2013-14

Annual Action Plan

Community Development & Housing

City of High Point

2013-2014 Annual Action Plan

CDBG/HOME Programs
July 1, 2013 –June 30, 2014

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Submitted by

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I. Executive Summary

The City of High Point's 2013-2014 Annual Action Plan, the fourth of a 5-year period from 2010 - 2014, describes activities proposed for funding and implementation during FY 2013-2014. The Action Plan sets forth a description of proposed activities, establishing goals and objectives for each of them. The Plan is based on the housing and community priority needs as defined in the Consolidated Plan[1] along with the anticipated financial resources available to address those needs. The Plan also contains goals and measurable objectives for projects and activities which implement strategies established in the Consolidated Plan. The 2013-2014 Annual Action Plan complies with regulations issued by the U.S. Department of Housing and Urban Development (HUD) in 1995. HUD requires Entitlement[2] communities such as High Point to consolidate its planning, application and reporting requirements for HUD programs including the Community Development Block Grant (CDBG) and the HOME Investment Partnership Grant programs (HOME). The Action Plan must be prepared each year. It is presented for approval to the Citizens Advisory Council and City Council. It must be submitted to HUD by May 15, 2013. A final Plan will be made available for review on the City's website, www.high-point.net/cd and in print form at the Community Development and Housing Department's office, 211 S. Hamilton Street, Suite 312, High Point, NC 27261.

II. Community Development and Housing Department Overview

The City of High Point's Community Development and Housing Department (CD&H) is committed to providing the highest level of service and a broad range of opportunities to its customers. Recognizing that neighborhoods cannot be strengthened simply with "sticks and bricks," the Department implements a diverse but coordinated mixture of programs ranging from affordable housing activities to public services to various neighborhood improvement activities and community-capacity building.

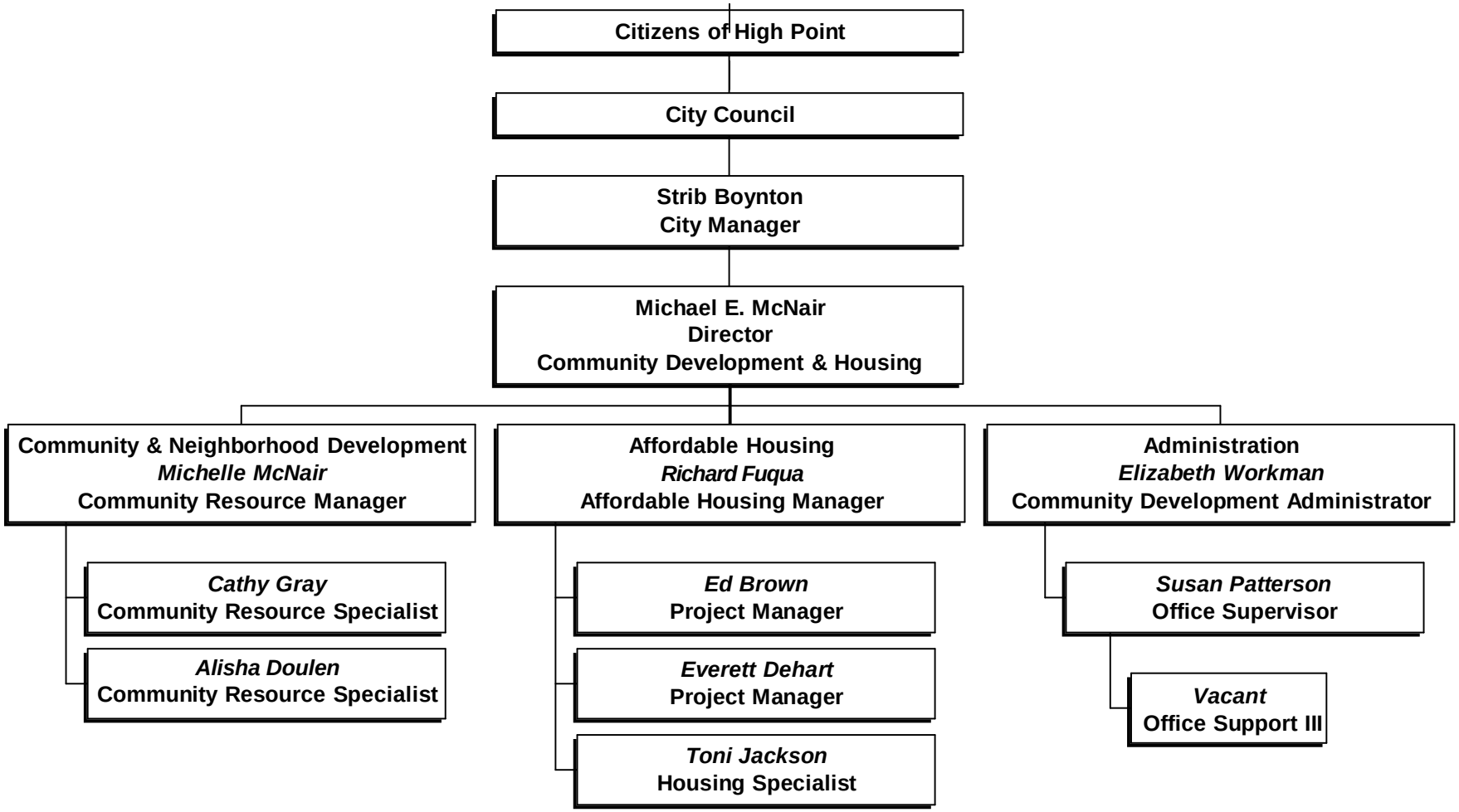
CD&H is responsible for program administration, monitoring, compliance and evaluation. It prepares the 5-year Consolidated Plan, the Analysis of Impediments to Fair Housing choice, and the One-Year Action Plan. The Department also manages the citizen participation process; makes program documents available for public inspection/comment; assists the Citizens Advisory Council; and seeks City Council approval of the Action Plan. Each year the Department prepares a Consolidated Annual Performance and Evaluation Report[3] (CAPER) to inform citizens of the use and impact of community development funds. CD&H staff provide progress reports to the City Manager, the Citizens Advisory Council and City Council. These reports include recommendations on reallocation of funds as appropriate. The Department's organization chart is shown on the next page.

[1] A five-year plan that describes a community's needs, resources, priorities, and proposed activities to be undertaken with HUD funding, primarily CDBG and HOME program funds. The Consolidated Plan is updated annually

[2] A city which, based on factors such as its population, age of housing and poverty levels, is entitled to receive CDBG funds directly from HUD.

[3] A CAPER reports how jurisdictions carried out housing and community strategies, projects and activities in the past year.

Community Development and Housing Organizational Chart



A. Citizens Advisory Council

The Citizens Advisory Council (CAC), a nine-member volunteer entity composed of city residents, plays a key role in the planning process. CAC members are appointed by the Mayor and City Council, and are limited to two consecutive two-year terms. The CAC was established in April 1974 to function as the primary citizen participation mechanism for projects planned and implemented with HUD funds. CD&H is responsible for providing administrative and technical support to the CAC. The CAC meets once a month; all meetings are conducted in an open manner, with freedom of access for all interested persons. Current members are:

Jerry Mingo, Chair At large	Jeffrey Golden, Ward 1	Jermaine Dawson, Ward 2
Jeffery Sypole, Ward 3	Myra Clodfelter, Ward 4	Thomas Kak, Ward 5
Scott Niebauer, Ward 6	Teresa Jones-Echard, At-Large	Yvonne Short, At-Large
	Jason Ewing, City Council Liaison	

B. The Planning Process

Participation of the general public and of public organizations is extremely important to the development of the Annual Action Plan. To maximize citizen participation, CD&H staff conducts a series of community meetings to discuss the planning process and solicit input. Community meetings are advertised in local newspapers at least 14 days in advance. This year's meetings were held as follows:

High Point Public Library	March 7, 2013
High Point Public Library	March 14, 2013

During these meetings, staff reviewed HUD national objectives as well as ongoing department activities, and facilitated a discussion of community needs along with suggestions for improving programs. Meeting with the community gives the department the best opportunities to interact with residents and receive feedback. Staff regularly attend neighborhood group and association meetings in the Core City throughout the year which builds partnerships, maintains meaningful and productive relationships in the community, and enhances the Department's ability to develop responsive, relevant programs.

C. Public Hearings

Two public hearings were conducted on the proposed Action Plan. The Citizens Advisory Council conducted the first public hearing at 6:30 PM on Thursday, March 28, 2013 at the Community & Neighborhood Development Center, 201 Fourth Street, High Point. The second public hearing was conducted by City Council during its regularly scheduled meeting on Monday, April 15, 2013 in City Council chambers on the third floor of City Hall, 211 South Hamilton Street.

D. Public Notice

The Community Development and Housing Department published a draft of the proposed 2012-2013 Annual Action Plan for public review and comment. The period of public review was for 30 days beginning March 11th ending April 12th, 2013. The proposed plan was available for review at the following locations:

- City of High Point Parks & Recreation Dept., 136 Northpoint Avenue
- Community Development & Housing Department, Room 312, City Hall, 211 S. Hamilton Street
- Community & Neighborhood Development Center, 201 Fourth Street
- High Point Public Library
- High Point Housing Authority, 500 E. Russell Street
- The Ark of Safety Day Care

The Annual Action Plan describes housing and community development activities proposed by the City between July 1, 2013 and June 30, 2014 with a blend of HOME, CDBG Entitlement, program income, and local funds. The Plan also identifies other activities funded by a Lead Hazard Control grant, Health and Human Services, North Carolina Housing Finance Agency; HUD Section 108; Neighborhood Stabilization Program; US DOJ; the IRS/Volunteer Income Tax Assistance and Shelter Plus Care. For more information, please call or write: Community Development & Housing Department, City of High Point, PO Box 230, High Point NC 27261 or visit our website: www.high-point.net/cd. The City of High Point's meeting facilities are accessible to people with disabilities; those needing special accommodations may call (336) 883-3298 (voice) or (336) 883-8517 (TDD) to make prior arrangements.

E. Projected Sources of Funding

The CDBG program was created to plan and implement projects that foster revitalization of eligible communities throughout the United States. High Point is an Entitlement city, eligible to receive an annual CDBG allocation directly from HUD. Title I of the Housing and Community Development Act of 1974, as amended, is the legislation that authorizes the federal government to disburse block grant funds. The primary goal of this legislation is the development of viable urban communities. Program objectives include the provision of decent housing, a suitable living environment and expanded opportunities principally for low to moderate-income individuals and families.

The City of High Point has been an Entitlement city for 37 years. CDBG-funded projects and activities must meet one of three broad national objectives; all of High Point's CDBG-funded activities in the Annual Action Plan meet at least one of these national objectives:

1. Benefit low and moderate income persons
2. Aid in the prevention and/or elimination of slums or blight
3. Meet community development needs having a particular urgency

HUD also allocates HOME program funding to assist in implementing affordable housing strategies that address local housing needs. This program strives to meet both the short-term goal of increasing the supply and availability of affordable housing and the long-term goal of building partnerships between state and local governments and non-profit housing providers. It was created under the auspices of the National Affordable Housing Act of 1990. The HOME program affirms the federal government's commitment to:

- Provide decent, safe and affordable housing to all Americans
- Alleviate the problems of excessive rent burdens
- Alleviate and/or eliminate homelessness
- Eliminate deteriorating housing stock

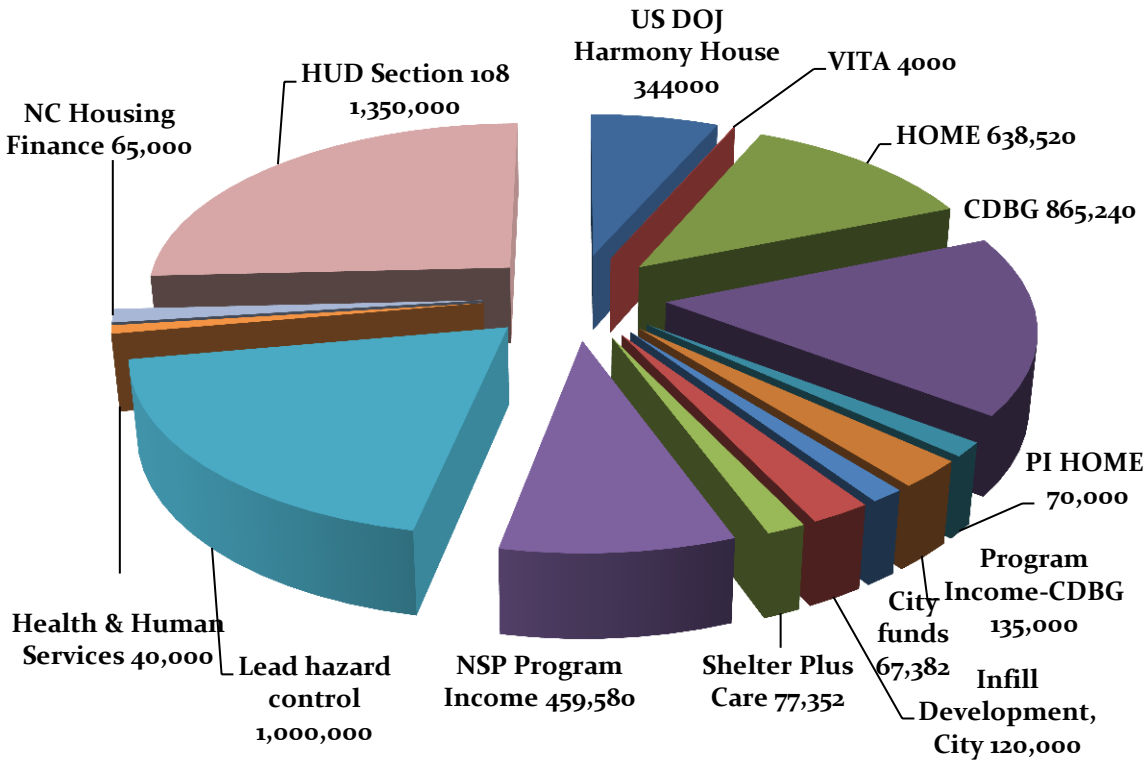
Funds to operate the program are allocated by formula. Grantees must spend their allocations within five years, otherwise funds are subject to recapture by HUD. In the past the City of High Point received its HOME funds allocation as part of a consortium that included the cities of Greensboro and Burlington as well as Alamance and Guilford counties. The City exited the Greensboro Consortium and gained its status as a Participating Jurisdiction in July 2005. The 2013-2014 Annual Action Plan represents the eighth year that High Point has been a Participating Jurisdiction[4], receiving HOME funds directly from HUD. Normally HUD requires a 25% cash match from the City; however, the City qualified for a match reduction according to HUD calculations this past year, and we anticipate a renewal in the next fiscal year.

HUD regulations require the City to identify all resources expected to be available to implement activities identified in this Annual Action Plan. These funds, enumerated in the chart on the next page, will be used to develop a coordinated, comprehensive approach to the core goals identified in the Plan.

[4] HUD designation as a participating jurisdiction occurs if a State or local government meets funding thresholds, notifies HUD that it intends to participate in the program, and obtains approval by HUD of a Consolidated Plan.

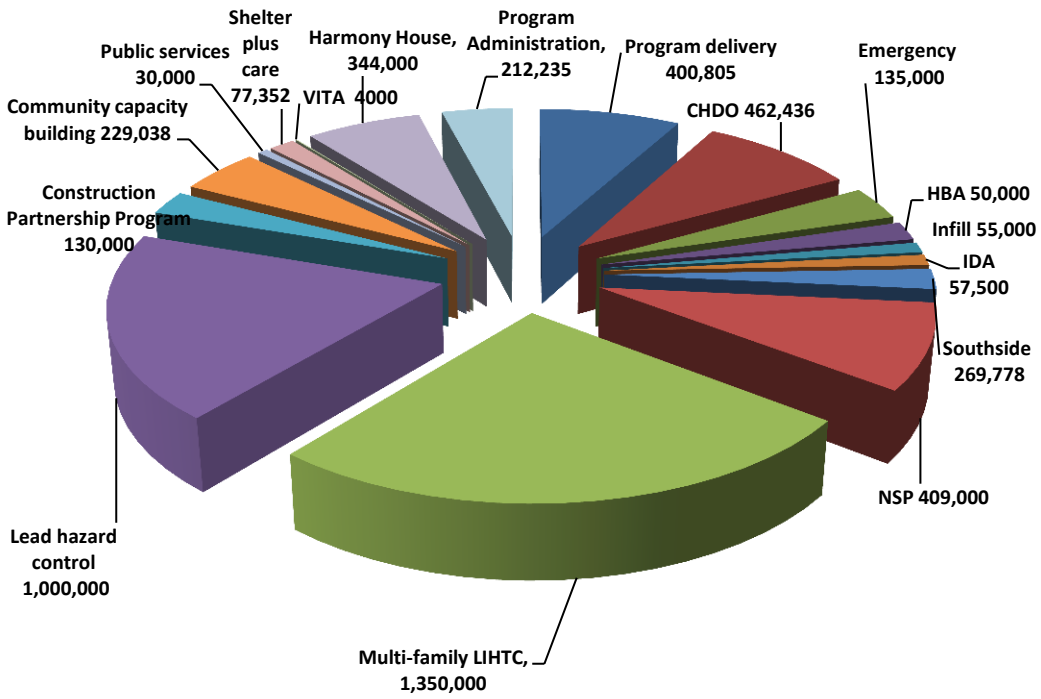
Anticipated Funding & Source	HOME	CDBG	City Funds	Other Funds	Total
CDBG Program Funds 2013-2014 & Prior year		$865,240			
CDBG Program Income		135,000			
HOME Program Funds 2013-2014 & Prior	$ 638,520				
HOME Program Income	20,000				
Consortium Program Income	50,000				
City Infill Development Funds			120,000		
City funds, 1 salary/operating expense			67,382		
LEAD Hazard Control				1,000,000	
NSP Program Income				459,580	
Health & Human Services - IDA				40,000	
Shelter Plus Care				77,352	
NC Housing Finance				65,000	
HUD Section 108				1,350,000	
VITA				4,000	
US DOJ Harmony House				344,000	
TOTALS	**$708,520**	**$1,000,240**	**$187,382**	**$3,527,314**	**$5,236,074**

The 2013-14Annual Plan budget is illustrated on the right. HUD's CDBG and HOME funds provide the bulk of funds used to provide affordable housing, neighborhood revitalization, emergency repairs, down payment assistance and community programs. Lead poison remediation and HUD Section 108 funds constitute the largest sources of funds this budget year. Program income (loan repayment) is added to the budget as well. The City also provides one staff salary, infill development funds, and some operating funds.



Proposed Uses of Funding

Affordable Housing	Program Delivery	420,805	Delivery costs to provide affordable housing
	CHDO	464,978	Affordable housing development
	Emergency Repair	179,925	Home repairs
	Homebuyer Assistance	100,000	Home purchase, loans/grants
	Infill	55,000	Acquisition and new construction
	Individual Development Accounts	57,500	Finance/household management skills
	Southside Revitalization	109,355	Neighborhood improvement
	NSP	459,580	Purchase/lease foreclosed renovated homes
	Multi-family LIHTC	1,350,000	Multi-family units
	Construction Partnership	130,000	Construction training program
	Lead Hazard Control	1,000,000	Lead–based paint remediation
	Total	**$4,241,316**	
CNDD	Community Capacity Building & Projects	241,344	Community capacity-building programs
	Public Service Grants	30,000	Public Service grants
	Shelter Plus Care	77,352	Permanent housing for homeless persons w/disabilities
	VITA	4,000	Volunteer Income Tax Assistance
	Harmony House	344,000	
	Total	**$696,696**	
Program Administration		212,235	Operating, program design, neighborhood analysis
	Total	**$212,235**	
	GRAND TOTAL	**$5,236,074**	

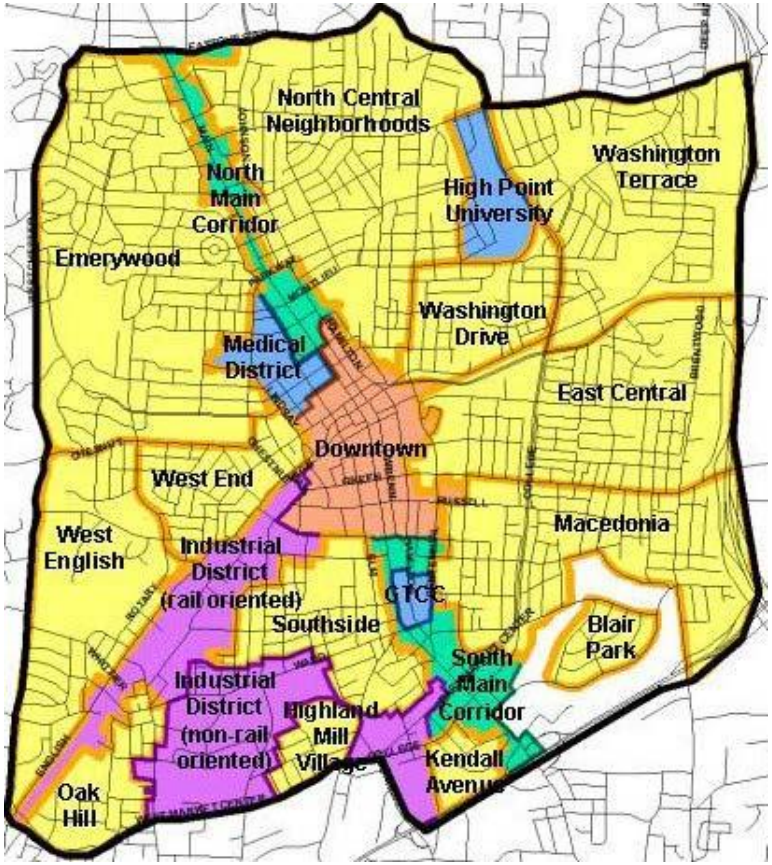


In accordance with HUD regulations, the Department designs and implements various affordable housing, community and neighborhood development strategies to meet identified needs.

Affordable housing strategies are designed to increase the supply of affordable housing, improve the condition of existing low-income housing stock, and enhance the accessibility of affordable housing to low-to-moderate income homebuyers.

Community & Neighborhood Development (CNDD) strategies focus on community capacity-building, enhancing provision of public services and assisting implementation of the Guilford County 10-year Plan to End Homelessness.

F. Geographic Priorities and Core City Plan



The Core City Plan is a major initiative of the High Point City Council. On September 8, 2005, a contract was awarded to the Walker Collaborative to conduct the planning process as well as prepare a Vision and Plan. After the Plan was completed, the Community Growth Vision Statement and Core City Plan were adopted by the High Point City council on February 8, 2007. The Plan's purpose is to provide a clear blueprint for improving the physical, economic and social facets of High Point's central core area: it reflects the collective vision of the community. With adoption of the Plan, other City policies will be adapted for consistency with the plan including zoning, development regulations, and capital improvement projects. In addition to the main focus on the Core City, this project also forged a community-wide vision as a framework into which the Core City Plan and other future plan can fit. As the City moves toward implementation of the Core City Plan, CD&H will continue to re-evaluate its progress and practices to ensure the Department is aligned with Council priorities as articulated in the Plan. The Department will utilize the Plan for guidance on its development, redevelopment and revitalization activities in the City's core area. The Core City area is defined as "downtown and the surrounding neighborhoods, commercial/industrial areas and gateway corridors," illustrated to the left.

A key objective of the Core City Plan is to stabilize and strengthen Core City's neighborhoods by minimizing existing negative conditions while reinforcing positive qualities. The Plan goes further to identify specific improvements in our targeted Core City area. The neighborhoods most commonly have one or more of the following characteristics:

- Natural or man-made boundaries
- Legal subdivision
- Shared development patterns
- Common economic conditions

A common theme expressed throughout neighborhood discussions was that the City largely represented a more post-war suburban feel with houses set back and larger front yards. Most homes were constructed over 50 years ago and are now aging, which represents a great need in the Core City environment. Because of this need, the Core City Plan makes a common recommendation throughout: rehabilitate existing homes, and develop appropriate infill housing on vacant parcels. The Core City Plan lays out specific challenges and recommendations for each affected neighborhood. CD&H programs focus on target areas in the heart of Core City.

Due to the concentration of low-to-moderate income households in the heart of Core City, CD&H has historically targeted neighborhoods in that area. Current targeted neighborhoods are Washington Drive, East Central, Macedonia, Southside and West End, all of which contain the traditional urban land uses of residential, commercial and industrial. Significant residential uses exist in the Washington Drive, East Central and West End sub-neighborhoods. Commercial uses straddle Main Street and the area's historical business corridor. Industrial uses, primarily textile and furniture manufacturing plants, are sprinkled throughout with concentrations in Southside and Macedonia. Violent crime has historically been pervasive but significant impact has been made by the police department's Focused Deterrent Initiative in Southside, West End, East Central and Washington Drive. Targeted areas have a large number of vacant lots and boarded up houses that are a blighting influence. In recent years the City has made a concerted effort to demolish substandard houses that blight Core City neighborhoods.

In an effort to facilitate the construction of infill housing in the Core City, the Department of Planning and Development and the Community Development & Housing Department co-sponsored a text amendment to the City of High Point's development ordinance which establishes a new zoning category known as RS-5, Residential Single Family District. This zoning category is primarily intended to accommodate high-density single family detached dwellings in the Core City where public water and sewer service is required. Overall gross density in RS-5 will typically be 7.0 units per acre or less. This category allows for the construction of homes on lots as small as 5,000 square feet. Utilization of the RS-5 category will require Council approval to rezone all affected properties. The text amendment was unanimously recommended to Council and approved at its regularly scheduled meeting on March 3, 2008. The first application of the RS-5 zoning was in the Southside community. The Graves Avenue area was rezoned to RS-5 as well.

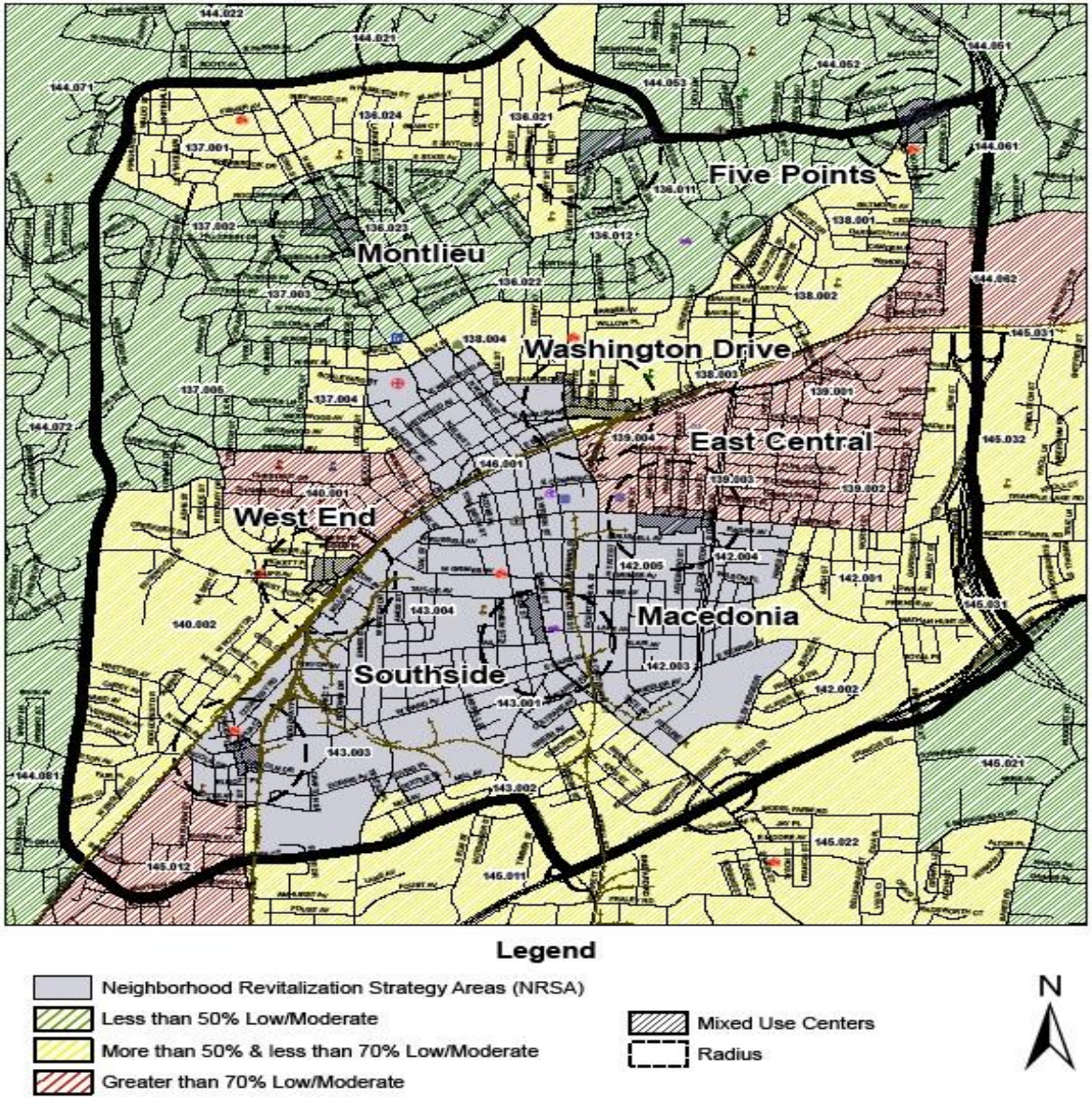
G. Neighborhood Revitalization Strategy Area (NRSA)

The extreme concentration of low-to-moderate income families in the heart of the Core City qualified High Point to obtain Neighborhood Revitalization Strategy Area (NRSA) designations for specific construction projects. This designation is possible due to HUD's desire to create communities of opportunity in distressed neighborhoods. Entitlement communities such as High Point may define a NRSA that meets the threshold for low/moderate income residents and is primarily residential. Within the NRSA the City receives much greater flexibility in the use of CDBG funds to stimulate the reinvestment of human and economic capital by economically empowering low-income residents. In order to enhance the impact of its community development programs in Core City neighborhoods, the Department successfully submitted an application for NRSA designation from HUD in specific Core City areas. The area submitted to HUD for NRSA approval is shown in grey on the map on the following page.

Continuing decline, widespread disinvestment in many communities, and the spillover effects in surround areas all point to the need for a different approach to rebuilding communities. HUD specifies that at least 70% of households in the NRSA must have low-to-moderate incomes, or LMI. The map on the next page depicts LMI household percentages in High Point by census block groups.[5] Block groups in red have LMI percentages in excess of 70%; yellow areas have LMI percentages of 50-70%; green areas have LMI percentages of less than 50%. Clearly, the greatest concentration of LMI households is in the heart of the Core City. The NRSA designation will be used to enhance revitalization projects in the Macedonia and Southside communities.

[5] A census block group is a subdivision of a census track, and is the smallest geographic unit for which the Census Bureau tabulates 100% data. Many blocks correspond to individual city blocks bounded by street but blocks, especially in rural areas, may include many square miles and may have non-street boundaries.

Low / Moderate Percentages by Block Group



The purple/grey areas shown on this map show the boundaries of the NRSA in the City of High Point.

H. Income Guidelines

HUD is required by law to set income limits in determining eligibility of applicants for assisted housing programs which use HUD funds. The income guidelines provided to High Point reflect incomes for the Greensboro-High Point Metropolitan Statistical Area (MSA).[6] The table below contains 2013 income limits with breakdowns by family size and income categories for High Point. These guidelines form the basis of eligibility criteria for the City's CDBG and HOME- funded projects. According to the 2010-2014 Consolidated Plan, High Point families with incomes at or below 30% of the area median income are at the greatest risk for housing problems.

2013 Income Levels (Source: HUD)				
	Extremely Low Income	**Very Low Income**	**Low Income**	**Area Median Income**
Persons in Household	30% Median	50% Median	80% Median	100% Median
1	$11,450	$19,100	$30,550	$38,150
2	$13,100	$21,800	$34,900	$43,600
3	$14,750	$24,550	$39,250	$49,050
4	$16,350	$27,250	$43,600	$54,500
5	$17,700	$29,450	$47,100	$58,850
6	$19,000	$31,650	$50,600	$63,200
7	$20,300	$33,800	$54,100	$67,600
8	$21,600	$36,000	$57,600	$71,950

These families also have the greatest risk of exposure to lead-based paint hazards. The 2013 Median Family income in High Point is $54,500. Census median family income (MFI) estimates are updated with county-level Bureau of Labor Statistics earnings data and Census American Community Survey (ACS) state-level MFI estimates or ACS local area MFI estimates. Separate HUD MFI estimates are calculated for all MSAs and nonmetropolitan counties. HUD uses the Section 8 program's Fair Market Rent (FMR) area definitions in developing median family income estimates for a given area. HUD income limits are calculated for every FMR area with adjustments for family size and for areas with unusually high or low income-to-housing cost relationships. HUD sets income limits to determine eligibility for each Entitlement's programs and services. FY 2010-2011 MFI estimates are based on data generated by the census for that community, and are updated annually.

[6] The US Office of Management and Budget designates MSAs according to published standards that are applied to Census Bureau data. The general concept of MSAs is that of a core area containing a substantial population nucleus, together with adjacent communities having a high degree of economic and social integration with that core

I. Fair Market Rents and Affordable Housing

Fair market rents are set annually by HUD to identify the amount needed to rent modest housing in an area[7]. They are affordability indicators of the general housing market for an area. One way to evaluate rental-housing costs is to compare the Housing Wage[8] to the estimated mean rental wages[9]. According to the National Low Income Housing Coalition, the Fair Market Rent (FMR) for a two bedroom apartment is $709. In order to afford this level of rent and utilities---without paying more than 30% of income on housing---a household must earn $2,363 monthly or $28,351 annually. Assuming a 40-hours work week, 52 weeks per year, 2080 hours, this level of income translates into a housing wage of $13.63/hour[10].

The minimum wage in North Carolina is $7.25. To afford the FMR for a two bedroom apartment, at minimum wage a worker must work 75 house per week, 52 weeks per year. Or a household must include 1.9 minimum wage earners working 40 hours per week year-round to be able to afford an apartment at Fair Market Rent rates. In North Carolina the estimated mean or average wage for a renter is $12.11. In order to afford the FMR for a two bedroom apartment at this wage ($12.11/hour), a renter must work 45 hours per week, 52 weeks per year. Or, working 40 hours per week year-round, a household must include 1.1 workers earning the mean renter wage in order to make the two bedroom FMR affordable.

Lower income families in High Point have great difficulty securing affordable housing and are driven toward older neighborhoods where housing stock is often not well maintained. Housing quality and affordability are intertwined, with one factor often forcing the acceptance of undesirable levels of the other. Low-income families who are unable to afford market rate rents are also unable to access Section 8 vouchers and often find themselves with housing cost burdens that force choices between paying the rent, paying the utilities, buying food, or paying for health needs/expenses. Often the poor opt to cut back on medicine, resulting in decreased quality of life and ultimately higher health care costs for them and the community at large, eventually. The inability to pay market rate forces low income families to seek lower cost and lower quality housing in older homes of Core City neighborhoods. Since Core City neighborhoods have the greatest concentration of older housing and consequently the greatest threat of lead poison contamination, a vicious cycle is put in motion which forces low income families to accept low quality housing which is all they can afford, exposing them to hazardous living conditions.

2013 Fair Market Rents (source: Federal Register)

Efficiency	1 bedroom	2 bedroom	3 bedroom	4 bedroom
$516	$591	$701	$953	$1,075

[7] It also establishes the maximum rent that could be provided for Section 8 recipients.

[8] A "housing wage" is a term used to describe the average hourly wage needed to rent a two-bedroom dwelling at fair market rent.

[9] Estimated mean renter wage is based on Bureau of Labor Statistics data and adjusted using the ratio of renter to total household income reported in the 2000 census.

[10] The hourly wage needed to afford (at no more than 30% of gross income) a 2-bedroom apartment at Fair Market Rent.

III. Affordable Housing Activities

According to the City's 2010-14 Consolidated Plan, a large percentage of extremely low-income and very low-income households in High Point experience one or more housing problems. Households with housing problems are those households occupying units without a complete kitchen or bathroom, that contain more than one person per room, or that pay more than 30 percent of their income to cover housing expenses. More than one-quarter of all households in our community (at any income level) experience a housing problem, and over one- quarter experience a cost burden of 30 percent or more. Many very low-income and extremely low-income individuals experience severe cost burdens. More than ten percent of all households in High Point experience a cost burden of 50 percent or more, while more than one-half of all extremely low-income households fall into this category. The availability of affordable housing is a local as well as national issue.

Many low-income families in High Point are faced with multiple undesirable choices when seeking housing. They must choose between paying more than they can afford, living in substandard housing, or living in overcrowded housing. These choices have corresponding negative impact in their quality of life. The scarcity of affordable housing in our community is reflected in the extreme concentration of low-income families in older areas of the Core City and in the substantial waiting list maintained by the High Point Housing Authority. Unfortunately, public health records indicate these areas also have the greatest risk for lead based paint hazards and other unhealthy conditions (e.g., asbestos contamination). In response to housing needs identified in the Consolidated Plan, Community Development & Housing's affordable housing strategies are focused in three areas (programs in response to these areas are given below each area):

- Increasing the supply of safe, sanitary and decent affordable housing (single family and multifamily housing development)
  - Infill development through partnership with non-profit developers (CHDOs)
  - Partnership with multifamily housing developers in support of LIHTC projects (e.g., Admiral Pointe)
  - Neighborhood Stabilization Program (NSP)to acquire and repair vacant foreclosed properties and sell to income-eligible persons

- Improving the condition of the existing low income housing stock (housing rehabilitation)
  - Lead Hazard Control (remediate lead-based paint hazards)
  - Southside Revitalization
  - Emergency Repair (associated with Lead Hazard Control)

- Improving the accessibility to affordable housing (homebuyer education and down payment assistance)
  - Homebuyer Education
  - Down Payment Assistance
  - Individual Development Accounts

A. Community Housing Development Organization (CHDO) Activities

Budget:	$447,436
Activity:	Construction of Affordable Housing
Source:	HOME Investment Partnerships Program
National Objective:	Affordable Housing
Eligibility Citation:	24 CFR Part 92.300
Goal:	Provide affordable homeownership opportunities
Objective:	Providing Affordable Housing (10 homes)
Outcome:	Affordability
Performance Measures:	10 affordable homes

Community Housing Development Organizations (CHDO) are nonprofit organizations whose purpose is to provide decent and affordable housing for low to moderate-income persons. The City is required to set aside fifteen percent of its HOME funds for CHDO activities.

Currently the City has two active certified CHDOs: Habitat for Humanity of High Point, Trinity and Archdale (Habitat); and Unity Builders, Inc. Habitat has been contracted to build (17) seventeen single family homes in the 1700 block of Graves Avenue, an area directly adjacent to Washington Terrace Park. Habitat has constructed and sold 12 homes on Graves Avenue area with an additional 6 currently underway. CD&H has contracted with Unity Builders, Inc. to construct 18 single family homes in Southside. Unity Builders has constructed and sold 7 single family homes in Southside and has 4 lease-purchase properties under construction.

The City facilitates the development of affordable housing by identifying project sites, property assemblage and gap financing that is used to attract construction financing from local banks. The City also makes available down payment assistance to income-eligible CHDO customers buying houses. Additional CHDO information is available at www.HabitatHP.org and www.unitybuildersinc.org.

B. Emergency Repair Program

Budget:	$179,925
Activity:	Rehabilitation
Source:	CDBG
National Objective:	Low and Moderate Income Housing
Eligibility Citation:	24 CFR Part 570.202 (a) (1)
Goal:	To provide emergency housing rehabilitation services to 32 LMI homeowners; improve quality of existing LMI housing stock; acquire dilapidated housing for repair and/or demolition; mitigate blight and lead-based paint hazards
Objective:	Provide Decent Housing
Outcome:	Affordability
Performance Measures:	32 emergency repairs

Rehabilitation of the City's aging housing stock is geared towards ensuring the continued livability and viability of High Point's limited affordable housing units. Due to continued scarcity of resources, the City has committed its emergency repair funds as a match for its Lead Hazard Control grant. Consequently, emergency repairs are generally performed in conjunction with a lead remediation project. Exceptions may be made in extreme cases. The Emergency Repair Program is designed to provide quick action to homeowners experiencing a system failure that may endanger health such as heating systems failure in the winter. Emergency repairs typically completed include the following:

Roofing: Roofing repairs made in a timely manner can prevent further loss from damage to the structure, reduce the incidence of childhood lead poisoning and improve indoor air quality by eliminating moisture intrusion into the living spaces.

HVAC: Heating, air-conditioning and ventilation repairs done in a timely manner can prevent loss of life (due to hypothermia), improve indoor air quality, measurably increase the efficiency of outdated equipment, reduce the burden of high utility bills and ensure a greater degree of affordability for strapped homeowners.

Electrical: Electrical service upgrades to distribution panels and new wiring when necessary improve safety and allow for additional load to be added when replacing and modernizing HVAC systems.

Plumbing/Sewer: Hot water heating failures are addressed to meet minimum housing requirements. Additional plumbing modifications and repairs are sometimes needed to repair broken water and sewer lines.

Collapsing floor systems: Structural (framing) problems incurred primarily as a result of plumbing failures can have repair costs beyond many homeowners' resources. If it is determined that substantial failure is imminent, repairs will be undertaken.

Since CDBG funds are scarce, the Department closely monitors clients' income and asset eligibility criteria to focus resources on the lowest income groups. The City will continue to act as the owner's representative to ensure repairs are performed properly and customer expectations met. Project management services include:

- Intake and qualification of applicants
- Inspection and assessment of required repairs
- Preparation of the work write-up
- Manage bid-letting process
- Compliance with HUD and local regulations
- Supervision of work performed and contractor payment

C. Homebuyer Assistance

Budget:	$100,000
Source:	HOME
National Objective:	Low & Moderate Income
Eligibility Citation:	24 CFR 92.205 (a) (1)
Goal:	Assist low-to-moderate income families purchase homes
Objective:	Assist low-to-moderate income homebuyers purchase homes
Outcome:	Affordability
Performance Measures:	10 homebuyers assisted

Homebuyer assistance is vital to the Department's goal of providing decent, safe, sanitary and affordable housing. The program provides down payment and closing cost assistance to homebuyers to reduce out of pocket costs in the form of a deferred low-interest rate loan. Homebuyer assistance is offered to buyers who purchase homes in the city limits of High Point. Traditionally, assistance is up to $5,000 that can be used for closing costs and/or lowering of the down payment. The department offers additional incentives in the form of homebuyer assistance in Macedonia up to $7,500 and assistance up to $10,000 for targeted properties in the West End community. Down payment assistance in the amount of $7,500 is also available for targeted properties in the Southside community currently under a development contract by the City. These assistance packages are designed to attract homebuyers to these neighborhoods. Basic program requirements include:

- Completion of an 8-hour Homebuyer Education class offered by a HUD-approved Housing Counseling Agency sponsored by CD&H
- Obtaining a loan to purchase the house from a participating lender
- Meeting income eligibility requirements established for the program
- Purchasing a home within the city limits of High Point
- Post-purchase counseling consisting of two 2-hour individual counseling sessions within the first 12 months of ownership and
- A minimum cash investment of $500 toward the home purchase

Homebuyers meeting these basic program requirements are assisted during the homebuyer process by various professionals who demonstrate an interest in ensuring first time homebuyers receive decent, safe, sanitary and affordable housing. As the economy improves, we anticipate increased demand for homebuyer assistance.

In accordance with HUD guidance participating jurisdictions are authorized to use either the Section 203 (b) mortgage limits established as of February, 2008 or the actual 95 percent of median sales price limits for their areas, whichever is higher. The City of High Point has elected to use the Section 203 (b) mortgage limit as the maximum ($200,160). The Section 203 (b) mortgage limit establishes maximum purchase prices. Loans are secured by a promissory note and deed of trust that outlines recapture provisions in accordance with 24 CFR Part 92.254. Liens coinciding with the loan terms are placed on all properties.

Homebuyer Education

Realizing the Dream[11] education workshops are being offered monthly at rotating locations throughout High Point to assist future first time homebuyers with the home purchasing process. Locations include the Macedonia Family Resource Center, Roy B. Culler Jr. Senior Center, Southside Recreation Center, Morehead Recreation Center, Oakview Recreation Center, Greater First United Baptist Church, Allen Jay Recreation Center and the Community & Neighborhood Development Center.

A HUD-approved housing counseling agency will partner with the City of High Point to offer this valuable training. The classes are eight hours in length, free to the public and all participants receive a certificate when completed. The classes comprehensively cover the home purchasing process. Topics covered include a homeownership overview, financing a home, budgeting, saving and credit counseling, working with a real estate professional, predatory lending, fair housing and foreclosure prevention. Participants requiring more extensive financial management training may be eligible for the Individual Development Accounts program.

Lender Participation

In order to purchase a house, an applicant must be able to obtain a loan. CD&H is committed to ensure low to moderate-income applicants receive quality loan products and has partnered with the local lending community to help homebuyers obtain an affordable first mortgage. In order to prevent home buyers from being victimized by predatory lenders, the department conducts a free lender certification workshop for mortgage lenders who are interested in working with low income, first time homebuyers. The mortgage lender must complete the workshop in order to become a Participating Lender for the Homebuyer Assistance Program. These workshops equip lenders with the information and forms necessary to submit a complete package for underwriting. A Participating Lender is a lending institution that cooperates with CD&H in the Homebuyer Assistance Program.

Participating lenders must meet the following criteria:

- Offer confirming loans with 1% or less origination fee;
- Charge no brokers fees or costs for providing the loan or other associated charges;
- CLTV not to exceed 100% of the value of the house;
- Maximum loan amount cannot exceed FHA Mortgage limit;
- Offer market interest rate
- Inform, educate, and facilitate the application process; and
- Ensure applicant's income eligibility.

Certification is granted to the individual loan officer attending the lender certification workshop. Currently there are thirty-one individual mortgage loan officers from twelve lending institutions certified to facilitate and submit a package for the down payment and closing costs assistance program on behalf of an eligible first time homebuyer. These certifications provide a common groundwork to help streamline the application process[12] and ensure the access of low to moderate-income families to affordable mortgage products. Participating lenders agree to refrain from predatory lending practices in accordance with guidelines established by the Community Reinvestment Association of North

[11] The HUD-approved curriculum, Realizing the American Dream Trainer's Manual, 4th Edition and its complementing Homebuyer's Manual are the definitive resources for homebuyer training and education. Updated in late 2009, both manuals are available in English, Spanish, Mandarin Chinese and Vietnamese. Developed by industry experts, the manuals cover the entire homeownership process and are organized in 6 modules presented in a format that de-mystifies the complexities of home buying. New features in the 4th edition include more photos and graphics with many useful "green" tips and the latest information on changes in credit and mortgage financing. Also included are valuated teaching tools, participatory activities, worksheets and a CD PowerPoint presentation for each module.

[12] Since participating lenders agree to submit down payment and closing costs assistance packages to the Department, prospective homebuyers will only have to fill out one application for approval.

Carolina (CRA-NC)[13]. The Community Development & Housing website maintains a list of local real estate agents who receive training and dedicate their time and effort to assisting low-to-moderate income first-time homebuyers obtain fair, decent and affordable housing. A list of participating lenders and down payment assistance information can be found at www.highpointnc.gov/cd/downpaymentassistance/index.cfm.

D. Infill Housing

Before

New homes, after

Demolished

Budget:	$120,000
Activity:	Property Acquisition
Source:	General Fund
National Objective:	Affordable Housing
Goal:	Encourage Core City housing development to mitigate blight for improved quality of life
Objective:	To promote the construction of new units of affordable housing
Outcome:	Affordability
Performance Measures:	6 properties

High Point City Council has maintained a commitment to build affordable housing through the annual appropriation of $120,000 in general fund resources. These funds are used to acquire strategically located properties and preparing them for redevelopment by affordable housing producers. CD&H previously focused on acquiring property in Southside & Graves Avenue areas for the development of affordable housing by CHDOs. Over the last 2 years the City has expanded its focus to acquire properties in the vicinity of Park Terrace to facilitate redevelopment by the High Point Housing Authority. As HOME funds cannot be used to assist the Housing Authority, the City will utilize general fund resources for property acquisition.

[13] The Community Reinvestment Association of North Carolina's mission is to promote and protect community wealth. They advocate for change in the lending practices of financial institutions to promote wealth building for underserved communities and to end predatory lending practices that strip wealth.

Southside Revitalization Plan

Budget:	$146,650
Source:	HOME
Activity:	Affordable Housing Infrastructure
National Objective:	Affordable Housing
Eligibility Citation:	24 CFR 92.205(a) (1)
Goal:	Implement Phase I of the Southside Revitalization Plan through 4 units of affordable housing
Objective:	Provide decent housing; suitable living environment
Outcome:	Affordability
Performance Measures:	4 new units of affordable housing

Like so many inner-city neighborhoods across the country, Southside began to decline after World War II when suburban development was the main focus. Southside has transitioned significantly in the last couple of decades from a flourishing, vibrant, and diverse neighborhood to one with acute socio-economic problems. Issues identified in Southside by residents, businesses, property owners, and community groups are:

1. Old, dilapidated buildings next to residential buildings
2. Abandoned and boarded-up houses
3. Lack of sidewalks and other pedestrian amenities
4. Inadequate recreational facilities
5. High crime rate

To address identified issues, the Department commissioned Neighboring Concepts to study the area in the summer of 2004 to provide a guide for development and redevelopment in the Community, providing a framework to guide future public and private sector decision-making towards long-term objectives. The Southside Revitalization Plan was completed and submitted to the neighborhood association for review and was included in the Core City Plan and approved by Council in February 2007. The Southside Revitalization Plan can be found at www.highpointnc.gov/cd/docs/SSrevitalizationPlans.pdf. Since the beginning of the construction of Phase 1 of the Southside Redevelopment Project, Unity Builders has completed and sold 7 homes to income eligible first-time homebuyers and currently has 4 under construction. As CD&H prepares for Phase 2, we will continue to focus on acquisition of land and demolition of dilapidated housing near the development site. CD&H will look to acquire properties on George Place, Vail Avenue, and Mobile Street in order to broaden the construction area.

A. Community Capacity-Building Programs

Budget:	$241,344
Activity:	Community capacity-building
Source:	CDBG & General Fund
National Objective:	Low-to-moderate Income Area
Eligibility Citation:	570.201 (o)(p)
Goal:	To facilitate capacity-building activities for community-based organizations
Objective:	To conduct twelve capacity building activities by June 30, 2013 (Suitable Living Environment)
Projected Outcome:	Sustainability
Public Service Access:	Improved
Performance Measures:	Projected Census Tracts to be served: 136.01, 136.02, 138, 139, 140, 142, 143, 144.06, 144.08, 145.01,145.02, 145.03, 146

The Community and Neighborhood Development Center (CNDD) is located at 201 Fourth Street. The facility contains a 12-station computer center; two conference rooms; staff offices; a greeting area; and kitchen facilities. CNDD is charged with developing and implementing the Department's non-housing strategies through community capacity development activities that promote stronger neighborhoods. The Division will continue to focus on community-building activities such as leadership development, youth development, basic skill training and homelessness. Special emphasis will be place on leader and youth development. The Division partners with various organizations to enhance services to low/mod neighborhoods, homeless individuals and coordinates community programs. Additional services include providing neighborhood capacity building opportunities; helping residents acquire needed skills; administering public services; providing resource coordination; assisting in homelessness reduction activities; and assisting residents in preparing yearly income taxes.

The Division will continue to be responsible for managing CDBG funds (public service grants), the Shelter Plus Care (SPC) program funds for chronic homeless individuals and Supervised Visitation Program for Women of Domestic Violence. The CNDD budget includes program delivery costs necessary to implement community and neighborhood development activities. The computer lab will continue to provide computer service for public use. The computers are also used in the Volunteer Income Tax Assistance (VITA) program. CNDD will continue to partner with Guilford Technical Community College to provide GED classes to individuals who have not completed their high school degree. Capacity-building and technical support for neighborhood associations still remains one of the most important services provided by CNDD. CNDD supports the Neighborhood Leaders Council which consist of ten neighborhoods will continue to allow them to discuss issues of concern related to each

neighborhood and the city as a whole. Members learn about local government, address crime issues in their areas, create strategies for youth development, organize around citywide issues and develop a plan of action as a group. The Neighborhood Leader's Council will focus on youth development, boarded-up houses, neighborhood clean ups, and recruiting new members in their association

CNDD continues to streamline operations. The division will continue to focus on strengthening neighborhoods and transferring the SPC program to Housing Authority. This will provide SPC clients the opportunities for permanent housing. Coordinating multiple programs from HUD at one location allows the Division to optimize effectiveness to the benefit of low to moderate-income neighborhoods**.** The Division is responsible for providing technical and analytical support to the Citizen's Advisory Council as well as the Neighborhood Leader's Council. This year the Division is looking to add two additional neighborhood associations to the existing ten.

B. Neighborhood Associations:

Burns Hill Neighborhood Association

The Burns Hill Neighborhood Association continues to be actively involved in issues of crime, planned neighborhood activities, increasing membership, neighborhood beautification and youth development. Plans for the year is to prioritize monthly events,

Burns Hill Neighborhood Association will focus on these activities:

- Removing Blight
- Great American Cleanup in the Spring
- Community Commitment Award Dinner
- Yard of the Month Award
- Back-To-School celebration for the youths, providing free school supplies
- National Night Out participation
- Clean Sweep America Fall Cleanup
- Safe and Secure: Report Thefts

Cedrow Neighborhood Association

Residents of the Cedrow Neighborhood are continually involved in neighborhood issues and activities. The Association participates in numerous events held in their community.

- Home Fire and Safety Prevention
- Community Block party
- Participate in the Washington Street Easter parade
- National Night Out Activities---won a national award
- Seniors in the Community Thanksgiving Dinner
- Community Luminaries
- Christmas Parade

Five Points Neighborhood Association

The Five Points Neighborhood Association has many goals for the coming year. These goals include:

- Recruiting new members, residents and businesses
- Solidify meeting location
- Hold a pecan sale, and a yard sale to raise funds
- Participate in National Night Out
- Be involved in planning of Daniel Brooks/High Point Housing Authority project
- Forge partnerships with community members and businesses interested in helping the community

Highland Mills Neighborhood Association

Highland Mills Neighborhood Association will continue to increase awareness of community and city issues. Their plans for this year include:

- Organizing a community garden
- Partnering the High Point Police Department to address crime issues
- Continuing to beautify and clean up the neighborhood
- Creating a safe place for children to play in the neighborhood

Macedonia Neighborhood Watch

The Macedonia Neighborhood Association will focus on increasing membership, allowing the Association to form committees to work on issues and concerns. CNDD staff will continue to assist with this process. The Association will continue involvement with the Macedonia baseball league designed to offer a high quality sports league for a very low participation fee. Association members volunteer time at the park working the concession stand as well as cleaning up after each game. The Macedonia Family Resource Center will continue to provide daily programs to address needs of those living in the area. Programs will include:

- Food pantry
- Free computer classes
- GED classes
- Technology Access Point allowing residents to access the main library database to reserve books and have them delivered to the Center
- Youth-centered programs and activities
- English as second language classes
- VITA (Volunteer Income Tax Assistance) site

Oakview Neighborhood Watch

Oakview's overall goal is to continue to get community members involved in their neighborhood and increase awareness of issues concerning the community. More specific goals include:

- Increasing membership
- National Night Out
- Fundraising
- Continued partnership with Police Department to mitigate crime
- Increased involvement from City Council representative and other public officials

Pershing Street Neighborhood Watch

The Pershing Street Neighborhood Watch continues to focus on crime and safety issues in their community. Residents are actively involved in eliminating negative elements that affect the quality of life in the community. Members of the Neighborhood Watch are scheduled to participate in a Door Knocking campaign to include Community & Neighborhood Development staff and Neighborhood Leaders. The intent is to increase membership and to make residents aware of the Pershing Street Neighborhood Watch activities.

Scheduled activities include:

- Invite encouraging & motivational speakers to Association meetings
- Door knocking campaign
- National Night Activities
- Neighborhood Watch Christmas dinner

Southside Neighborhood Association

The Southside Neighborhood Association is excited about scheduling another successful year with the Neighborhood Community Garden that serves residents of the community throughout the summer and fall months with a surplus of healthy fruits and vegetables. Family Service of the Piedmont will again work with the Southside Neighborhood Association, Fairview Street School, Boys & Girls Club, High Point Parks & Recreation and residents of Southside Neighborhood to celebrate National Family Night. The goals of the Association are to include resident participation of activities and scheduled events within the community.

Southside scheduled events for the upcoming year include:

- Neighborhood garden planting
- Door knocking to increase membership
- Neighborhood spring clean-up
- National Night Out Activities
- Partner with Family Service of the Piedmont for National Family Night

West End Neighborhood Association

The West End Neighborhood Association and West End Ministries will try to help people who live and work in West End to make the community the best it can be.

Scheduled activities and goals include:

- Increased involvement and recruitment of community members
- National Night Out
- VITA (Volunteer Income Tax Assistance) site: free tax preparation
- Youth-centered programs and activities
- Community projects for area residents
- Hold elections
- Continue to increase safety and awareness, especially for our elderly and youth

Washington Street Neighborhood Association

The Washington Street Neighborhood Association plans include seeking new officers for the upcoming year. It also incurs upcoming events that will include a substantial increase of resident participations to become more visible within the community. Area events will also be scheduled to increase resident participation and to become more active and visible within the community. The Association will work diligently with local businesses, the City of High Point Police Department, Community & Neighborhood Development Division, and area Churches to assist in eliminating crime, drugs and theft amongst residents of the Washington Street Neighborhood. In addition, several new businesses and a local church have assumed residence within the Washington Street community.

Washington Street Neighborhood Association will focus on the following activities:

- Spring Neighborhood cleanup
- Neighborhood garden
- Fresh vegetable stand
- Children's theater/activities
- National Night Out
- Fall neighborhood cleanup
- Washington Street Fall Festival

Highland Mills Neighborhood Association

Highland Mills Neighborhood Association will continue to increase awareness of things that are happening in their community and the City. Plans for this year include:

- Organizing a community garden
- Partnering the High Point Police Department to address crime issues
- Continuing to beautify and clean up the neighborhood
- Creating a safe place for children to play in the neighborhood

C. Public Service Grants

The City of High Point annually sets aside a portion of its Community Development Block Grant entitlement to fund public service activities provided by local community based organizations and non-profits for the benefit of low to moderate-income residents. Eligible activities include labor, supplies and materials, employment, crime prevention, child-care; health; drug abuse; education; fair housing counseling; and energy conservation. The funds are allocated through a competitive process and the Citizens Advisory Council (CAC) reviews all applications and makes recommendations to the City Council. The following 6 grants were chosen for funding:

Budget	$30,000
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Provide public services benefitting low-to-mod income residents
Objectives	Suitable Living Environment
Outcome	Sustainability
Public Service Access	Improved
Performance Measures	Projected Census Tracts to be served: 136.01, 136.02, 138, 139, 140, 142, 143, 144.06, 144.08, 145.01, 145.02, 145.03, 146

Applicant	Amount Requested	Amount Allocated
Family Promise of Guilford (HP)	$4,000	$4,000
Mary's House, Inc.	$2,250	$2,250
Helping Hands Ministry	$6,000	$6,000
HP Heat Track & Field	$4,950	$4,950
HP Housing Authority	$5,000	$5,000
YWCA of High Point	$12,400	$7,800
	$34,600	**$30,000**

Budget	$6,000
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Provide case management
Objectives	Suitable Living Environment
Outcome	Sustainability
Public Service Access	Improved
Performance Measures	Projected Census Tracts to be served: 136.01, 136.02, 138, 139, 140, 142, 143, 144.06, 144.08, 145.01, 145.02, 145.03, 146 Number to be served: 100

Helping Hands Ministry provides emergency food, rent and utility assistance. These funds will be used for 20 hours per week salary for a case manager to work one-on-one with clients to secure licenses/documents needed to drive and work, budgeting classes and help with resumes.

Mary's House, Inc. is a fully licensed therapeutic agency providing transitional and permanent housing, life skills, training and support for homeless women who are in recovery from substance abuse. The program is one of few in the United States that allows women to raise their children while in treatment for addition. This project will help an expansion project providing 6 permanent housing vouchers so mothers can be with their children; CDBG funds will be used for office supplies, space, fuel, bus passes and partial case-management salary.

Budget	$2,250
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Provide permanent housing for homeless recovering mothers & their children
Objectives	Suitable Living Environment
Outcome	Sustainability
Public Service Access	Improved
Performance Measures	Projected Census Tracts to be served: 136.01, 136.02, 138, 139, 140, 142, 143, 144.06, 144.08, 145.01, 145.02, 145.03, 146 Number to be served: 6

eliminating racism
empowering women
ywca

YWCA of High Point is dedicated to eliminating racism, empowering women and promoting peace, justice, freedom and dignity for all. This project, ***Making Proud Choices Pregnancy Prevention,*** is an evidence-based, safer-sex approach to teen pregnancy, STDFs and HIV prevention curriculum that will be with middle and high school youths. Classes are one hour for 8 weeks, teaching youngsters how to make choices about sexual behaviors. CDBG funds will be used for staff, curriculums, supplies and graduation expenses.

Budget	$7,800
Activity	Pregnancy prevention instruction
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Provide safe sex education for low-to-mod income residents
Objectives	Suitable Living Environment
Outcome	Availability/accessibility
Public Service Access	Improved
Performance Measures	Projected Census Tracts to be served: 136.01, 136.02, 138, 139, 140, 142, 143, 144.06, 144.08, 145.01, 145.02, 145.03, 146 Number to be served: 80

Family Promise of Greater Guilford County coordinates a volunteer network of faith groups and community organizations to provide nightly shelter and meals for homeless families. The High Point chapter currently has commitments from approximately 14 groups who will provide over 1600 volunteers for this endeavor, hoping to serve approximately 50 homeless families during 2013. CDBG funds will provide shelter, meals, supportive education and counseling services.

Budget	$4,000
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1)& (2)
Goal	Provide shelter for homeless families in High Point
Objectives	Suitable Living Environment
Outcome	Availability/Accessibility
Public Service Access	Improved
Performance Measures	Projected Census Tracts to be served: 136.01, 136.02, 138, 139, 140, 142, 143, 144.06, 144.08, 145.01, 145.02, 145.03, 146 Number to be served: 50 families

High Point HEAT Track & Field Club will provide athletic, educational and spiritual conditioning and training to help them become successful athletes, students and citizens. This project will teach respect for other people's differences and opinions, religion, race, gender and social status. CDBG funds will be used for athletic scholarships, transportation and nutrition for track meets.

Budget	$4,950
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Provide youth with athletic/educational training
Objectives	Suitable Living Environment
Outcome	Sustainability
Public Service Access	Improved
Performance Measures	Projected Census Tracts to be served: 136.01, 136.02, 138, 139, 140, 142, 143, 144.06, 144.08, 145.01, 145.02, 145.03, 146 Numbers to be served: 8-13

High Point Housing Authority will offer the ***Family Self-Sufficiency Occupational Training Project*** which is unique because it provides opportunities for participants to obtain marketable skills. It offers a major step toward achieving gainful employment, taking charge of their future and becoming economically self-reliant. CDBG funds will be used for registration fees, books and supplies.

Budget	$30,000
Activity	CDBG Public Service Subrecipient
Source	CDBG
National Objective	Low to moderate income clientele
Eligibility Citation	570.201(e); 570.208(a)(1) 570.208(a)(2)
Goal	Provide public services benefitting low-to-mod income residents
Objectives	Suitable Living Environment
Outcome	Sustainability
Public Service Access	Improved
Performance Measures	Projected Census Tracts to be served: 136.01, 136.02, 138, 139, 140, 142, 143, 144.06, 144.08, 145.01, 145.02, 145.03, 146

D. Reducing Homelessness

Partners Ending Homelessness (www.partnersendinghomelessness.org)

As the lead agency for Guilford County's Continuum of Care, Partners Ending Homelessness (PEH) is responsible for actively implementing, evaluating and updating Guilford County's Strategic Plan to End Homelessness. The organization is a groundbreaking, collaborative partnership that includes over 80 community partners that work to generate housing, strengthen prevention and supportive service efforts, and increase coordination, collaboration and access through the continuum of care in our community. Partners Ending Homelessness encourages public understanding of the causes and conditions of homelessness and leads a strong and stable system of care for individuals and families to reduce homelessness in Guilford County. The organization fulfills its mission to prevent and end homelessness in the Guilford County area through three core areas of focus:

- **Connect** with individuals and organizations to enhance awareness or and increase access to our system of care
- **Support** development of an effective service system by functioning as the hub for information sharing and training about issues related to homelessness
- **Restore** lives in our community by securing and administering major funding with continuous oversight of services and resources

Under the 2009 Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH) Act, the U.S. Department of Housing and Urban Development strongly encourages communities of homeless service providers, agencies, and advocates, known as regional Continuums of Care, to work more collaboratively to increase effectiveness, maximize resources, and eliminate duplication of work when possible. The creation of Partners Ending Homelessness was motivated by the desire to have one coordinated effort with one voice in Guilford County to address the issue of housing and homelessness. Therefore, Partners Ending Homelessness is responsible for fostering relationships between the Non-Profit Sector, Business Community, Faith Community, Government Entities, Philanthropic Sector, Community Advocates, and those who are experiencing or have experienced homelessness.

As an organization, Partners Ending Homelessness works to:

- Consolidate efforts to increase resources for ending homelessness in Guilford County
- Effectively leverage funds
- Create an objective and fair process to distribute funds
- Avoid duplication of efforts and foster interagency collaboration in securing grants and other resources
- Ensure that all areas of need are being addressed

To ensure that the aforementioned objectives are met, Partners Ending Homelessness:

- Oversees annually the competitive process for Federal Homeless Assistance grants and any other funding whose guidelines request public/private partnership or delegate this process to Partners Ending Homelessness
- Increases resources for affordable housing, permanent housing, prevention/ supportive services by creating jointly funded initiatives
- Reviews the progress and impact of priorities and strategies of Guilford County's Strategic Plan to End Homelessness

The organization is developing long-term solutions to help those living below "self-sufficiency" levels to get the additional education and skills to become self-sufficient, attain safe and secure housing, as well as helping service providers to further develop our homeless delivery system. Homelessness is a critical issue for communities across North Carolina and in Guilford County, the issue is a complex one, as homeless people are diverse and the factors that led them to become homeless are equally diverse and vary over time. No one sector or level of government can alone address the problem of homelessness in our community. Through strategic partnerships, Partners Ending Homelessness is tackling the issues that matter most in our community through:

- Increasing resources for affordable housing, permanent housing, prevention and supportive services
- Increasing awareness of homelessness issues among the general population and among leaders in business, government and philanthropy
- Creating stronger case management services to help households who are struggling financially to access resources in the community and housing providers; fostering collaboration and creating new partnerships between service providers and expanding the coordinated portal of entry system
- Building provider capacity through training, education and technical assistance based on data and results-bases best practices
- Increasing data collection and reporting capability through coordinating agencies into a seamless system for homeless consumers, easing access to housing and services and working towards full implementation of the Carolina Homeless Information Network (CHIN)
- Implementing action steps identified in the Ten-year Plan
- Pooling of resources by all groups and coordination of efforts by strengthening existing partnerships and creating new ones

Fund Sources

Annual Continuum of Care (CoC) Grant Administration: Partners Ending Homelessness currently secures and administers funding for the largest single source of funding for Guilford County's homeless service delivery system through HUD McKinney-Vento funds. HUD issues an annual "Super NOFA" (Notice of Funds Availability) to solicit competitive applications from localities nationwide. In response, Partners Ending Homelessness compiles and submits a lengthy application to HUD, totaling 201 pages in 2011. HUD funding for Guilford County in 2011totaled more than $1.5 million and supported 14 programs across the County. Other Continuum of Care grant duties include monitoring awarded grants, conducting an annual Point in Time Count and Housing Inventory, and providing annual performance reports to HUD.

Emergency Solutions Grants: Partners Ending Homelessness currently secures and administers funding from the NC Department of Health and Human Services and the City of Greensboro. The Emergency Solutions Grants provide funding for Guilford County's homeless service delivery system. 2012 marks the first year that Partners Ending Homelessness has been required to submit an application as the lead agency for Guilford County's Continuum of Care for the Emergency Solutions Grant. In 2012, Guilford County received $500,000 in ESG funds to be dedicated primarily to rapid re-housing and traditional shelter services.

Other Fund Sources: Partners Ending Homelessness makes direct funding decisions for other funding sources whose guidelines request a public/private partnership, require the support or endorsement of the local Continuum of Care or who delegate this process to Partners Ending Homelessness.

The City of High Point is a founding member of PEH and has a representative on the Board of Directors.

Budget: **$212,235**
Activity: Administration
Source: HOME, CDBG and General Funds
National Objective: N/A
Eligibility Citation: 24 CFR 92.206, 570.200 (a) (3) (i)

Administrative costs that are necessary for program planning and management of the CDBG and HOME programs are charged to program administration. The Community Development and Housing Department is responsible for ensuring program implementation in compliance with national objectives of both programs as well as adherence to state and local requirements. Reasonable administrative and planning costs include, but are not limited to:

- Preparation of the Consolidated Plan & Analysis of Impediments to Fair Housing Choice
- General management, oversight and coordination
- Salaries, wages and related costs of the participating jurisdiction's staff
- Monitoring progress and compliance with program requirements
- Preparing reports and other documents related for submission to HUD
- Coordination of audit and monitoring findings resolutions
- Evaluation of program results against stated objectives
- Travel costs incurred for official business in carrying out the program
- Administrative services performed under third party contracts or agreements
- Capacity building and training activities for staff and non-profits
- Fair housing and activities to affirmatively further fair housing

HUD regulations permit the City to use up to twenty percent of the CDBG grant and up to ten percent of its HOME grant for reasonable administrative and planning costs.

A. HOME Matching Requirements

Generally, jurisdictions participating in the HOME program are required to make contributions or match to housing that qualifies as affordable housing. During a fiscal year, match must total not less than 25 percent of the HOME funds drawn from the jurisdiction's HOME Investment Trust Fund Treasury account in that fiscal year for project costs, ***unless the participating jurisdiction has received a reduction in the match requirement, which was the case for High Point for October 2012-September 2013***. Due to prevailing economic conditions the City anticipates receiving a reduction in the match requirement for the 2013-14 program year.

B. Local Monitoring and Compliance

The City of High Point Community Development and Housing Department primarily disburses its Community Development Block Grant (CDBG) and HOME funds in two ways:

1. Acquisition and rehabilitation projects and homeownership opportunities that expand the city's supply of affordable housing; and,
2. Awarding grants to sub-recipients to implement programs/provide services to low and moderate-income residents in Core City areas.

The Department determines the types of activities that can be funded, and the households or individuals who are eligible to receive these benefits. The Department has developed special procedures to ensure sub-recipients are in compliance with applicable regulations. All applicants are required to submit an application that is reviewed by staff.

Public Services: Once funding is approved for a project, staff coordinates allocation of funds. Organizations and non-profits receiving funds must enter into a detailed performance contract with the City. It describes all federal laws and regulations, and defines reporting and project management responsibilities of the sub-recipient. This contract also states performance goals that the organization is expected to meet. As a project progresses, grantees are required to submit monthly reports. Staff makes quarterly on-site visits to each funded project. They discuss the project's progress with managers and examine records. All CDBG funded sub-recipient projects are required to demonstrate a minimum of low to moderate-income benefit ratio of 70%. To ensure grantees achieve this, the City requires them to focus on providing services to residents of officially designated community development target areas with high concentrations of low-to-moderate income residents. Sub-recipients are also required to make a mid-year report and/or appearance before the Citizen Advisory Council (CAC) at one of its regular meetings to ensure performance measures are being met and funds are expended in a timely manner.

Procedures have been developed by the Department to ensure that all projects and programs funded with CDBG and HOME funds meet required regulations. Households or individuals receiving assistance through a housing program must submit an application that is reviewed by the department's staff to verify eligibility. Examples of specific compliance requirements are given below.

Affordable Housing: Admiral Pointe - In order to verify compliance with property standards and the information submitted by owners on tenants' incomes, rents and other HOME rental requirements during the project's period of affordability, HOME rules require on-site inspections of HOME properties according to the total number of units in a project. Because Admiral Pointe is comprised of a total of 54 units, annual inspections are required. A minimum of 20% of the HOME-assisted units in the project is inspected and a minimum of one unit in every building. CD&H plans to utilize the Guide for Review of Rental Projects checklist provided by HUD as a resource during monitoring to ensure adequate recordkeeping is in accordance with all federal requirements.

CHDOs – To address new requirements specified in HUD Notice CPD-12-007, CHDOs shall be evaluated on an annual basis by the Affordable Housing Manager (or his designee) to determine the organization's fiscal soundness and staff underwriting/development experience. The evaluation criteria shall include, but not limited to, the following:

1. Progress on development projects to date;
2. Capacity of staff to accomplish contract goals;
3. Fiscal management; and
4. Continued good standing with the State.

Lead Hazard Control – A primary goal of the City's Lead-Based Paint Hazard Control Program is the elimination and/or control of identified lead hazards. Housing for low to very-low income families with children under six years of age (with a priority given to units occupied by children with an Elevated Blood Lead Level) is given highest priority. To ensure that this program is compliant with its Notice of Funding Availability (NOFA) and HUD regulations, CD&H shall do the following:

- Review work write-ups to ensure that the prescribed work addresses components that are found to be lead hazards. Any additional work required (e.g., to meet minimum housing inspection standards) will be addressed with CDBG, HOME or General Funds.
- Other compliance items such as income verification, income eligibility, affordability period, and procurement shall follow the department's standard operating procedures.

C. Fair Housing

Fair housing is the right of individuals to obtain the housing of their choice, free from discrimination based on race, color, religion, sex, disability, familial status, national origin, and, depending on the circumstances, age. This right is assured by the Federal Fair Housing Acts of 1968 and 1988, as amended, which make it unlawful to discriminate in the sale, rental, financing, and insuring of housing. Under the Fair Housing Act an aggrieved person may, not later than one year after an alleged discriminatory housing practice has occurred, file a complaint directly with the U.S. Department of Housing and Urban Development (HUD), or a state or local agency that enforces laws that are "substantially equivalent" to the Fair Housing Act. Upon the filing of such a complaint, HUD has the responsibility to serve notice of the complaint and conduct an investigation into the alleged discriminatory housing practice. The Fair Housing Act declares, "It is the policy of the United States to provide, within Constitutional limitations, for fair housing throughout the United States." In addition, the law directs all executive departments and agencies to administer their programs and activities related to housing and urban development in a manner that affirmatively furthers the purposes of the Act.

The U. S. Department of Housing and Urban Development requires that all state and local governments participating in their programs submit an analysis of impediments to fair housing (AI). The City of High Point has completed this requirement with assistance from Mullin & Lonergan, Assoc. (M&L). Mullin & Lonergan's services were engaged to assure HUD and the community that the City is working to ensure that efforts are being made to "affirmatively further fair housing" as set forth in the regulations governing the Community Development Block Grant Program and Title VIII of the Fair Housing Act. The analysis of impediments to fair housing choice identified several impediments that could play a role in prohibiting fair housing choice in High Point. Based on these findings, the City must take appropriate actions to overcome the effects of the impediments identified through the analysis. In conducting the analysis of fair housing choice for the City of High Point, M&L completed a comprehensive review of policies, practices, and procedures that affect the location, availability, and accessibility of housing and current residential patterns and conditions. The analysis includes an examination of existing studies and literature along with a review of public policies from a fair housing perspective. M&L evaluated all the data for effectiveness of existing fair housing activities and examined barriers to fair housing choice for protected classes. Based upon the analysis, M&L provided this report of the findings and recommendations for remedies. The current analysis of impediments to fair housing identifies the following issues which impede the City's ability to affirm fair housing choice and equal opportunity:

- Lack of appropriate local legislation to address fair housing issues;
- Concentrated fair housing complaints that affect the disabled;
- Lack of cooperation and coordination between public and private agencies on fair housing matters;
- Lack of appropriate training and education for residents about the meaning of fair housing and fair housing rights;
- Zoning regulations preclude the development of affordable housing for affected populations;

- Lack of affordable housing in various types and price ranges;
- Lack of public policy in support of affordable housing

In the fall of 2007, High Point's City Council voted to enact Fair Housing in High Point. The Human Relations Commission has voted to expand its Fair Housing Committee (FHC) to include members of the public sector who do not sit as human relations commissioners. Last year, invitations for membership to the FHC were issued to the High Point Housing Authority, High Point Housing Coalition, and the Triad Apartment Association (TAA). Fair Housing committee members are Ron Butler, Angela McGill, Cam Cridlebaugh, Steve Key, Mary Gwyn, and Milagros Amaro.

The Human Relations Department celebrates Fair Housing Month each April. The Department will be working closely with the City of High Point's Community Development & Housing Department to implement the educational component of lead abatement, recognizing that potential fair housing concerns exist related to properties containing lead-based paint hazards.

D. Discharge Policy

The City of High Point does not expend funds directly or indirectly to public institutions and/or systems of care that may discharge persons resulting in homelessness of such persons. The City, however, provides technical assistance to organizations that serve the homeless. The city's Community Development and Housing Department works closely with the High Point Housing Coalition, a task force of homeless shelters and supportive service providers. The city played a leading role in establishing the Housing Coalition and a department staff member continues to provide technical assistance and other support to the group. The City also utilizes its CDBG program to fund public service activities that are available to Homeless Service Providers.

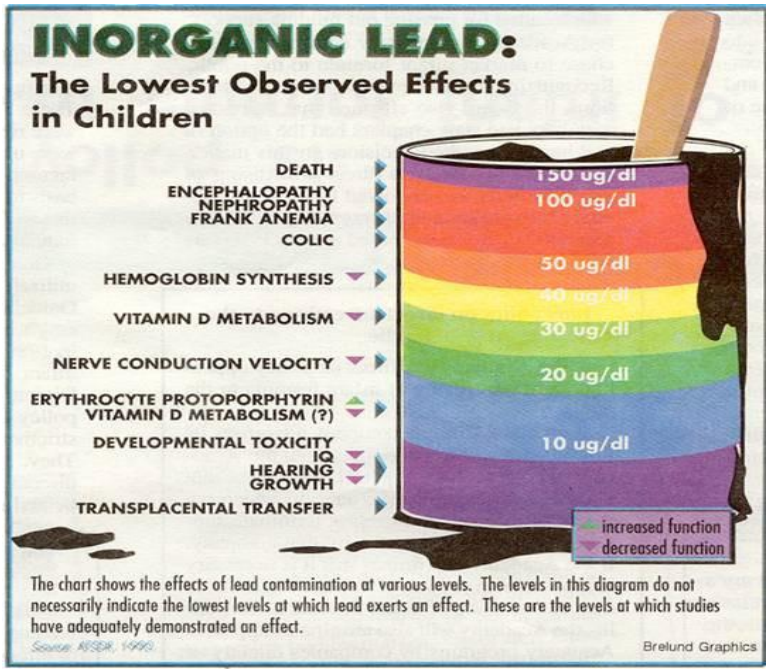
VI. Other Activities

The next several pages detail programs funded by additional grants awarded to the City of High Point for administration by the Community Development & Housing Department.

Housing:	Lead Hazard Control Funds	$ 1,000,000
	Individual Development Accounts	40,000
	NSP Lease Purchase	459,000
	Section 108 Loan Guarantee Program	1,350,000
	Construction Training Partnership	65,000
CNDD:	Shelter Plus Care	77,352
	VITA	4,000
	Harmony House (US DOJ)	344,000
	TOTAL:	**$ 3,339,352**

The City successfully applied for competitive grants that fund additional activities. These funds enable enhancement and expansion of current efforts to create safe, healthy and sustainable neighborhoods. Lead Hazard grant funds will fund education materials and activities; inspections and risk assessments; remediation services, and clearance of lead in homes built before 1978. The Construction Partnership will offer on-the-job training leading to a stable career while Individual Development Account funds educate residents to build wealth through saving and planning, leading ultimately to the purchase of their own home. Shelter Plus Care addresses the needs of the of the chronically homeless in collaboration with Open Door Ministries as part of CD&H's involvement with Guilford County's 10-year Plan to End Homelessness. The Section 108 Loan Guarantee program will enable additional housing to benefit low-to-moderate-income residents. Harmony House provides a neutral visitation site for victims of crime/abuse and their families; VITA offers free tax preparation to area residents.

A. Lead-Based Paint Hazard Remediation



Budget:	$1,000,000
Activity:	Lead Hazard Control
Source:	**HUD**
National Objective:	Low and Moderate Income Housing
Eligibility Citation:	24 CFR Part 35, "Lead-based paint poisoning prevention in certain residential structures"
Goal:	Conduct lead hazard control work activities
Objective:	Conduct lead hazard control activities on 109 units
Outcome:	Lead-safe residences
Performance Measures:	64 housing units remediated

During the course of most rehabilitation activities, whether emergency, limited or comprehensive in scope, it is likely that painted surfaces will be disturbed. The department conforms to the federal mandate established by Title X of the 1992 Housing and Community Development Act that HUD funded programs, including Housing Rehabilitation Programs; incorporate lead-based paint hazard evaluation, remediation/reduction strategies and clearance requirements for all housing structures built before 1978. Over 85 % of United States residential housing built before 1978 contains some lead-based paint. The estimated number of affected households in the US is believed to exceed 60 million. At the time of the 2010 Census, the City of High Point's housing demographics indicated approximately 69% of local housing stock, approximately 20,970 residential structures, was built before 1978.

Lead is a dangerous and pervasive poison. Anyone at any age, even pets, can become poisoned by lead. Because lead is harmful to the developing brain and nervous system, exposure to lead is especially dangerous to fetuses and young children. Research conducted by Duke University's Nicholas School of the Environment and Earth Sciences demonstrates that lead causes irreversible, asymptomatic effects far below levels previously considered safe. Low-level lead exposure, including prenatal exposure, has been linked to decreased performance on standardized IQ tests and end-of-grade testing for school-aged children.

Children are not uniformly exposed to lead. The age of the child, race/ethnicity, socioeconomic status, and age of housing all play a role in the risk of exposure to and development of childhood lead poisoning. Children living in poverty are four times more likely to have elevated blood lead levels than children from wealthier families. Children with elevated blood lead levels are not distributed evenly; rather, they are disproportionately located in older neighborhoods. Due to their overrepresentation in lower income neighborhoods, African-American children are four times more likely to have elevated blood lead levels than white children. Nationwide, more than one-third of African-American children living in large central cities have elevated blood lead levels.

To reduce the potential for adverse health effects attributable to the rehabilitation of deteriorated lead-based paint surfaces, the City provides educational material to all rehab customers. All customers receiving housing rehabilitation assistance from the city are informed about the potential health hazards posed by the presence of deteriorated lead-based paint. They are provided with information about protecting their families from this hazardous substance. Project Managers, who oversee rehabilitation projects, are trained to incorporate proper hazard reduction techniques into the treatment of lead-based paint.

HUD Lead-Based Paint Hazard Control Grant Award

On September 15, 2011 HUD announced a $2.475 million Lead-Based Paint Hazard Control Grant award to the City of High Point to continue the Department's on-going Lead-based Paint Remediation Program on private residential housing serving very low to moderate income families. The City's on-going lead remediation program begun in 2008 has resulted in 267 residential units made "lead safe."

Goals and Objectives: the City's primary goal is the elimination and/or control of identified lead hazards in one hundred eighty (180) housing units involving very low to moderate families with children under six years of age, with a priority given to units occupied by children with an Elevated Blood Lead Level. Other ongoing objectives include:

1) Increase the number of children screened for lead poisoning;
2) Increase public awareness of lead-based paint prevention through a *Lead Safe High Point* Initiative;
3) Promote primary prevention strategies for families with children under six years of age who have low-level lead poisoning of 5 µg/dL < 9 µg/dL (micro grams per deciliter);
4) Promote NC Department of Public Health's Preventative Maintenance Program;
5) Provide EPA certified Lead Supervisor/Worker and Renovation, Repair and Painting Rule training to contractors, management companies, building inspectors and others;
6) Promote comprehensive fair housing initiatives, in cooperation with the City Human Relations Department, to housing providers, civic and community-based organizations, and elected and appointed officials;
7) Updates to the city web-based Safe Housing Registry.

Eligible Residential Housing Units: the program is available to all housing units City-wide occupied by income eligible families. However, six census tracts/neighborhoods located in the Core-City that have socioeconomic and environmental risk factors which demonstrate the likely prevalence of lead-based paint exposure (including age of housing, poverty, crime, low educational scores, and concentrated ethnicity) will be targeted as follows: Tract Number (Neighborhood) 136.02 (Five Points & Montlieu); 138 (Washington Street); 139 (East Central); 140 (Southside & West End); 142 (Macedonia), and 143 (Highland Mills & Ward Avenue). Current data confirms a higher concentration of children with blood lead poisoning within these tracts. Applicants must meet each of the following criteria: 1) Residential building was constructed prior to 1978; 2) occupied by very low to moderate income person or family; 3) contains lead-based paint, dust or soil.

The following free services will be available to eligible applicants:

1. ***Lead Inspection***: an analysis of all coated surfaces to confirm the presence of lead paint coatings (paint, varnish, shellac) in a dwelling for lead with an x-ray fluorescence analyzer – an electronic device used to find lead-based paint.
2. ***Risk Assessment***: an analysis report explaining the results of the inspection and to confirm the presence of lead-based paint hazards.
3. ***Remediation Services:*** activity which eliminates or controls lead paint hazards that have/can cause poisoning.

4. ***Clearance***: an environmental test to confirm, by a visual inspection (exterior) and taking dust samples (interior) that lead-based paint hazards have been remediated and that proper clean up using Lead Safe Work Practices has occurred.

The City of High Point has established the following prioritization schedule for identified units:

- referrals from the Guilford County Health Department confirming presence children less than six years of age identified with elevated blood lead levels
- presence of children less than six years of age as part of a Primary Prevention Program, a proactive approach to control lead hazards before children are poisoned
- housing units located in the identified targeted areas;
- Cost Value Benefit (remediation vs. structure value);
- degree of lead hazards;
- housing units earmarked for existing rehabilitation programs; and
- housing units located outside of the targeted areas.

The City of High Point Community Development & Housing Department has affirmed support of Healthy People 2020, a national initiative comprised of state and federal goals to improve the state of health for all US citizens and to end lead-based paint poisoning by 2020. Additional information on the City's Lead Safe High Point program can be found at www.highpointnc.gov/LeadSafe_high_point/index.cfm

B. North Carolina Construction Training Partnership Program

Since 1995 the North Carolina Home Builders Association (NCHBA), the North Carolina Housing Finance Agency (NCHFA) and units of government have conducted this successful occupational training program for jobs in construction while also providing much needed housing rehabilitation and new construction services in communities. A pre-apprentice completes an 8-week class, concentrating on framing, tools use, blueprint reading, building materials, job safety and other construction techniques. The City of High Point allows pre-apprentices to work on affordable housing being constructed or renovated for low-to-moderate income residents. NCHFA matches the City's investment dollar for dollar.

This program is for two 8-week occupational training classes (one held in the fall 2013 and one in the spring of 2014), one in Southside and one in the Graves Street area. Adult students learn work ethic, safety, math, green building, weatherization, framing techniques and other construction tasks using the Pre-Apprenticeship Certificate Training (PACT) curriculum. Graduates earn an industry-recognized Pre-Apprenticeship Certificate. PACT includes theory and practice of home building with focus on safety. PACT teaches craft skills combining classroom and hands-on training on the jobsite.

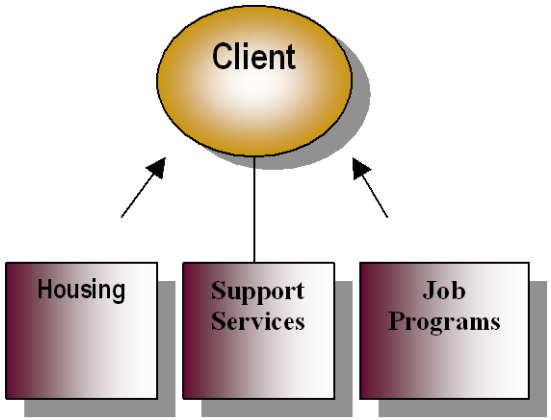
C. Individual Development Accounts Program

Budget:	$57,500
Activity:	Assistance toward home purchase
Source:	CDBG
National Objective:	Low-Mod Benefit
Eligibility Citation:	570.201 (n)
Goal:	Personal financial literacy; homeownership
Objective:	Assist 10 households (Create Economic Opportunities)
Outcome:	Affordability
Public Service Access	Improved

According to the NC Housing Coalition, the idea for Individual Development Accounts (IDA) was created by author Michael Sherraden in his 1992 book, *Assets and the Poor*. It was further advanced by the Corporation for Enterprise Development in the mid 1990's. One half of all Americans own less than $1,000 in net financial assets, and one third of American children grow up in households with zero or negative financial assets. Individual Development Accounts (IDAs) are part of an asset-building strategy that concentrates on building family security by improving long-term economic well-being and emphasizing beneficial behaviors rather than merely offering temporary assistance. The homebuyer makes a contribution to their IDA account that is then matched with private and/or public resources. Under legislation CDBG and HOME funds can be used as the required match as long as the homebuyer qualifies as a low- and moderate-income household at the time the CDBG and HOME assistance is provided. IDAs can be used to reward the monthly savings of working-poor families who are building towards purchasing an asset, most commonly buying their first home, paying for post-secondary education, or starting a small business. The City's focus with the IDA program is home ownership. IDAs are savings accounts established in the homebuyer's name, held at local financial institutions, and usually managed by a community organization. CD&H records indicate that most graduates of the Homebuyer Education Program have not purchased a home over the last three years, indicating that additional financial training is needed to help potential low-to-moderate income homebuyers in High Point. The City will partner with Guilford County Homeownership Center (GCHC) to continue an IDA program specifically for High Point. Financial literacy classes will be held for potential homebuyers who have attended the homebuyer education classes and who realize they need additional training in financial management.

In response to the higher lending standards as a result of the economic downturn, the Department determined the IDA Program needs to increase focus on spending patterns, the ability to maintain a monthly budget, the ability to save money monthly, and the establishment of an emergency fund to enhance the homebuyer's ability to get a home loan. The habit of saving and planning for unexpected events is imperative to the future success of the IDA graduates. In an effort to allow for other innovative housing opportunities, GCHC along with CD&H will begin to partner homes acquired through the Neighborhood Stabilization Program with potential homeowners who receive education through IDA. Families participating in Lease Purchase Program facilitated by CHDO Unity Builders have also been identified as IDA participants. The IDA program provides these families with the tools necessary to become mortgage ready by lease end. Making homeownership tangible to participants will allow for greater successes.

D. Shelter Plus Care



Budget:	$77,352
Activity:	Permanent Supportive Housing for the Homeless
Source:	Homeless Assistance Programs
National Objective:	Low to Moderate-Income Limited Clientele
Eligibility Citation:	24 CFR 570.201(p), 208(a)(2) and 582
Goal:	Provide long-term housing and supportive services homeless persons with disabilities
Objective:	Provide permanent shelter for homeless individuals for 5 years. (Creating Economic Opportunities)
Outcome:	Sustainability
Public Service Access:	Improved
Performance Measures:	Projected number of persons to be served- 11

The City of High Point serves as the fiscal agent for the Shelter Plus Care Program with Open Door Ministries serving as the service provider. The program is entering its seventh year and currently assists 12 homeless individuals with disabilities to obtain housing stability and address their supportive service needs. This year the program will successfully graduate two individuals who will exit the program to permanent housing. One client has obtained a Section 8 voucher and is no longer in need of supportive services. Another client has become stable and has obtained multiple federal benefits and he now believes that he is ready to move out on his own. Open Door Ministries will continue to provide ongoing supportive services from obtaining furniture to ensuring clients receive proper medical care.

The City provides yearly inspections at each residence to ensure compliance with HUD quality standards, processes rent, utility, and gas payments. Open Door Ministries will provide case management, direct supportive services, and maintain the services provided documentation for each client. Clients who receive disability payments from the federal government are required to make prorated rent payments. Anticipated revenue for the next fiscal year is approximately $5,897.00 from four clients. Open Door Ministries will be assisting remaining clients to apply for Social Security Disability payments. If Open Door Ministries succeeds in securing these disability payments, the revenue will be added to the program funds. When this revenue amount is substantial, another client will be added to the program. To provide a more direct door to permanent housing, the High Point Housing Authority is expected to take over as fiscal agent for the grant this coming year. The City of High Point will be working to ensure a smooth transition for our clients and service providers.

E. NSP Lease Purchase Program **$459,580**

Budget:	$409,000
Activity:	Rehabilitation
Source:	Neighborhood Stabilization Program
National Objective:	Affordability
Eligibility Citation:	24 CFR 570
Goal:	Provide affordable housing
Objective:	Provide affordable housing
Outcome:	Affordability
Performance Measures:	8 homes in the program/5 sold

In the summer of 2009 the City of High Point's application for Neighborhood Stabilization Program (NSP) funding was approved. The program, authorized under the Housing and Economic Recovery Act of 2008, was established for the purpose of stabilizing communities that have suffered from foreclosures and abandonment. NSP provided grants to every state and certain local communities to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and prevent the further decline of house values of neighboring homes.

The City of High Point realized the goal of the program was more than a means to acquire and redevelop foreclosed properties: it was an opportunity to help rebuild neighborhoods hardest hit by foreclosure with new qualified and able homeowners. An important aspect of the program is that all homebuyers are required to attend homebuyer education classes. These classes help ensure that buyers gain a strong financial foundation and prevent mortgage defaults, and foreclosures, in the future.

The City used NSP funds to purchase 9 homes with the intent to sell to very low income, first-time homebuyers but has had difficulty selling the single family homes due to insecurity in the job market coupled with potential buyers who unable to meet criteria currently set by the lending industry. Under NSP program guidelines, if the City is unable to sell NSP-assisted homes, alternatives such as lease purchasing or rentals must be considered to ensure the properties benefit low income families. Consequently, the City will make the remaining properties available to income eligible buyers on a lease-purchase basis. Eight future homeowners are presently participating in this program and it is anticipated that a majority of them will close on their homes before their one-year lease expires.

F. HUD Section 108 Loan funds/LIHTC (Low Income Housing Tax Credit)

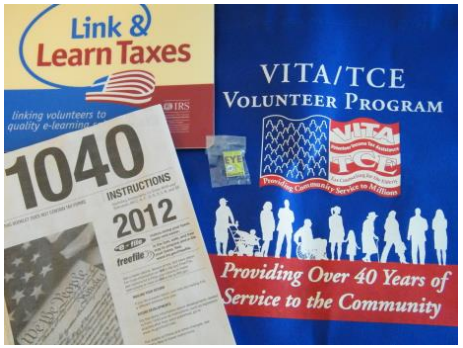
Budget:	$1,350,000
Source:	Section 108/CDBG
Activity:	Public Improvements
National Objective:	Benefiting low- and moderate-income persons
Eligibility Citation:	24 CFR 570.703
Goal:	Construction of 58 units for low-income residents
Objective:	Provide decent housing; suitable living
Outcome:	Affordability
Performance Measure:	58 Units

Section 108 is the loan guarantee provision of the Community Development Block Grant (CDBG) program. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects. The program allows local governments to transform a small portion of their CDBG funds into large, federally guaranteed loans for eligible projects such as funding public improvements in support of Low Income Housing Tax Credit (LIHTC) projects.

In 2010, the City received a $3,907,000 Section 108 loan guarantee to leverage private funding from local banking institutions to create and maintain a Small Business Loan program. However, due to market demand, the City is in the process of modifying its Section 108 application to expand the utilization of these proceeds to further benefit low- and moderate-income residents of High Point to finance public improvements to support multi-family housing initiatives.

The City will partner with experienced for-profit and non-profit developers of multi-family housing, particularly those with experience in securing LIHTC for proposed projects. For example, the City partnered with High Point-based Wynnefield Properties to construct and manage Admiral Pointe, a 54-unit affordable housing development for the elderly (age 55 & up), which completed construction in December 2012. As a follow up to Admiral Pointe, the City proposes to partner with Wynnefield to support the development of another affordable housing facility that will serve low- to moderate-income beneficiaries. Wynnefield has submitted a preliminary LIHTC application to the NC Housing Finance Agency and intends to submit a final LIHTC application to be considered in the upcoming funding round (application due date of May 2013).

G. Volunteer Income Assistance Program (VITA) $4,000



C&NDD continues to offer free tax preparation for low-to moderate-income individuals. The IRS Volunteer Income Tax Assistance (VITA) program offers services six days a week free of charge to High Point and surrounding areas. It expects to file over 400 total federal returns this year. Partnerships include: the United Way of High Point, High Point University, Guilford Technical Community College, West End Ministries, and Macedonia Family Resource Center. The program also provides college students with hands-on experience in tax preparation and volunteer service and will increase awareness of the Earned Income Tax Credit and Child Tax Credit. The three VITA sites this year are Community and Neighborhood Development Center at 201 Fourth Street, West End Community Center at 901 English Road, and Macedonia Family Resource Center at 401 Lake Avenue. Based on current activities CNDD expects to assist 500 families realize approximately $700,000 in federal refunds. Over the past seven years the average adjusted gross income has been approximately $13,886.

H. Harmony House $344,000

This program, awarded to Family Service of the Piedmont in partnership with the City of High Point (oversight by CNDD), provides a safe, neutral and family-friendly means of supervised visitation and safe exchange service for victims of domestic violence, child abuse, sexual assault, teen dating violence, and stalking. The program will serve families in Guilford County and surrounding counties as appropriate, The US Department of Justice Office on Violence Against Women will play a substantial role in shaping and monitoring the program. The City of High Point will work collaboratively in planning implementation phases along with Harmony House, Family Service of the Piedmont and the 18th Judicial District Court. The City serves as the pass-through for funds, with CNDD overseeing day-to-day grant management/fiscal responsibilities for the City. Phase I of the program is complete and Phase 2 will be submitted to the US Department of Justice by the end of May, 2013.

Affordable Housing: Affordable Housing is generally defined as housing where the occupant, who is low to moderate income, is paying no more than 30 percent of his or her income for gross housing costs, including utilities.

Community Development Block Grant Program (CDBG): Authorized by the Housing and Community Development Act of 1974 replacing several community development categorical grant programs. CDBG provides eligible metropolitan cities and urban counties (called "entitlement communities") with annual direct grants that they can use to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low- and moderate-income persons.

Community and Housing Development Organization (CHDO): A federally defined type of nonprofit housing provider that must receive a minimum of 15 percent of all Federal HOME Investment Partnership funds. The primary difference between CHDO and other nonprofits is the level of low-income resident participation on the Board of Directors.

Consolidated Plan: Developed by local and state governments with the input from citizens and community groups, the Consolidated Plan serves four functions:

- it is a planning document for each state and community, built upon public participation and input;
- it is the application for funds under HUD's formula grant programs (CDBG, HOME, ESG, and HOPWA);
- it outlines out local priorities; and
- it provides a 3-5 year strategy the jurisdiction will follow in implementing HUD programs.

Down Payment: The part of the purchase price of a property that the buyer pays in cash and does not finance with a mortgage.

Debt-to-income ratio: Percentages lenders use to decide whether a loan applicant can afford to make payments on a certain mortgage loan. Lenders may allow first-time homebuyers to use 33% of monthly income for housing costs, and a total of 38% for housing costs and all other debt.

Entitlement: An underlying formula governing the allocation of Block Grant funds to eligible recipients. Entitlement grants are provided to larger urban cities (i.e., population greater than 50,000) and larger urban counties (greater than 200,000).

Extremely low-income family: Family whose income is between 0 and 30 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Fair Market Value: The highest price that a buyer, willing but not compelled to buy, would pay, and the lowest a seller, willing but not compelled to sell, would accept.

Fair Market Rents (FMR): Rent Schedules published in the Federal Register that establishes maximum eligible rent levels allowed under the Section 8 program by geographic area.

Family: All persons living in the same household who are related by birth, marriage or adoption.

Gross income: The total amount of money that a person receives, before taxes and other deductions. This income may include funds from a job or jobs; interest or dividends; alimony; disability payments; or public assistance.

HOME: Provides funds to local governments and states for new construction, rehabilitation, acquisition of standard housing, assistance to homebuyers, and tenant-based rental assistance.

Housing expense ratio: The percentage of a person's gross monthly income that it takes to pay a mortgage loan payment plus interest, property taxes, and insurance. Lenders use this ratio to decide whether or not to make mortgage loans.

Household: All the persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Low-income families: Low-income families whose incomes do not exceed 50 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 50 percent of the median for the area on the basis of HUD's findings. Such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Low- and moderate-income household: A household having an income equal to or less than the Section 8 low-income limit established by HUD (80% of the median family income).

Low- and moderate-income person: A member of a family having an income equal to or less than the Section 8 low-income limit established by HUD (80% of the median family income). Unrelated individuals will be considered as one-person families for this purpose.

Mixed-Income: Refers to a resident mix that includes families with various income levels within one development. Mixed-income developments combine public housing families with other residents in order to decrease the economic and social isolation of these families.
Moderate-income: Households whose incomes do not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families.

Monthly housing costs: The total of a homeowner's mortgage loan payment and expenses for utilities, general home repair, and upkeep.

Program income: gross income received by recipient or subrecipient directly generated from use of CDBG funds and HOME funds.

Property inspection: The examination of a house by a licensed inspector to see if its structure is sound and if its mechanical systems, such as plumbing and heating, are working.

Public Housing Agency (PHA): Organization created by local government, which administers HUD's Low-Income Public Housing Program and other HUD programs.

Rehab: Short for "rehabilitation." Rebuild an existing house or building, to make the space more livable or usable and more valuable.

Second mortgage: A mortgage that has rights that are subordinate to the rights of the first mortgage holder.

Section 8: HUD assists low- and very low income families in obtaining decent, safe, and sanitary housing in private accommodations by making up the difference between what they can afford and the approved rent for an adequate housing unit.

Specifications: A detailed description of the size, shape, materials, and other details of a building or remodeling project.

Total monthly debt: Total amount of monthly credit card, car loan and other debt payments. Used to determine debt-to-income ratios.

Total monthly income: The amount of money that comes into a household every month from a job or jobs, interest or dividends, alimony, disability payments, and public assistance. A lender uses the total monthly income figure to decide how much house payment a loan applicant can afford. Also called gross monthly income.

Transitional housing: Housing that is designed to provide housing and appropriate supportive services to persons, including (but not limited to) de-institutionalized individuals with disabilities, homeless individuals with disabilities, and homeless families with children; and has as its purpose facilitating the movement of individuals and families to independent living within a time period that is set by the participating jurisdiction or project owner before occupancy.

U.S. Department of Housing and Urban Development (HUD): A federal government agency responsible for managing many of the nation's housing programs and for protecting rights of homebuyers, homeowners, sellers, and renters.

Underwriting: The process of analyzing a borrower's finances and credit in order to decide whether or not to make a loan. The underwriter is the person who has authority to approve a loan.

Unsecured credit: Credit not secured by property (such as a house). A credit card is unsecured debt; Deed of Trust secures a mortgage loan.

VA loans: A loan that is guaranteed by the Veterans Administration.

Very low-income families: Low-income families whose annual incomes do not exceed 50% of HUD-determined median family for the area.
Warranty: A guarantee by a seller or manufacturer that a product is what it is claimed to be, that it is in working order, and, in some cases, that the seller or maker will repair the product.

Zoning: A body of public law that regulates the use, placement and height of improvements, size of lots in subdivisions, off-street parking, and other planned uses of private property.

VIII. Citizen Comments

- What can be done about street addresses not being placed on housing units at Chatham Woods and Oakview Terrace. Emergency vehicles are going to the wrong addresses? Katherine Bossi has been contacted.
- What can be done about the Southside community, the housing and can additional recreation facilities be placed there?
- Are there any public funds to assist private investors to rehabilitate their commercial real estate properties?
- Neighborhood residents have concerns about housing code enforcement when a lead remediation or rehab request is turned down. Would they be responsible for housing code enforcement?
- What can be done about the dangerous foot traffic at Burton Road and the surrounding areas?
- Why were sidewalks built on Phillips Avenue when the city supposedly doesn't have funds for sidewalks?
- Burton Road and Triangle Lake are no brainers concerning sidewalks!! Suggestion made to check with the Police Dept. to search for reporting accidents of pedestrians being hit on Burton Road.
- What can be done about the abandoned Church at 608 James Road (previously reported)?
- What type of assistance can the First Baptist Church receive, as it is an Historical site?
- Will there be a walking trail in the park in the Southside area?
- Are funds available or can anything be done to add additional lighting in the Washington Street area?
- Who informs the City if lights are out in your neighborhood?
- Who is responsible for tearing down condemned properties?
- Who owns the property at the corner of Amos and Vail Street?
- When will the branch at Vail and Langford be cleaned out?
- Delighted with neighborhood activity; are there classes/workshops to teach home repairs/maintenance? –Angela Newsome, Ark of Safety Preschool

IX. Certifications

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:
1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about –
   (a) The dangers of drug abuse in the workplace;
   (b) The grantee's policy of maintaining a drug-free workplace;
   (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
   (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
   (a) Abide by the terms of the statement; and
   (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted:
   (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
   (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:
1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee

of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with instructions; and

3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which I t is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

5/9/2013

Signature/Authorized Official Date

City Manager

Title

Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. **Maximum Feasible Priority**. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available;

2. **Overall Benefit**. The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) , (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;

3. **Special Assessments**. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, subparts A, B, J, K and R;
Compliance with Laws -- It will comply with applicable laws.

Signature/Authorized Official 5/9/2013
City Manager Date

OPTIONAL CDBG CERTIFICATION

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having a particular urgency as specified in 24 CFR 570.208(c): The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

5/9/2013
Date

Signature/Authorized Official
City Manager

Specific HOME Certifications

The HOME participating jurisdiction certifies that:
Tenant Based Rental Assistance -- If the participating jurisdiction intends to provide tenant-based rental assistance:
The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs -- it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

Appropriate Financial Assistance -- before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this Purpose and will not invest any more HOME funds in combination wit other Federal assistance than is necessary to provide affordable housing.
purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

5/9/2011
Signature/Authorized Official Date
City Manager

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

B. Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.

2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.

4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).

5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).

6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance: ***City of High Point, 211 S. Hamilton Street, High Point NC 27260***

Check if there are workplaces on file that are not identified here. The drug-free workplace certification is required by 24 CFR part 24, subpart F.

7. Definitions of terms in the Non-procurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15); "Conviction" means a finding of guilt (including a plea of no lo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes; "Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance; "Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of sub-recipients or subcontractors in covered workplaces).

Scott Boynton

5/9/2013

Signature/Authorized Official Date

City Manager

ADDENDUM: Recapture Provisions

Purpose

The purpose of this document is to outline the requirements for recapture and resale provisions in HOME Investment Partnerships (HOME) program homebuyer projects for the City of High Point (City). HOME is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act (HOME statute), as amended. HOME provides an annual formula grant to the City in order to expand the supply of decent, safe, sanitary, and affordable housing available to low-income and very low-income residents.

Section 215 of the HOME statute establishes specific requirements that all HOME-assisted homebuyer housing must meet in order to qualify as affordable housing. Specifically, all HOME-assisted homebuyer housing must (1) have an initial purchase price that does not exceed the greater of (a) the Section 203(b) mortgage limits for the area that was established as of February, 2008 or (b) 95 percent of the median purchase price for the area, (2) be the principal residence of an owner whose family qualifies as low-income at the time of purchase, and (3) be subject to either recapture or resale provisions. The HOME statute specifies that recapture provisions must recapture the HOME investment from available net proceeds in order to assist other HOME-eligible families. The HOME statute also states that resale provisions must limit subsequent purchase of the property to income-eligible families, provide the owner with a fair return on investment, including any improvements, and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. The City is required to establish its recapture and/or resale provisions in writing and submit the provisions to HUD for approval.

Definitions

Amortizing loan – A loan with a repayment method where the amount borrowed is repaid gradually though regular monthly payments of principal and interest over the term of the loan. In down-payment assistance loans, the initial payment maybe deferred for up to three years and would then be repaid based on an amortization schedule.

Forgivable loans - A forgivable loan is designed to enhance affordability and is forgiven when a specific series of requirements are met. These requirements are based on HOME program affordability period; the loan is forgiven at the end of the period of affordability. The period of affordability is based on the amount of HOME assistance provided pursuant to CFR 24 Part 92.254.

Net sale proceeds - The amount of money a homeowner takes away from selling their home is called the seller's net sale proceeds. Net sale proceeds are calculated by taking the gross sale price of a home and subtracting the following costs: (1) balance of all outstanding mortgages and additional liens on the property, (2) commission to the seller's & buyer's agent, (3) any transfer fees, and (4) any additional closing costs owed by the seller (buyers and sellers can sometimes negotiate over who pays which fees).

Recapture Policy [24 CFR 92.254(a)(5)(ii)]

The City's Homebuyer Assistance Program assists homebuyers through direct down payment, closing costs, principal buy down assistance and/or a reduction of the sales price below the market value (as verified with appraisal) to make the unit affordable. In accordance with the applicable homebuyer recapture/resale provision as outlined in 24 CFR Part 92.254(a)(5), the City will apply the following recapture provisions for HOME-assistance used to provide direct subsidies to income eligible homebuyers. Homebuyers will satisfy the affordability period if they remain in their home for the full required period of affordability as determined by the amount of assistance received (five to fifteen years). The actual required period of affordability will be based on the total amount of the direct HOME assistance provided, as noted below. The effective date of the beginning of the required period of affordability is the date all completion data is entered into IDIS (See: §92.2, Definitions, "Project Completion") and as documented by the fully executed HUD-1, a copy of which has been placed in each individual homebuyer's file.

HOME Program Assistance Amount	Minimum Required Affordability Period in Years
Under $15,000	5
$15,000 – $40,000	10
Over $40,000	15

Source: 24 CFR 92.254

The City's recapture provisions are summarized below:

1. A HOME Recapture Agreement between the original homebuyer and the City must be signed prior to purchase to document the amount of HOME subsidy, the period of affordability restrictions and homebuyer responsibilities.
2. The new purchaser must be low or moderate income, meeting the HOME Program definition, and occupy the property as the family's principal residence during the entire period of affordability.
3. A Deed of Trust and Promissory Note will be executed and recorded by the City. It must include the number of years for Period of Affordability, the amount of HOME subsidy it used for the Homebuyer, and the terms of occupancy required as their principal residence.
4. Recapture is triggered in the event that the house is sold or occupied by other than the new purchaser during the period of affordability. Non-compliance with the residency requirement will require the immediate payback of outstanding HOME funds not repaid or forgiven.
5. Pre-payment of the HOME Investment loan does not terminate the Period of Affordability. The owner will be required to complete the Period of Affordability as their principal residence. The exception to this is the sale of the residence or foreclosure.
6. For a paying loan, the recapture amount shall be the balance of funds owed on the loan. For a deferred/forgivable loan, the recapture amount will be determined on a pro-rated basis based on the period of affordability, times the number of each remaining (partial and full) years left in that period.

Under Recapture, the homebuyer(s) may sell to any willing buyer at any price during the affordability period; however, a portion of the net sales proceeds from the sale, if any, will be returned to the City as program income to be used for other eligible HOME activities. If the home is SOLD prior to the end of the affordability period, the portion of net sales proceeds returned to the City is equal to the amount of HOME funds invested in the property less the amount paid back or forgiven to that point. The amount of a paying loan satisfied will be based on the loan's remaining balance. If it's a forgivable loan, the amount forgiven will be based on the period that the residence was occupied by the homebuyer(s) as the principal residence according to the following chart:

Affordability Period	% Forgiven Per Month
5 years	1.67%
10 years	0.83%
15 years	0.56%

In instances where the home has been rented or leased, refinanced, or the initial homebuyer(s) is/are no longer physically occupying the property as the principal residence, the total amount of the HOME assistance provided shall be immediately due and payable to the City.

Any funds remaining after the distribution of the net sales proceeds to all lien holders, including the City, will be returned to the homebuyer(s). In the event of a sale, short sale, or foreclosure, the amount recaptured will be limited to the amount of "net sales proceeds" available at the time of such occurrence.

If there are insufficient funds remaining from the sale of the property and the City recaptures less than or none of the recapture amount due, the City shall maintain documentation in each individual file that provides the amount of the sale and the distribution of the funds. This documentation will verify that:

a. There were no net sales proceeds; or,
b. The amount of the net sales proceeds was insufficient to cover the full amount due; **and** that
c. No proceeds were distributed to the homebuyer.

HOME funds recaptured by Community Housing Development Organizations (CHDOs), on behalf of the City, will not be considered as CHDO proceeds but shall be used by the CHDO's to provide affordable housing for the City of High Point. Not more than 10 percent of recaptured funds may be used for CHDO administration. Recaptured HOME funds provided by an agency other than a CHDO will be recaptured by the City of High Point to be used for eligible HOME activities in accordance with requirements of HOME statute and regulations in the same manner as program income. Not more than 10 percent of the recaptured funds may be used by the City for administrative or planning costs.

During the period of affordability, a homebuyer will not be permitted to refinance the property without the City's approval. Generally, subordination will not be allowed unless the primary purpose of the loan is for housing repairs, bill consolidation or a lower interest rate.

Resale Policy [24 CFR 92.254(a)(5)(i)]
The Resale deed restriction will be utilized only for HOME-assisted units which:

a. do not receive, either from the PJ or other entity with HOME funds, direct down payment, closing cost, principal buy-down assistance, or a reduction of the sales price to make the unit(s) affordable, or

b. the City has elected to apply the "Resale Provisions" instead of the "Recapture Provisions" to maintain affordable units in the community.

The Resale Provision ensures that a HOME-assisted property remains affordable during the entire affordability period. The affordability period is based on the amount of HOME funds invested in the unit to include the total development subsidy that is either left in the project at closing OR repaid to the City by the first mortgage lender at closing to assure the unit is affordable to a household at or below 80% of AMI for High Point as determined by HUD. The effective date of the beginning of the required period of affordability is the date all completion data is entered into IDIS (See: §92.2, Definitions, "Project Completion") and as documented by the fully executed HUD-1, a copy of which has been placed in each homebuyer's file.

In the case of HOME-assisted units in multi-family projects, a deed restriction shall be executed to ensure that HOME regulations are followed during the affordability period (e.g., the minimum number of HOME-assisted units remain the same, number of units leased to 50% AMI beneficiaries, etc.). For single-family dwellings, the Resale Provision goes into effect when the home is sold during the affordability period. At the time of sale, the following provisions will be in effect:

A. In instances where the home has been rented or leased, refinanced, or the initial homebuyer(s) is/are no longer physically occupying the property as the principal residence, the total amount of the HOME assistance provided shall be immediately due and payable to the City.

B. If the property does not meet the affordability requirements for the compliance period, the entire amount of the HOME Investment must be repaid to the PJ's HOME Treasury Account. (See: 24 CFR 92.504(b)(1); and HOMEfires – Vol. 5 No.2, June 2003).

Resale Provisions require the initial homebuyer(s) (and/or subsequent homebuyers of the home was previously sold during the required period of affordability) to sell the home to a low-income family and at an affordable price as defined below:

A. A low-income family is defined as a family whose total household income from all sources at the time of purchase from the initial (or subsequent) homebuyer(s) does not exceed 80% of area median income, adjusted for household size as defined by HUD under Part 5 income definition that is applicable at the time of closing.

The contract for sale of the home shall include a provision requiring the family acquiring the home to be income-eligible as qualified by the City prior to acquiring the property.

B. The initial homebuyer(s) (seller – or if applicable a subsequent homebuyer(s)) shall list the property at or below the City's determined affordable sales price.

The affordable sales price of the HOME-assisted property shall be determined by the City as follows:

1. The City shall determine 80% of area median income (AMI) based on the current HUD guidelines for each family size.

2. The applicable AMI shall be multiplied by thirty percent (30%) to determine the annual housing expense (HE) and divided by twelve (12) to determine the monthly HE.

3. The mortgage interest rate shall be the average fixed-rate for a thirty (30) year mortgage as published by the Federal Housing Administration (FHA) at the time the above determination is being made.

4. The term used for the above calculation shall be thirty (30) years.

5. The present value of an affordable mortgage shall be calculated utilizing the monthly HE, the determined interest rate, and the term.

6. The affordable sales price shall be determined by the greater of:

    a. The Section 203(b) mortgage limits for the area that was established as of February, 2008 [See HUD's January, 2009 HOMEfires Vol. 10 No. 1]; or
    b. As estimated by HUD.

    The City is the sole determiner of the final offering price for the unit.

C. The initial homebuyer(s) and, if applicable, any subsequent homebuyer(s) [sellers], must list the property at or below the PJ's determined affordable sales price.

D. Fair Return and Appreciated Value [24 CFR 92.254(a)(5)(i)]:
1. The determination of "Fair Return" shall be the sum of:

a. Down payment and closing costs paid from the initial homebuyer's cash at purchase
b. Initial homebuyer's (seller's) closing costs at sale
c. Principal payments only made by the initial homebuyer(s) in excess of the amount required by the mortgage
d. Documented capital improvements in excess of $5,000 within three (3) years of the date of determination of "Fair Return".

2. Fair Return is paid to the initial homebuyer(s) at sale once the first mortgage debt is paid and all other conditions to the initial written agreement are met.

3. In the event there are no funds for Fair Return, then Fair Return does not exist.

4. In the event there are partial funds for Fair Return, then Fair Return shall remain in force.

E. Appreciated Value is:
1. The Affordable Sales Price Less the First Mortgage Debt Less Fair Return…

2. Equals Appreciated Value
a. If Appreciated Value is zero or less than zero, then no Appreciated Value exists
b. Appreciated Value is shared with the initial homebuyer(s) based on the City's initial investment of HOME funds as follows:
i. The initial homebuyer's out of pocket investment of down payment and closing costs divided by the City's HOME investment equals the percentage of Appreciated Value that shall be paid to the initial homebuyer(s)
ii. The balance of Appreciated Value remaining shall be paid to the City.

F. All of the above requirements will be included and described in the subordinate Deed of Trust that will be filed in the land records of the Guilford County Register of Deed's Office by the CHDO or the City, as applicable.

G. The City reserves the right to end the affordability period upon the occurrence of, but not limited to, any of the following events: foreclosure; deed or transfer in lieu of foreclosure; or assignment of an FHA-insured mortgage to the U. S. Department of Housing and Urban Development (HUD).

H. The CHDO or the City may use purchase options, rights of first refusal or other pre-emptive rights to purchase the housing before foreclosure to preserve affordability. If any of the aforementioned actions are taken, subsequent sale to a HOME income-qualified low-income homebuyer is required. All of the City's original HOME terms and conditions must be reinstated, in writing, and the remaining term of the required period of affordability remains in effect. A new Written Agreement, Promissory Note, and Deed of Trust shall be executed by all applicable parties and recorded in the land records of Guilford County. A copy of all documents, which includes evidence that they have been properly recorded, shall be maintained in the file.

I. If the City provides additional HOME assistance to the new homebuyer(s), (e.g., a direct subsidy (as defined above)), the City shall reinstate the remaining term of the initial required period of affordability AND add to that term, the new required period of affordability based on the amount of the *direct subsidy* provided to the new homebuyer(s). The additional HOME investment must be treated as an amendment to the original project. Consequently, the additional HOME investment may result in an extension of the original period of affordability. (See: Notice CPD 12-003, January, 2012, page 17, f. Investment of Additional HOME Funds).