments by building communities through actions that support viable and sustainable neighborhoods.
- Collaboration, cooperation and sequencing of initiatives to improve program impacts for low and moderate income residents will lead to maximum impact of resources.
- Leverage resources that would assist in overcoming barriers that serve as obstacles to addressing the underserved needs of target populations such as lack of access to credit, limited work skills, and availability and access to services.

The priorities of the Action Plan offer insight and direction for how and where the CDBG and HOME funds should be utilized. The guiding principle is to leverage these dollars in such a way that residential livability becomes the hallmark of achievement undergirded by residents realizing a higher level of self-sufficiently, economic empowerment and engagement in the future direction of their communities. The major obstacle to meeting underserved needs is the lack of funds.

Objectives

- Provide down-payment assistance to first time homebuyers (FTHB) who qualify based on income guidelines and other program regulations;
- Provide homeownership counseling to first time low to moderate income buyers.
- Increase the livability and sustainability of low and moderate income neighborhoods by supporting the stabilization of neighborhoods where homeownership is less than 50%;
- Provide decent affordable housing to lower-income households
- Expand the capacity of non-profit housing providers
- Infill vacant lots within target areas with quality affordable housing which will increase neighborhood pride and stimulate private investments
- Increase awareness of Fair Housing Laws among the general population
- Provide Deferred Home Maintenance on 50 homes per year

Outcomes

- HOME Funds -- Provide downpayment assistance (\$5,000 per household) to 25 low to moderate income first time homebuyers.
- Provided credit counseling to 25 first time homebuyers.
- Supported the construction of 6 homes in the selected target area (Terry Heights) at an estimated construction cost of \$124,000 per
- Supported 2 CHDO's at \$115,615.18 to construct new homes
- Advertised and conducted an annual Fair Housing Round Table during April, Fair Housing Month.
- Provided exterior repairs to 29 elderly and or disabled homeowners.

Evaluation of Prior Year Program Accomplishments

During the prior program year, the City expended CDBG and HOME funds for activities and projects that were identified as priorities in the FY 2010-2015 Consolidated Plan. The City's Consolidated Plan identified priorities for three general categories: (i) Affordable Housing, (ii) Homeless and Other Special Needs Populations, and (iii) Non-Housing Goals and Objectives.

Prior year accomplishments include:

- ❖ Expanded homebuyer opportunities for homeownership within low to moderate income neighborhoods by 10 %. HOME funds were provided for downpayment assistance and homebuyer education counseling to twenty-two (22) low to moderate income first time homebuyers. This program is citywide.
- ❖ Supported efforts that engender neighborhood identity and sense of pride. HOME funds were used to construct four (4) owner occupied housing units for the identified population.
- ❖ Encouraged fair housing practices, to include the reduction of barriers and discriminatory acts based on race, religion, color, and sex. This was accomplished by advertising and conducting an annual Fair Housing Training along with the development and disseminated of Fair Housing informational material.
- ❖ Supported the maintenance of a decent housing stock for elderly and the special needs population. This was achieved by providing repairs to 166 owner-occupied housing units using volunteer labor, donated material, and materials purchased with CDBG funds. This program is citywide.
- ❖ In partnership with North Alabama Coalition for the Homeless (NACH), the City provided technical assistance to non-profit agencies in support of the goal to end homelessness.

Performance Measures

On June 10, 2005, HUD's Office of Community Planning and Development (CPD) published a notice in the Federal Register titled, "Notice of Proposed Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs; Request for Comments." The notice described an outcome performance measurement system that was developed for grantees that receive funding from the Community Development Block Grant program (CDBG), HOME Investment Partnerships program (HOME), Emergency Shelter Grants program (ESG), and the Housing Opportunities for Persons with AIDS program (HOPWA). The Performance Measures Table, on the following page, summarizes the performance measures for local activities that will receive CDBG and HOME funding.

2013 ACTION PLAN PERFORMANCE MEASURES OUTCOMES

		Create Suitable Living Environments				Provide Decent Affordable Housing				Create Economic Opportunities		
Availability/ Accessibility	Public Services		Code Enforcement		Housing Rehab							
	<u>Funds</u> CDBG	<u>Measures</u> 200-300 families	<u>Funds</u> CDBG	<u>Measures</u> 10,000-15,000 Notices	<u>Funds</u> CDBG	<u>Measures</u> 75-100 Elderly and/or Disabled Low-Income Homeowners						
Affordability					Neighborhood Revitalization/ Rental Housing		Downpayment Assistance		Housing Counseling		CHDO	
					<u>Funds</u> HOME	<u>Measures</u> 1-3 Homes/ Multi-Family	<u>Funds</u> HOME	<u>Measures</u> 25-50 Families	<u>Funds</u> HOME	<u>Measures</u> 25-50 Families	<u>Funds</u> HOME	<u>Measures</u> Acquisition /Rehab of 1-3 Houses
Sustainability	Public Facilities Projects											
	<u>Funds:</u> CDBG		<u>Measures:</u> 1-2 Parks									

II. CITIZEN PARTICIPATION

The City of Huntsville desires and encourages the participation of all the citizens of the City of Huntsville, particularly low and moderate income residents of slum and blighted areas, low and moderate income residents of areas in which Federal and HUD funds, including, but not limited to, CDBG and HOME funds, and all State of Alabama funds, are proposed to be used, and by residents of all low and moderate income neighborhoods that at any given time are defined by the City as a targeted population. In order to better utilize the provisions of this Plan, the City recommends the formation of neighborhood citizen committees.

All public hearings in relation to the development and preparation of the 2013-2014 Action Plan were advertised in the Huntsville Times, per our Citizen Participation Plan, and held at The Richard Shower Center located at 4600 Blue Spring Road, Huntsville, AL 35810 and the City of Huntsville Municipal Bldg., 1st Floor, Council Chambers located at 308 Fountain Circle, Huntsville, AL 35801. The minutes from those hearings are included at the end of this document, in Appendix 2. A draft copy of the 2013 – 2014 Action Plan was available for public review and comments from March 22, 2013 through April 22, 2013 at the *Huntsville Times, Huntsville Housing Authority, City of Huntsville Public Library, Richard Showers Center, AIDB, and placed on the City of Huntsville’s website located at <http://www.huntsvilleal.gov>*. The plan could also be reviewed on the City of Huntsville website. Information on the availability of the document for review, including a summary of the proposed projects, and the locations in which the documents could be reviewed, appeared in the Huntsville Times on March 22, 2013.

The City will hold at least two public hearings to obtain the views of citizens, and to respond to proposals and questions on the City's housing and community development needs. These hearings are held early in the planning process to allow citizens, community, and neighborhood organizations the opportunity to make recommendations and comments on plan preparation. Notification of meetings related to the Consolidated Plan and the Annual Action Plan are made two weeks (14 days) before the public hearing dates. These hearings are held at a time and location convenient to potential or actual beneficiaries, with full accommodations for the handicapped. Official notices are published in *The Huntsville Times*, *Huntsville Housing Authority*, *City of Huntsville Public Library*, *Richard Showers Center*, *AIDB*, and placed on the City of Huntsville's website located at <http://www.huntsvilleal.gov>. All public hearing locations will be wheelchair accessible and accommodations for sign interpretive services, and non-English speaking residents will be made available if requested one week in advance of meeting.

III. RESOURCES

As an Entitlement City and a Participating Jurisdiction under the provisions of the Affordable Housing Act, as amended, the City of Huntsville receives CDBG and HOME funds directly from HUD. The City will also receive program income that's generated by these grants. The City also received ESG funds from the Alabama Department of Economic and Community Affairs (ADECA).

Matching funds are provided by the City's General Fund. The City of Huntsville, Alabama estimates that 75% of its CDBG funds and 57% of its HOME funds will be dedicated to activities in identified Target Areas.

The estimated amount of CDBG funds that will be used for activities that benefit person of low and moderate income for this program year is \$1,078,233.00 (80%). Listed below are the FY 2013 anticipated resources for the City of Huntsville, Alabama

FY 2013 Anticipated Resources

Federal funding resources, which may be available to the City to address priority needs include:

- Community Development Block Grant (CDBG)
- HOME Investment Partnership Program
- Emergency Solutions Grant (ESG) Program through Alabama Department of Economic and Community Affairs (ADECA)

Other funding resources include:

- Program Income (CDBG and HOME programs)
- City of Huntsville General and Capital Improvement Fund

Match Requirements:

- The City will provide matching funds from its General Fund account for the required local match for HOME entitlement funds.
- Sub-recipients of homeless funds will provide a 100% match utilizing “in-kind” services for ESG funds received from ADECA.

CDBG Funding Resources and Proposed Project Budget	
CDBG Allocation	\$1,078,233.00
Program Income	\$100,000.00
TOTAL CDBG RESOURCES	\$1,178,233.00
PROPOSED PROJECTS	
Housing- Provide funds for the Deferred Home Maintenance Repair Program, World Changers Program, and Community Changers Program for low income elderly and disabled homeowners with substandard housing.	\$349,425.72
Public Services-CDBG funds may be used to provide public services provided that the service is: 1) A new service or 2) a quantifiable increase in the level of a service. The amount of CDBG funds to support public service activities may not exceed 15% of the total award.	\$161,734.95
Code Enforcement- Provide neighborhood stabilization through the enforcement of City ordinances relating to standard housing conditions, junk accumulation, abandoned vehicles, truck parking, and growth of vegetation.	\$449,425.73
Public Facilities	\$1,000.00
Special Activities	\$1,000.00
Administration-Provide funds for the management of the CDBG program.	\$215,646.60
TOTAL CDBG BUDGET	\$1,078,233.00

HOME Funding Resources and Proposed Project Budget		
HOME Allocation		\$482,988.00
HOME Income		\$8,000.00
City General Funds (Match)		\$150,000.00
TOTAL HOME RESOURCES		\$640,988.00
PROPOSED PROJECTS		
Neighborhood Revitalization	Provide funds for the construction of single-family homes in Community Development Target Areas.	\$390,891.60
CHDO nonprofit (15% required set-aside)	Provide funds to a selected CHDO for the acquisition of property for the construction of new homes, or the acquisition and rehabilitation of homes (15% set-aside reserve), and the eligible operating expenses (5% of the HOME Grant) for the CHDO.	\$72,448.20
CHDO Operating Expenses (5% required)		\$24,149.40
Down Payment Assistance-Provide funds for down payment assistance to qualifying individuals/families purchasing their first home. Assistance is provided through 0% forgivable loans, not to exceed \$5,000; homes must be located within the City limits of Huntsville.		\$100,000.00
Housing Counseling-Provide funds for housing counseling for qualifying individuals/families purchasing their first home.		\$5,200.00
Administration-Provide funds for the management of the HOME Program		\$48,298.80
TOTAL HOME BUDGET		\$640,988.00

Leveraging Plans

The City will provide a Certification of Consistency for any competitive grant, which adheres to the criteria established in 91.510 (c) of the Consolidated Plan regulations.

The City will continually pursue available avenues in leveraging public and private resources to accomplish its community development goals. Listed below are anticipated measures that will be taken in order to seek public and private resources:

- The City will seek investment from local banking institutions for affordable housing, as provided by the Community Reinvestment Act (CRA).
- When available, the City through the Community Development Department will leverage public funds to affordable housing projects that have significant private investment.
- The City, through the Community Development Department, will provide technical assistance to nonprofit organizations in completing grant applicants for other federal and non-federal resources, as related to affordable housing and public service activities when feasible.
- The City, through the Community Development Department, will coordinate its efforts with nonprofit and/or private organizations to support first-time homebuyer programs.
- The City will support the efforts of Alabama A&M University, Drake State Technical College, and Oakwood College in their application for funding under the HUD's HBCU program when feasible.

Potential Community resources from HUD and other entities not directly received or administered by the City include:

- North Alabama Coalition for the Homeless (NACH)
- Supportive Housing Program (nonprofit agencies)
- Shelter Plus Care Program (nonprofit agencies)
- HOWPA (HIV/AIDS agencies through a state grant)
- Youthbuild Grant (public and private entities)
- HBCU Grant (local Historical Black Colleges and Universities)
- Low Income Housing Tax Credits
- Finance Lending Institutions
- Alabama Housing Finance Authority programs
- Non-profit and for-profit service providers and housing developers

IV. GEOGRAPHIC DISTRIBUTION/ALLOCATION PRIORITIES

Geographical distribution for CDBG and HOME activities will generally include designated low to moderate-income areas as defined by HUD and the City of Huntsville Community Development Department. Specific census tracts are 2.01, 2.02, 3.01, 3.02, 4.01,4.02,5.02,6.01,6.02,7.01,7.02,8,9.02,10,11, 12, 13, 14, 15, 16,20,21,22,23, 24, 25.01, 25.02, and 105.02, 106.22. However, eligible low-income elderly/and or disabled households located citywide may participate in the Deferred Home Maintenance Repair Program and the Downpayment Assistance Program.

The table below identifies the areas, including areas of minority concentration, in which CDBG and HOME funds may be directed. After performing an analysis of the information documented on this table, four Target Areas were identified based on their income levels. The four Target Areas include: Edmonton Heights, Lowe Mill Village, Meadow Hills, and the Terry Heights/Hillendale neighborhoods. Appendix 3 is a map that depicts the geographic areas in which the City of Huntsville will direct assistance.

AREAS OF MINORITY CONCENTRATION IN HUNTSVILLE, AL			
Tracts with 75% or more White Households	Percent of White Households (2010)	Tracts with 50% or more Black population	Percentage of Blacks (2010)
19.02	97.8%	2.01	94.0%
18.01	97.7%	12	90.9%
17	96.6%	3.02	85.4%
113	95.7%	5.02	81.1%
20	95.7%	4.03	80.0%
19.03	94.3%	7.01	76.5%
29.11	94.2%	5.03	74.1%
109.01	93.8%	3.01	73.7%
19.01	93.6%	5.01	71.4%
29.12	93.6%	13.01	70.6%
10	93.2%	2.02	65.9%
27.01	92.6%	13.02	61.8%
9.02	92.1%	7.02	56.2%
9.01	92.0%	6.02	55.5%
29.22	92.0%	6.01	54.7%
27.21	91.2%	25.01	52.5%
28.02	90.3%	106.22	51.7%
29.21	88.7%		
27.22	88.2%		
26	86.7%		
208.02	85.4%		
108	84.0%		
28.01	83.7%		
109.02	83.6%		
31	82.9%		
106.24	79.8%		
14.01	79.7%		
107.01	77.3%		
106.23	75.8%		

V. MEETING UNDERSERVED NEEDS

Affordable Housing Goals

The City of Huntsville's Affordable Housing Goals for this program year are identified in Appendix 4, and below.

Table 2A: Priority Housing Needs/Investment Plan Goals

Priority Need	5-Yr. Goal Plan/Act	Yr. 3 Goal Plan/Act
Renters		
0 - 30 of MFI	110	0
31 - 50% of MFI	90	0
51 - 80% of MFI	10	0
Owners		
0 - 30 of MFI	0	0
31 - 50 of MFI	35	7
51 - 80% of MFI	150	30
Homeless*		
Individuals	85	17
Families	45	9
Non-Homeless Special Needs		
Elderly	200	40
Frail Elderly	0	0
Severe Mental Illness	0	0
Physical Disability	50	10
Developmental Disability	0	0
Alcohol/Drug Abuse	0	0
HIV/AIDS	0	0
Victims of Domestic Violence	0	0
Total	775	113
Total Section 215		
215 Renter	--	--
215 Owner	--	--

* Homeless individuals and families assisted with transitional and permanent housing

Table 2A: Priority Housing Activities

Priority Need	5-Yr. Goal Plan/Act	Yr. 3 Goal Plan/Act
CDBG		
Acquisition of existing rental units	0	0
Production of new rental units	0	0
Rehabilitation of existing rental units	0	0
Rental assistance	0	0
Acquisition of existing owner units	0	0
Production of new owner units	0	0
Rehabilitation of existing owner units	250	50
Homeownership assistance	0	0
HOME		
Acquisition of existing rental units	0	0
Production of new rental units	150	150
Rehabilitation of existing rental units	0	0
Rental assistance	0	0
Acquisition of existing owner units	0	0

Production of new owner units	15	3
Rehabilitation of existing owner units	0	0
Homeownership assistance	185	37
HOPWA		
Rental assistance	0	0
Short term rent/mortgage utility payments	0	0
Facility based housing development	0	0
Facility based housing operations	0	0
Supportive services	0	0
Other		

Public Housing

The number of public housing units operated by the Huntsville Housing Authority (HHA) is 1,709; 1,648 are available for leasing, Gateway holds 48 units and there is 13 Decommissioned units. HHA reports that all units are in good condition and they meet the HUD required number of 504 apartments where 5% of the total units are designated for the physical impaired and 2% are designated for the sight and hearing impaired. The total number of public housing units lost since 2005 is 222 units. This includes 196 units at Council Court, 22 units at Searcy Homes and 4 units at Sparkman Homes. The Public Housing Inventory consists of 17 housing complexes which contain 1,709 apartments.

There are currently 1,093 people on the public housing waiting list. The Huntsville Housing Authority has been allocated 1,606 units of Section 8 Vouchers, which include 1,469 Housing Choice Vouchers, 85 Veterans Affairs Supportive Housing (VASH) Vouchers, and 52 Shelter Plus Care (SPC) Vouchers. Currently, the Housing Choice Voucher waiting list has 372 people. The agency does not anticipate being able to serve any additional families due to the fact that they have not received any additional vouchers.

Homeless and Other Special Needs Populations

Activities undertaken to address homeless needs include conducting an annual Point-In-Time (PIT) count. The PIT count provides the Huntsville community with data needed to understand the number and characteristics of persons who are homeless. The count is also an important metric for measuring progress in preventing and ending homelessness in the Huntsville community.

The January, 2013 count reported 584 homeless persons; this includes 348 males, 151 women, and 85 children. The table below shows a breakdown of the 2013 Point-In-Time Count for North Alabama.

2013 Point-In-Time Count for North Alabama				
	Men	Women	Children	Total
Unsheltered 2013	120	46	11	177
Unsheltered 2012*	126	27	16	169

Difference	-6	19	-5	8
Emergency Shelter 2013	200	81	38	319
Emergency Shelter 2012	189	107	40	336
Difference	11	-26	-2	-17
Transitional Housing 2013	28	24	36	88
Transitional Housing 2012	30	24	42	96
Difference	-2	0	-6	-8
Total 2013	343	151	85	584
Total 2012	345	153	93	601
Total Difference	3	-7	-13	-17

Transitional Housing Excluded

	Men	Women	Children	Total
2013 PIT Count	320	127	49	496
2012 PIT Count*	315	134	56	505
Difference	5	-7	-7	-9

*Includes estimated unsheltered.

The North Alabama Coalition for the Homeless (NACH) *Strategic Plan to Address Homelessness* is another tool used to address homeless needs in the City of Huntsville, Alabama. This plan was developed with the collaboration of leaders from the public, private, and non-profit sector. Displayed below is the developed amelioration strategies and measures used to address the chronic homeless population in the Huntsville community.

MEASURED COMPONENTS of the STRATEGIC PLAN TO END CHRONIC HOMELESSNESS	
<p>Housing and Re-housing-An essential requirement for ending homelessness is the generation of permanent housing units. NACH's Strategic Plan to End Homelessness proposes to bridge the deficits of securing permanent housing by developing, and/or leasing additional scattered site housing units. These sites will be service enriched at the level determined by the need of the clients and funds available.</p>	<ul style="list-style-type: none"> ▪ 5% decrease per year in number of persons who are homeless as measured by point-in-time counts and census reported in HMIS. ▪ 100% participation in HMIS of HUD-funded homeless shelter and housing and service agencies ▪ An accurate inventory of 100% of permanent housing units. ▪ 15 new units of HUD-supported permanent housing will be included with the Continuum of Care grant ▪ 25% of the non-clinical housing units that follow the less stringent eligibility requirement consistent with "housing first" will be available and achieve 100% occupancy
<p>Prevention and Intervention-Quality, inventory and access to essential services will be provided based on the client's level of acuity. Essential services include at least one of the following:</p> <ul style="list-style-type: none"> • Case management • Health care • Employment-related services • Health insurance 	<ul style="list-style-type: none"> ▪ HMIS reports will be generated to determine service types and baseline rates of use and access by clients ▪ 100% of clients who are provided residence in clinical and non-clinical lease units as a result of the Rapid Re-housing intervention will be assigned a housing related case manager. ▪ All new housing programs, whether leased units or new construction, will designate 30% for persons with substance abuse conditions. ▪ 10% increase in the number of job training service units for

<ul style="list-style-type: none"> • Substance abuse services • Mental health services • Assured access for eligible clients to mainstream resources 	<p>currently homeless persons.</p> <ul style="list-style-type: none"> ▪ 10% increase in the number of job training service units for clients identified at risk of homelessness. ▪ 10% increase in the number of employment services units for currently homeless persons. ▪ 10% increase in the number of employment services units for clients identified at risk of homelessness. ▪ 10% increase in enrollment of persons who are eligible for mainstream resources. ▪ 100% of job placement services will collect data on the annual wage of clients
<p>Public Information, Policy and Accountability Eliminating the extrinsic factors associated with homelessness requires commitment by the community through collaborations among elected officials, government agencies, social services providers, health care providers, faith-based organizations, philanthropic organizations and the private sector. Public Awareness campaigns tailored by the Citizen Advisory Committee Board and NACH will assist with ongoing data collection for appropriated public awareness</p>	<ul style="list-style-type: none"> • 100% of prevention and intervention service providers or their designees, who receive Continuum of Care funds, will participate in the development of the policy recommendations
<p>Specialized Outreach to Chronically Homeless Persons-Chronic homelessness is a complex and multifaceted challenge that is best addressed with specialized housing and service programs. This measure is achieved through continued sponsorship of specially-trained, multi-disciplinary outreach teams that offer street-based and harm-reduction services.</p>	<ul style="list-style-type: none"> • 10% increase in the number of specialized outreach teams who provide onsite services to unsheltered homeless persons. • 95% of identified unsheltered chronically homeless persons will complete at least one referral to agency-based services, as monitored in HMIS • 100% of the Rapid Re-housing Interventions outreach teams will include at least: one mental health provider, one health care provider, one representative of an agency that serves veterans, and one outreach worker trained to interact with chronically homeless persons
<p>System Management-Exemplary management of the system of housing/shelter supply, services, case management and funding will maximize the effectiveness of NACH's Strategic Plan to End Homelessness to ensure the opportunity that individuals will be able to obtain, maintain and sustain housing and care. HMIS (Homeless Management Information System) is the management system that will help maintain decision-making information, assess situations, make strategic decisions, allocate resources, and expand the resources available to prevent and intervene in homelessness.</p>	<ul style="list-style-type: none"> • 12 monthly reports of Plan outcomes produced by the System Manager • 12 monthly meeting reports of the restructured Homeless Services Coordinating Council
<p>Assure Sustainable Funding for Housing and Effective Programs-The challenge of funding is multi-dimensional. As the number of homeless persons increases, obviously so does the demand for additional services and housing options. The continual efforts of funding campaigns from the public, government, philanthropic and private entities will help with this measure.</p>	<ul style="list-style-type: none"> • 100% of the Year 1 activities associated with the Plan will be supported by adequate funding for implementation

The City plans to continue its support of the efforts of the North Alabama Coalition for the Homeless (NACH). The City will also continue to work with existing Homeless organizations and agencies that assist homeless families and individuals. In addition, service provider/members participate in monthly capacity building trainings conducted by NACH. These meetings address best practices in homeless services provision, theoretical bases for service delivery, professional development and outcome evaluation.

The City maintains support to providers of services that prevent homelessness as well as to those providers who assist homeless persons with securing housing. Those service providers include:

- 1) Crisis Services-provide emergency shelter to 200-250 women and children, and outreach services to approximately 4,000 persons who are victims of domestic violence.
- 2) Family Services Center-operates a Transitional Housing program that anticipates serving between 15-20 families with housing.
- 3) First Stop-operate a Day Center for the chronic street homeless. First Stop Day Center activities include, outreach, supplies, assessment, and referrals. First Stop anticipates serving 500-600 homeless persons.
- 4) NACH-provide technical assistance and data monitoring for all ESG sub-recipients. NACH is also the lead HMIS agency.
- 5) New Futures-operates a Transitional Housing program that will provide essential services for up to 24 months to homeless families that do not meet the requirements of local emergency shelters because of their family composition. New Futures anticipate serving 20-25 families.
- 6) Pathfinders-provide shelter and services to over 80 homeless men and women who have completed a substance abuse program.
- 7) RiahRose Home for Children-provides emergency shelter to homeless teen mothers and their children. RiahRose will provide essential services for up to 18 months. RiahRose anticipates serving 10-20 teen mothers and their children.
- 8) The Salvation Army-An emergency shelter and food programs that will provide emergency shelter and services for 1,500 individuals and families each year.

For FY2013, the City requested \$200,000 in Emergency Solutions Grant funds from the Alabama Department of Community and Economic Affairs (ADECA) for FY13. These funds will support shelter operations and essential services activities through non-profit agencies that serve homeless persons. The programs will fill service gaps that were identified by the North Alabama Coalition for the Homeless (NACH).

The agencies that requested funding will provide an equal amount of funds for the match. Documentation will be provided for the match as agencies request reimbursement for ESG activities. The match will include salaries provided through other funding sources.

The City of Huntsville will insure that the grant is matched on a dollar basis as required by 24 CFR Part 576 .51. The funds will be provided to the sub-recipients on a reimbursable basis. The sub-recipients will be required to submit evidence of match at the time of request for reimbursement or their request will not be processed. The match will be documented prior to requesting funds from the State. The City of Huntsville does not receive any direct allocations or HUD homeless grant funds. All funds that may assist homeless persons are obtained through the competitive grant process.

Barriers to Affordable Housing

The city of Huntsville does maintain strong zoning and development requirements, which potentially add to the cost of new construction, the requirements are necessary to assure quality housing in stable neighborhoods. However to assure a stable and quality housing stock, these standards are deemed necessary. The major obstacles and barriers to meeting underserved needs are:

- High cost of housing for the population whose income is 50% below the Median Family Income.
- Need for transportation to existing services and childcare exceed available services.
- Increasing numbers homeless individuals and families.
- Lack of the appropriate type of jobs of unskilled and low skilled individuals.
- Lack of adequate transitional housing for low income persons.
- NIMBYISM attitudes.
- Ten percent (10%) of all families in Huntsville are below poverty. Female heads of households with children under 18 had the highest poverty level at 37.4%, and for those with related children under 5 years only, the percentage was a staggering 61% in 2005.
- Inequity of income and opportunities (In 2005, only 29% of Huntsville residents were black, yet 84% of public housing residents are black).
- In the population over 25 years of age, 14,983 have not completed high school; 3.8% of whites have less than 9th grade, compared with 6.7% of blacks.

- Loss of federal funding for community development programs.
- Cut backs in state and federal funding for basic services.

This section describes the City's strategy to remove or ameliorate negative effects of public policies that serve as barriers to affordable housing. The Community Development Department will continue to monitor the effects of zoning and development requirements, as related to affordable housing. Huntsville will initiate the following steps in order to strengthen and coordinate its housing delivery system:

- The City will continue to work with HBCU institutions in the implementation of housing and other services. In addition, the city will coordinate its efforts with Madison County Commission and Alabama Extension Services.
- The City will continue to work with approved Community Housing Development Organizations (CHDOs) that serve as housing developers. The City will provide technical and financial support to assure the success of their programs in providing home ownership opportunities for lower income families.
- The Huntsville Housing Authority will continue to support a number of programs, including first time homebuyers, the family self-sufficiency program, and housing tenants' organizations. The Community Development Department will continue to support the efforts of the HHA.
- Community Development Department planning staff will continue to monitor the delivery of activities and programs throughout the year to anticipate if additional resources will be needed. The city will also coordinate its efforts with other assisted housing and supportive services providers to eliminate gaps in the delivery system.

Anti-Poverty Strategy

The City does not expect that the inclusion of CDGB and HOME funds into the economy will be significant enough to reduce the number of poverty level families during FY13. However, the following programs will assist families that have incomes below the poverty level.

- Huntsville Housing Authority's Social Services Programs: The Resident Services Department of the HHA is dedicated to its mission of eliminating poverty in public housing. To this end, the department provides an array of supportive services, such as educational assistance, health fairs, parenting classes, job referral, youth services and pre-employment training for residents. In addition to providing supportive services for public housing residents, a family self-sufficiency program is available for Section 8 tenants. Under the provision of the Family Self-Sufficiency Program, a tenant signs a five-year contract that outlines objectives to

achieve economic independence of government assistance. A coalition of local agencies provides counseling, job training, education, childcare, transportation, and other services. In addition, a savings account is established for each family, in which rent increases are deposited. After successfully completing the program, the tenant can use the savings to purchase a home.

- **Code Enforcement:** Huntsville provides Community Development Block Grant and General Revenue funds for the enforcement of City ordinances related to substandard housing, junk accumulation, abandoned vehicles, truck parking, and growth of vegetation. The program helps to insure that families with below poverty-level incomes can reside in standard condition housing with healthy environments.
- **North Alabama Coalition for the Homeless (NACH)** is to educate the public regarding homelessness, to coordinate and facilitate efforts of agencies, communities and concerned citizens into a seamless Continuum of Care (CoC) and to affect positive solutions to homelessness in Madison, Morgan and Limestone counties of North Alabama.

Huntsville will coordinate the development and implementation of its Consolidated Plan with the Huntsville Housing Authority, other city departments, local nonprofit agencies, contiguous units of local government and other private and public organizations. In addition, the following programs will assist families with incomes below the poverty level:

- **Rental Assistance**
- **Huntsville Housing Authority's Social Services Programs: - Family Self Sufficiency Program**
- **Code Enforcement**
- **Public Service Programs-Temporary Assistance to Needy Families (TANF)**
- **Alabama Housing Finance Authority**
- **The city will maintain liaison with public and assisted housing providers, supportive services agencies, and other units of government who desire such liaison. This will be accomplished by telephone communications and by personal contact, normally at public hearings and other meetings convened by either party.**

Lead-Based Paint Hazards

In an effort to comply with Lead-Based Paint Regulations for housing rehabilitation activities, Huntsville will initiate the following during FY13: Lead-based Paint (91.215 (9)) and Lead Based Paint (91.215(g))

1. Estimate the number of housing units that contain lead-based paint hazards, as defined in section 1004 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, and are occupied by extremely low-income, low-income, and moderate-income families.
2. Outline actions proposed or being taken to evaluate and reduce lead-based paint hazards and describe how lead based paint hazards will be integrated into housing policies and programs:

Lead is a highly toxic metal that was used for many years in paint. Lead can cause a range of health effects, from cognitive impairment and learning disabilities, to seizures and death. Children under six years are most at risk because their developing nervous systems are especially vulnerable to lead's effects. While the Consumer Product Safety Commission banned lead-based paint for residential use in 1978, more than 38 million U.S. homes still contain some lead-based paint, with two-thirds of the houses built before 1960 containing lead-based paint.

Lead based paint regulations have been incorporated into Community Development housing policies and programs in order to identify and reduce lead based paint hazards in housing occupied by low-income houses. (Housing occupied by families at or below 80% of median income.) Lead safe work practices will be followed during renovation activities as required by the Environmental Protection Agency (EPA).

Community Development will continue to work to develop local capability for testing and reduction of lead based paint hazards in order to enhance cost efficiency and timeliness of service. This can be achieved with locally based inspectors/risk assessors and abatement contractors. Community Development will continue to solicit local contractors and environment consultants to establish capacity in those fields. Additional information about Lead-Based Paint Regulations related to housing rehabilitation can be found at www.hud.gov/lead.

Coordination Efforts

The Community Development Department is directly responsible for the Consolidated Plan, but a variety of public and private organizations are involved in administering plan components. For example, several nonprofits provide services to the homeless, colleges and universities provide housing, economic development and public service programs, and private lenders assist with affordable housing initiatives. NACH is an excellent example of coordination efforts. Another is the Youth Services Division which collaborates with local organizations including Partnership for a Drug Free America, the Coalition on

At-Risk Minority Males, the United Way Community Problem Solving Committee, the Juvenile Court System and several other community groups. Through this collaboration, programs address drug and Substance Abuse Prevention, Gang Prevention, Academic Achievement, Parenting Education and Drop-Out Prevention.

Huntsville will continue to coordinate the implementation of its Five-Year Consolidated Plan and the development of its FY13 Annual Action Plan with the Huntsville Housing Authority, other City departments, local nonprofit agencies, contiguous units of local government and other private and public organizations. In addition, the following will apply:

- a. The City will maintain liaison with the Alabama Housing Finance Authority or with other related agencies as directed to prepare the State of Alabama's Consolidated Plan. Communication will be maintained and direct contact will be made at periodic meetings convened by either party.

The City will maintain contact with public and assisted housing providers, supportive services agencies, and other units of government. This will be accomplished by telephone, email and written communications, and advertised public hearings.

VI. MONITORING STANDARDS AND PROCEDURES

The City of Huntsville currently receives CDBG and HOME funds from HUD. The Department of Community Development has the responsibility for administering these program dollars. The specific nature of that responsibility involves documenting the needs, developing plans and carrying out approved programs, projects and activities in compliance with State and Federal regulations. This responsibility also includes ensuring that sub-recipients of funds carry out their program according to applicable laws and regulations.

The monitoring procedures and process is designed and implemented to assure the following:

- The projects are developed and implemented according to all applicable local, state, federal laws and procedures;
- The project funded through sub-recipients follow all local, State, Federal policies and regulations;
- Charges against projects are eligible cost and in accordance to applicable regulations and the grant agreement.
- Projects are managed and carried out in a timely manner;
- Programs have procedures in place to protect against fraud;

- Sub-recipients remain capable of fulfilling the scope of their agreements; and
- All other applicable laws are being adhered to.

Management of Monitoring Activities

The monitoring procedures implemented involve both internal administrative monitoring and field monitoring. To assure that the City fulfills the goals of the Consolidated Plan and annual Action Plan, internal administrative monitoring involves review and analysis of the following:

- Approved application
- Grant agreements and contracts
- Environmental and historic significance reviews
- Drawdown request for reimbursement
- Budget updates or changes
- Litigation matters
- Citizen complaints
- Audit reports
- Monthly project update reports
- Annual CAPER
- Monthly review of Goal and Objective status per activity
- Monthly review of the timeliness of the overall grant and approved activities

Field Monitoring Activities

- Periodic on-site monitoring of project and program activities
- Neighborhood site reconnaissance, specifically target neighborhoods
- Visits for all sub-recipients (at least once during the program and once after completion of the sub-recipient program)

Review and Monitoring Activities

The internal and external management and monitoring activities will cover the following:

- Applicant meeting threshold criteria
- Grant or regulatory agreement, to include compliance requirements
- Environmental review (including flood insurance, historic preservation)
- Local record keeping requirements
- Review of drawdown of funds
- Real property acquisition
- Labor standards (wage decisions/payroll/reviews/employee interviews)
- Housing rehabilitation (program guidelines, housing quality standards, write up/cost estimates, inspections)

- Review of operations/maintenance, essential services and homeless prevention services cost.
- New Housing Construction
- Fair Housing/EEO
- Close out report (review)
- Financial and compliance audits

Timely Use of Funds/Prevention of Fraud and Abuse of Funds

- Requesting and expending funds in a timely manner as identified in each contract agreement.
- Adequate controls of the financial management system to prevent fraud and mismanagement of funds.
- Compliance with applicable housing codes, including actions or on-site inspections of rehabilitation activities.
- Needs for technical assistance
- Evidence of innovative or outstanding performance

Monitoring CDBG Sub-Recipients

The procedures that guide the City’s sub-recipient process are based on and is consistent with the standards and procedures provided by the U.S. Department of Housing and Urban Development document, “Managing CDBG :A Guidebook for Grantees on Sub recipient Oversight”. The management and monitoring process includes:

- A. Selection of Sub-recipients (use established Pre-Award Evaluation Criteria):
 - i. Decide which of several prospective sub-recipients to select for a particular activity;
 - ii. Identify early training and technical assistance that is needed to support potential sub-recipients lacking previous CDBG experience;
- B. Hold Pre-Award Meeting:
 - i. Outline and review with sub-recipient special conditions in the written Sub-recipient Agreement that make initial or continued funding contingent on the agency's correcting and monitoring CDBG particular deficiencies by a mutually agreed-on date; and identify special monitoring procedures, such as more frequent on-site visits or special audits, to assure the sub-recipient organization is achieving its goals.

- ii. A copy of the standards, procedures and requirements of the agreement will be provided to sub-recipients with notice given that the sub-recipients will be monitored for based on adhering to and maintaining compliance with these.

C. Conducting On-Site Visits, Performance Evaluations and Follow-up steps

- i. The Director of the Department of Community Development will meet with the director and appropriate staff of each sub-recipient agency to discuss performance measures, activities and finances associated with the agreement.
- ii. The information gathered during the site visit will be used to complete and evaluate the extent to which the sub-recipient is fulfilling the agreement. The agency will be provided with a copy of the evaluation and a follow-up meeting held if necessary.

D. Financial Accountability

- i. The financial records of each sub-recipient will be reviewed by the Department of Community Development at established times.
- ii. Each sub-recipient will be given written notification of any irregularities found and given the opportunity to correct any problems.
- iii. The lack of correction of irregularities could be cause for termination of funds. If this decision is arrived at by the Department of Community Development, immediate notification will be given to the agency.

E. Post Award Compliance Procedure

- i. Each sub-recipient agency will be monitored to determine if the funds provided to the organization are expended appropriately.
- ii. Monitoring will continuous and ongoing to determine the appropriateness of expenditure of CDBG funds awarded to the agency.

Monitoring HOME Sub-Recipients

The City of Huntsville's Community Development Department has developed an annual monitoring plan that distributes its HOME monitoring process throughout the year. Community Development monitors organizations that have received HOME funds. HOME funds as well as conducting internal monitoring to ensure the local HOME program is being administered correctly. The City of Huntsville's monitoring efforts are guided by both its responsibilities under the HOME Program and its affordable housing goals for the community. These monitoring efforts include:

- Identifying and tracking program and project results;
- Identifying technical assistance needs of PJ, CHDO, and sub recipient staff;
- Ensuring timely expenditure of HOME funds;
- Documenting compliance with Program rules;
- Preventing fraud and abuse; and
- Identifying innovative tools and techniques that support affordable housing goals.

The emphasis on one or more of the criteria may shift from year to year depending on the technical assistance needs of CHDOs and other non-profit housing development organizations and the availability of staff and resources. Compliance with housing codes, including actions or on-site inspections will be completed annually on appropriate rehabilitation activities or new construction activities.

In order to do so, the following factors are considered: Risk Factor Scores-visits to sub recipients and/or CHDOs that receive high risk scores are scheduled before visits to those receiving lower scores.

Points	Risk Assessment	Monitoring Schedule
Over 40	High	Annual w/quarterly on-site
25-40	Medium	Annual
24 and under	Low	Two-years

To be eligible for HOME funds, the prospective purchaser must:

- Be low-income; that is, with an annual (gross) income that does not exceed 80 percent of the median for the area; and
- Occupy the property as a principal residence.

Income eligibility requirements consist of:

- The purchasing household must be low-income (80% or below MFI); and
- The purchasing household income must follow the IRS adjusted gross income as defined for reporting on IRS Form 1040.

Affirmatively Furthering Fair Housing

As the City of Huntsville takes steps to further fair housing and alleviate discrimination and poverty, there has been some concern regarding NIMBYISM. In recent public meetings comments have been made from residents in neighborhoods where housing have been purchased for the placement of families by HHA regarding concerns about the impact of their location decisions.

It will be vitally important as the city moves forward to fulfill its obligation to affirmatively further fair housing to provide education to the community to address their concerns and thus be able to continue developing affordable housing opportunities and de-concentrate poverty.

On an annual basis the City of Huntsville holds a Fair Housing Training Session in order to educate the public on Fair Housing laws and practices. See Appendix 5.

VII. CDBG PROGRAM SPECIFICS REQUIREMENTS

All project funding will be used to benefit low- and moderate- income persons

CDBG Program Administration

This activity involves the general administrative activities required by the CDBG program in maintaining accountability for the expenditure of CDBG funds by the City of Huntsville. The City proposes using these funds toward the salary and benefits of up to ten positions in the Community Development Department. These positions may be fully funded or partially funded, based on individual assignments.

Professional services, training and seminar expenses, office space, supplies, professional memberships and dues, advertisements, and printing expenses may also be paid out of this activity. The City is proposing a budget of \$215,646.60 for this activity (20% of our grant).

Public Services

This activity consists of funds totaling \$161,734.95 (15% of our Grant) for activities that will provide public services provided that the service is: 1) A new service or 2) a quantifiable increase in the level of a service.

VIII. HOME PROGRAM SPECIFICS REQUIREMENTS

HOME Program Administration

This activity involves the general administrative activities required by the HOME program in maintaining accountability for the expenditure of HOME funds by the City of Huntsville. The City proposes using these funds toward the salary and benefits of up to three positions in the Community Development Department. These positions may be fully funded or partially funded, based on individual assignments.

Professional services, training and seminar expenses, supplies, professional memberships and dues, advertisements, and printing expenses may also be paid out of this activity. The City is proposing a budget of \$48,298.00 for this activity (10% of our Grant).

CHDO Set-Aside

The City of Huntsville will budget \$72,448.00 (15%) of our HOME Grant, as our CHDO Se-Aside for this program year.

Downpayment Assistance Program (DAP)

FY13 HOME funds will be used for down payment assistance for individuals and families who is considered to be first-time homebuyers. Eligibility for the DAP program will be determined by the Community Development Department. Funds will be provided as zero interest deferred payment loans. The maximum amount of assistance provided will be \$5,000.00. Assistance will be determined on a case-by-case basis. The housing assisted with HOME funds must meet the property standards as defined by the City of Huntsville.

Housing Counseling for first time homebuyers will also be a part of this activity. HUD Certified Housing Counselors will provide educational assistance to qualifying families in order to increase their long term success as homeowners. HUD Certified Housing Counseling agencies will be identified through a procurement process and will be under contract with the City to perform these services.

HOME Program - Refinancing Guidelines

As required under Sec. 92.2061(b) of the HOME Rule, projects that wish to apply for HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds must meet the following conditions:

1. Minimum Rehabilitation Level. Applicants must demonstrate that rehabilitation is the primary eligible activity and ensure that this

requirement is met by establishing a minimum level of rehabilitation per unit of not less than five thousand (\$5,000.00)

2. **Management Practices Review.** Applicants must submit to a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long term needs of the project can be met; and that the feasibility of serving the targeted population over and extended affordability period can be demonstrated,
3. **Affordable Housing Preservation and/or Creation.** Applicants must state whether the new investment is being made to maintain current affordable units, create additional affordable units, or both,
4. **Project Location.** Applicants for projects located anywhere within the City of Huntsville's jurisdiction are eligible
5. **Non-Eligible Use of HOME Funds.** HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG, and
6. **Eligible Uses of HOME Funds.** The funds provided by HOME loans may be used for the following eligible hard and soft development costs:
 - i. **Hard Development Costs.** Hard development costs will include site preparation or improvements, securing of buildings and construction materials and labor.
 - ii. **Soft Development Costs.** Soft development costs shall include financing fees, credit reports, title binders and insurance, surety fees, recordation fees, transaction taxes, legal and accounting fees including cost certification, appraisals, architectural/engineering fees including specifications and job progress inspections, environmental reviews, builders' or developers' fees, affirmative marketing, initial leasing and marketing costs, and operating deficit reserves (up to 18 months).

Housing assisted with HOME funds will be subject to the following:
The City of Huntsville has elected to adopt the following recapture provisions when HOME funds are used to create affordable housing. It is understood and agreed that federal HOME fund regulations, set forth in 24 CFR 92.254 require that HOME assisted housing units must be acquired by a homebuyer whose family qualifies as a low-income family and the housing must be the principal residence of the homebuyer throughout the period of affordability. Additionally, recapture provisions are required pursuant to 24 CFR 92.254 (a) (5) (ii) for the purchase and sale agreement. This measure ensures that the City of Huntsville, Alabama recoups all or a portion of the HOME assistance provided to the home purchaser, if the housing does not continue to be the principal residence of the home purchaser for the duration of the period of affordability.

In accordance with 24 CFR 92.254 (a)(5) (ii), during the applicable Period of Affordability, the amount to be recaptured may be reduced by the City of Huntsville, Alabama, on a pro rata basis for the time the purchaser homeowner has owned and occupied the subject housing measured against the affordability period. During the Period of Affordability (5 years from date of closing), the City of Huntsville, Alabama must receive prior written notification of any sale, refinancing, or foreclosure that occurs with regards to the Property.

In the event of a recapture of the Property during the Period of Affordability, an amount equal to a proarata share of HOME subsidy funds, reduced proportionately for every year of the Period of Affordability the qualifying homeowner owned the Property, shall be repaid to the City of Huntsville, Alabama from any net gain realized upon the sale of the Property after deduction for sales expenses.

In the event of a refinancing of the Property during the Period of Affordability, an amount equal to a pro rate share of the HOME subsidy funds, reduced proportionately for every year of the Period of Affordability the Owner has owned the Property, shall be repaid to the City of Huntsville, Alabama from any net gain realized upon the refinancing. Cash out refinances are unallowable.

In the event of a foreclosure of the Property during the Period of Affordability, the City of Huntsville, Alabama may receive the “net proceeds” up to the original amount of the HOME funding subsidy. The net proceeds are the sales price minus superior loan repayment (other than HOME funds) and any closing costs. At the sole discretion of the City of Huntsville, Alabama the net proceeds may be shared in accordance with the provisions of 24 CFR 92. 254 (a)(5)(ii)(A)(3).

Long-Term Affordability

The HOME program set affordability periods are based on the amount of HOME funds provided for the property (see chart below).

HOME Funds	Affordability Period
<\$15,000	5 years
\$15,000-\$40,000	10 years
>40,000	15 years

The City will require all grantees being awarded HOME funds and all owners of HOME assisted projects of five units or more, to commit to affirmative marketing as part of the formal agreement between the City and the grantee, and the grantee and the owner. Also, the City will implement the above policies through the following activities:

1. The City will inform the general public, owners, and potential clients about Federal fair housing laws and about the City's affirmative marketing policy:

- i. Local groups which specialize in providing affordable housing as well as non-profit organizations which provide assistance to low-income, ethnic minorities and other disadvantaged households will be advised of the availability of applicable housing provided under the HOME program.
 - ii. News releases, advertisements, flyers and other printed material will include the use of the Equal Opportunity logo and/or slogan.
 - iii. The City will make available to the public federal pamphlets such as the "Fair Housing - It's Your Right".
 - iv. City staff will periodically attend public meetings and forums, particularly meetings in neighborhoods where residents do not respond to the customary information pathways, to inform them of available housing opportunities.
2. For HOME-assisted housing containing five or more units, the City will work with the non-profit grantees and the owners of the units to carry out the City's affirmative marketing policies by requiring both owners and grantees to comply with the following:
 - i. Inform potential tenants about federal fair housing laws;
 - ii. Make use of the Equal Housing Opportunity logo and slogan, and display the fair housing poster;
 - iii. Make available the pamphlet "Fair Housing - It's Your Right", and inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach.
 - iv. The City will keep records including dated copies of all press releases, informational flyers, newspaper advertisements and any other notices or mailings. The City will also keep records of its outreach efforts and communication with grantees related to affirmative marketing.
 - v. The success of affirmative marketing actions on the part of required owners or grantees will be measured as follows:
 - a. If required actions have been carried out as specified, the City will assume that owners have made a good faith effort to carry out the procedures.

IX. OTHER ACTIONS

Minority and Women Business Enterprise Outreach

The Community Development Department will work with local chambers of commerce and economic development agencies to ensure that MWBE are notified of funding availability, potential requests for proposals, and other opportunities to partner with the City through the CDBG and HOME programs. The City website (www.huntsvilleal.gov) also encourages MWBE's to partner with the City.

Affirmative Marketing

The City's affirmative marketing procedures for HOME-assisted housing are guided by the following policies:

- The City has a commitment to affirmatively further fair housing. The City host an annual Fair Housing Training Session to discuss, develop and sustain additional community dialogue on fair housing and to develop City leadership's understanding of Fair Housing Laws.
- Eligible persons from all racial, ethnic, religious, age and gender groups in the housing market area should be adequately informed and otherwise attracted to the available HOME-assisted housing; and
- The success of the affirmative marketing program will be assessed annually and improvements will be implemented.

ESG

The City of Huntsville does not receive a direct allocation of ESG funds

HOPWA

The City of Huntsville does not receive a direct allocation of HOPWA funds