



CITY OF WILMINGTON

ANNUAL ACTION PLAN 2014-2015

Submitted for Public Comment to the Citizens of Wilmington
April 18, 2014
U.S. Department of Housing and Urban Development
May 15, 2014
Adopted by the
City of Wilmington City Council
June 17, 2014

The City of Wilmington does not discriminate on the basis of race, sex, color, national origin, religion or disability in its employment opportunities, programs or activities.

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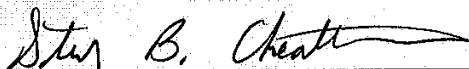
SF 424

SF 424

Complete the fillable fields (blue cells) in the table below. The other items are pre-filled with values from the Grantee Information Worksheet.

Date Submitted 5/15/2014	Applicant Identifier	Type of Submission	
Date Received by state	State Identifier	Application	Pre-application
Date Received by HUD	B-10-MC-37-0010	<input checked="" type="checkbox"/> Construction	<input type="checkbox"/> Construction
		<input checked="" type="checkbox"/> Non Construction	<input type="checkbox"/> Non Construction
Applicant Information			
City of Wilmington		NC373144 WILMINGTON	
305 Chestnut Street		72007875	
Street Address Line 2		City of Wilmington	
Wilmington	North Carolina	Community Services Department	
28401	Country U.S.A.	Community Development Division	
Employer Identification Number (EIN):		New Hanover	
56-6000239		Program Year Start Date 07/01/14	
Applicant Type:		Specify Other Type if necessary:	
Local Government: City		Specify Other Type	
Program Funding		U.S. Department of Housing and Urban Development	
Catalogue of Federal Domestic Assistance Numbers; Descriptive Title of Applicant Project(s); Areas Affected by Project(s) (cities, Counties, localities etc.); Estimated Funding			
Community Development Block Grant		14.218 Entitlement Grant	
CDBG Project Titles: Housing, Public Facilities, Public Services, Administration		Description of Areas Affected by CDBG Project(s): Citywide, NorthSide Neighborhood Revitalization Strategy Area	
CDBG Grant Amount \$901,544	Additional HUD Grant(s) Leveraged \$733,000	Describe: Continuum of Care,	
Additional Federal Funds Leveraged: \$ 4,946,173		Additional State Funds Leveraged: \$1,344,980	
Locally Leveraged Funds \$2,685,132		Grantee Funds Leveraged: \$520,000	
Anticipated Program Income \$2,000		Other (Describe): \$893,743 Revolving Loan Funds	
Total Funds Leveraged for CDBG-based Project(s): \$ 11,122,028			
Home Investment Partnerships Program		14.239 HOME	
HOME Project Titles: Housing, CHDO Set Asides, Administration		Description of Areas Affected by HOME Project(s): Citywide	
HOME Grant Amount: \$498,650	Additional HUD Grant(s) Leveraged	Describe	
Additional Federal Funds Leveraged: \$7,839,058 LIHTC		Additional State Funds Leveraged:	
Locally Leveraged Funds: \$305,000 CHDO Proceeds		Grantee Funds Leveraged:	
Anticipated Program Income: \$170,000		Other (Describe): \$893,743 Revolving Loan Housing	

Total Funds Leveraged for HOME-based Project(s): \$9,207,801		
Housing Opportunities for People with AIDS		14.241 HOPWA
HOPWA Project Titles		Description of Areas Affected by HOPWA Project(s)
\$HOPWA Grant Amount	\$Additional HUD Grant(s) Leveraged	Describe
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged
\$Locally Leveraged Funds		\$Grantee Funds Leveraged
\$Anticipated Program Income		Other (Describe)
Total Funds Leveraged for HOPWA-based Project(s)		
Emergency Shelter Grants Program		14.231 ESG
ESG Project Titles		Description of Areas Affected by ESG Project(s)
\$ESG Grant Amount	\$Additional HUD Grant(s) Leveraged	Describe
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged
\$Locally Leveraged Funds		\$Grantee Funds Leveraged
\$Anticipated Program Income		Other (Describe)
Total Funds Leveraged for ESG-based Project(s)		
Congressional Districts of:		Is application subject to review by state Executive Order 12372 Process?
Applicant Districts 7	Project Districts 7	
Is the applicant delinquent on any federal debt? If "Yes" please include an additional document explaining the situation.		<input type="checkbox"/> Yes This application was made available to the state EO 12372 process for review on DATE
<input type="checkbox"/> Yes		<input checked="" type="checkbox"/> No Program is not covered by EO 12372
<input checked="" type="checkbox"/> No		<input type="checkbox"/> N/A Program has not been selected by the state for review

Person to be contacted regarding this application		
Steven	L.	Harrell
Manager	910-341-5838	910-341-5809
Steve.harrell@wilmingtonnc.gov		Suzanne E. Rogers
Signature of Authorized Representative		Date Signed
		4-11-14

Action Plan

The FY2014-15 Annual Action Plan includes the [SF 424](#) and Narrative Responses to Action Plan questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

Narrative Responses

GENERAL

Executive Summary

The Executive Summary is required. Include the objectives and outcomes identified in the plan and an evaluation of past performance.

Action Plan Executive Summary:

The Annual Action Plan describes the programs and projects that will be initiated or continued during the period from July 1, 2014 through June 30, 2015. This is the third program year (PY) of the five-year Consolidated Plan. The main focus of the plan is to provide a summary of projects and programs that will address the housing and community development priorities identified in the City's Consolidated Plan. The plan provides direction for the appropriation of the City's federal entitlement grants and the related program income.

The City of Wilmington has been a Community Development Block Grant (CDBG) entitlement community since 1975. Funding comes to the City's Community Development Division, Community Services Department, in the form of an annual block grant administered by the U.S. Department of Housing and Urban Development (HUD). CDBG funds can be used with great flexibility to provide "decent housing, a suitable living environment, and expand economic opportunities principally for persons of low and moderate income". In addition to the CDBG funds, the City receives HOME Investment Partnership Program funds, also funded through HUD. The HOME grant is specifically for affordable housing.

In program year 2014-15, the City anticipates \$901,544 in CDBG entitlement funds (\$2,576 decrease) and \$498,650 in HOME entitlement funds (four percent increase). Program income is estimated to be \$152,000 for CDBG programs, including un-appropriated revolving loan income, and \$170,000 for HOME. In addition, as of March 31, 2014, the following funds were available: \$1,424,636 in unexpended and prior year HOME funds along with \$804,014 in unexpended and prior year CDBG, along with \$883,330 in Revolving Loan funds. These funds will be used to complete and/or continue programs and projects identified in the FY2013-14 Annual Action Plan or applied to FY2014-15 projects as described herein. One hundred percent of CDBG funds are anticipated to be used for the benefit of low-to-moderate income persons.

The proposed projects and programs for implementation in the coming fiscal year, as presented in this plan, include projects to increase the supply of affordable rental housing; foster homeownership; preserve and rehabilitate existing housing stock; and provide services and support for the homeless, including ex-offenders, victims of domestic violence and at-risk youth. Resources are made available to provide for services to improve neighborhoods and serve citizens, including at-risk youth.

This Action Plan is prepared using HUD's guidelines for creating a Consolidated Plan. This Plan includes all the necessary and required elements of an Action Plan including, but not limited to, descriptive narratives, geographic area receiving benefits, identification of obstacles and barriers to meeting needs and providing affordable housing, planning process and methodology, monitoring plan, lead-based paint, specific housing development objectives, community development objectives, and homelessness prevention objectives. The plan also includes a budget for the use of CDBG and HOME entitlement funds for the plan year and carryover of unexpended funds from prior years.

The availability of the draft FY2014-15 Annual Action Plan for public comment was advertised on the internet and in the Wilmington Star News newspaper on April 18, 2014. Copies of the draft were made available through the Community Development division, City Clerk's and City Manager's Office and on the City website. A summary report of the Plan was presented to the Council and for public hearing on May 20, 2014.

General Questions

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.
2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a) (1)) during the next year and the rationale for assigning the priorities.
3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs.
4. Identify the federal, state, and local resources expected to be made available to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.

Action Plan General Questions Response:

1. The geographic area is the City of Wilmington and all census tracts within the city limits. Targeted areas will depend on the topic in question and will be noted in the respective sections of the Plan.
2. The NorthSide neighborhood was approved by HUD in 2004, as a Neighborhood Revitalization Strategy Area. The City is expected to continue to focus on the NorthSide for several years to come, especially with the development of the Martin Luther King Jr. Highway, which brings commuters and visitors directly through the NorthSide into downtown Wilmington. As such, development of Third and Fourth Street as a gateway to downtown and the revitalization of the NorthSide neighborhood is a priority for the City. This is evidenced by the City investments in attracting the new PPD world headquarters to the area, as well as the construction of a convention center. Other improvements enhancing the gateway include the completion of the 1898 Monument and Memorial Park and streetscape improvements to North Third Street. In order to further enhancements to the NorthSide area, the Community Development division supports a number of initiatives to preserve and stabilize the neighborhood. Prominent examples of such projects include the redevelopment of the former Taylor Homes public housing site with the construction 192 affordable rental units for low-to-moderate income households and senior citizens. The redevelopment of the old City garage property on 10th and Fanning Streets into a community services complex, including a community arts and education center, is another City priority which has been supported through CDBG and general fund investments. Additionally, the City continues to promote the construction and/or rehabilitation of affordable housing on infill lots and scattered sites within the NorthSide neighborhood.

In addition to the NorthSide, the City is committed to neighborhood revitalization of the Southside Area, including the Castle Street corridor. The Wilmington Housing Authority (WHA) received a Choice Neighborhoods Planning grant from HUD to create a plan to redevelop the Hill Crest development and surrounding Southside neighborhood area. City staff are working with WHA to prepare an application for CNI funds for capital investment in housing and other projects. This initiative takes into account the SouthSide Neighborhood Plan which was completed as a result of efforts of the City Development Services Department, Long Range Planning Division work with residents and other stakeholders in the SouthSide area, including Castle Street, to develop a neighborhood/small area plan to help guide the redevelopment of the area.

Likewise, a neighborhood plan has been completed for the Seagate neighborhood. Although these neighborhoods have not been identified as revitalization areas, housing assistance and other resources continue to be available for eligible households in these neighborhoods.

3. The greatest obstacle to meeting underserved needs in Wilmington is the extreme gap between the "haves" and "have-nots". Over the past several decades Wilmington and the surrounding region have experienced population growth as a result of in-migration of retirees and others; thus the limited supply of housing and developable land has become more costly. According to Wilmington's Future Land Use Plan, the city is 90 percent built out. The increase in housing cost has far out-paced any increase in median income. Providing affordable housing to anyone below 80 percent of area median income is a challenge. Special populations (elderly, disabled, homeless, ex-offenders) are adversely impacted by the gap of affordable housing

Many of the new residents moving to the area are retired and relocating from areas with higher incomes and property values. While this contributes to an increase in the area median income and brings higher income households into the local economy, it also factors into the increase in housing costs. According to census data compiled by HUD the Median Family Income increased by 27 percent from 2000 to 2010, while the Median Home Value increased by 94 percent. Housing cost are outpacing income and making homeownership unattainable for many families. This change in population negatively impacts the proportion of lower income households that have equitable access to housing in all areas of the region.

For residents earning wages from employment in the area, as opposed to income from retirement savings, the median hourly wage is \$11.48 or about \$23,000 annually (www.bls.gov/oes/2001/oes_9200.htm#600-0000). Census data and the Penn State Living Wage , Poverty in American project show that the majority of jobs in the Wilmington MSA are low paying sales and service positions paying less than \$16 per hour or an average annual wage in the range of \$18,000 to \$32,000. According to Penn State's Living Wage Calculator, the hourly rate of pay necessary for a family of four in the city of Wilmington is \$19.82 (\$41,226/annually). This data demonstrates that although the HUD 2014 median income for a family of four in New Hanover County is \$58,700, this does not reflect the wages earned by a majority of working residents. The wages that most families earn is not, according to the Penn State Living Wage Calculator, sufficient for providing the food, shelter and other necessities for a modest standard of living. (<http://livingwage.mit.edu/places/3712974440>) This point was further validated at an April 2014, presentation by PNC Bank Economist, Mekael Teshome who reported that per capita income in the Cape Fear region is about five percent lower than for the state as a whole, and 18 percent lower than the nation. (Wilmington Business Journal, Jenny Callison, April 2, 2014)

A 2014 National Low Income Housing Coalition report "Out of Reach" determined that in Wilmington a family would need to earn \$32,720 annually or \$15.73/hour to afford a two bedroom unit at Fair Market Rent of \$818. The report goes on to show that the estimated average (mean) wage of renters in Wilmington is \$10.92/hour. At this wage an affordable apartment would need to cost no more than \$568 month. As indicated in previous reports, Wilmington continues to have a problem with housing cost burden, or stated another way, renters are paying more than 30 percent of their income for housing.

This leaves little income to pay for other necessities or disposable income to support the local economy. (www.nlihc.org)

Home ownership continues to be a challenge for many households in the region. As noted above the majority of working households earn wages below the area median income. An examination of the area median income (AMI) over the past decade reveals that families earning 80 percent or less AMI have been challenged to purchase a home since 2004. This trend continues even with the recent decline in home prices. Not unlike many communities, the development of more affordably priced housing has moved farther from the existing economic and employment centers into suburban and rural areas within Brunswick and Pender Counties. Those homeowners living in more affordably priced homes in rapidly growing, newly developed suburban areas are experiencing the increased cost of transportation. Ninety-one percent of the population in the region is paying more than 45 percent of their income on combined housing and transportation costs.

An analysis of HUD's Comprehensive Housing Affordability Strategy data shows that in Wilmington a majority of homeowners (71%) and renters (69%) earning less than 80 percent of the area median income are housing cost burdened. This data also reveals that minority households experience housing cost burden at a greater rate than non-minority households. This information coupled with the existing income and housing data confirms what many affordable housing practitioners, and government and public agency officials, among others, have observed, the region is experiencing greater disparity in equitable access to affordable housing based upon income.

The five-year Consolidated Plan for FY2013-2017 identified the greatest community development need in our community as affordable rental housing for the extremely-low and very-low-income families. In addition, the plan identified the need for access to affordable homeownership for low-income households as a priority, along with preservation of existing affordable housing stock, and providing emergency shelter and services for homeless and sustaining progress in transitioning homeless to permanent housing, including permanent supportive housing. Additionally, the plan identified special needs populations as high priority for prevention of homelessness, and housing and other services.

The proposed projects and programs for implementation in the coming fiscal year, as presented in this plan, include projects to develop affordable rental housing for families. The plan continues initiatives to provide affordable homeownership opportunities for low-to-moderate income households, as well as, support for low-to-moderate income homeowners seeking assistance with housing rehabilitation and/or repairs, especially elderly and other special needs populations. These projects help maintain existing affordable housing stock and foster homeownership within the city. In addition, the plan provides opportunities to rehabilitate foreclosed upon and vacant properties and return these units to the affordable housing market.

Furthermore, youth serving organizations are also recommended for funding to ensure that at-risk youth have access to services needed to maintain a suitable living environment. Job counseling and placement services for special populations, specifically homeless and ex-offenders, are supported in the plan. Continued support for emergency shelters and transitional housing is included. Public facilities improvements for transitional housing serving special populations is provided for in the plan to ensure access to suitable living environment.

Managing the Process

1. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.
2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.
3. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.

Action Plan Managing the Process Response:

1. The City of Wilmington carries out federal programs administered by the U.S. Department of Housing and Urban Development (HUD). The Five-Year Consolidated Plan is the document that Wilmington submits to HUD as an application for funding for the following programs:

Community Development Block Grant program (CDBG)
HOME Investment Partnership Program (HOME)

The lead agency responsible for the development of the City's Annual Action Plan is the Wilmington Community Development Division, Community Services Department.

Agencies assisting the City in carrying out its Plan include the Wilmington Housing Authority, Community Housing Development Organizations (CHDOs), Cape Fear Habitat for Humanity, and other non-profit agencies providing housing and public services to the homeless, victims of domestic violence, people with disabilities, and people released from local, state and federal institutions.

2. The development of the Annual Action Plan for CDBG and HOME Programs FY2014-15 is built on a number of other studies, plans and reports prepared in recent years:

- City of Wilmington Strategic Plan,
- City of Wilmington's Adopted Budget,
- Wilmington Future Land Use Plan,

- NorthSide Plan,
- Seagate Neighborhood Plan,
- The SouthSide Small-Area Plan,
- Wilmington Housing Authority's Five-Year Plan,
- Tri-County Homeless Point-in-Time Survey,
- Wilmington Star News,
- 10-Year Plan to End Chronic Homelessness,
- Continuum of Care (CoC) Strategic Priorities,
- CoastalCare, formerly Southeastern Mental Health, Developmentally Disabled, and Substance Abuse Housing Plan, and
- Wilmington Housing Authority's Choice Neighborhoods Plan (Hill Crest)

The process by which the plan was developed integrated the goals and objectives set forth in the aforementioned plans. To that end, the process include the solicitation of applications identifying activities to address CDBG and HOME objectives, priorities and needs identified in the City's Five-Year Consolidated Plan and City of Wilmington Strategic Plan.

In response to the 2012 HOME Appropriations Act and in an effort to ensure a timely expenditure of CDBG and HOME funds the City Council adopted the City of Wilmington HOME Appropriations Policy for Complying with the FY2012 HOME Appropriations Law (*Consolidated and Further Continuing Appropriations Act of 2012 P.L. 112-55*). In accordance with this policy, requests for funds for the construction of rental or homeowner housing, single-family or multi-family are subject to a more rigorous review to determine market demand, quality of design and construction, and, financial soundness and capacity of developer. In order to recommend funds construction projects should be ready for development at a specified site, other sources of finance identified, plans or specifications drafted, and pre-construction activities in progress. Housing production/construction projects will be considered as funds are available; this is a change from the biennial application cycle.

Moreover, the City of Wilmington consulted with other public and private agencies to identify and prioritize community needs, and develop strategies and action plans. Through individual and group meetings, the representatives from the following agencies were consulted as part of planning process:

- Tri-County Interagency Council on Homelessness
- North Carolina Coalition on Homelessness
- Coastal Care formerly Southeastern Regional Mental Health Center
- Cape Fear Literacy Council
- Cape Fear Community College
- Wilmington Housing Authority
- The ARC of North Carolina
- LINC: Re-entry Roundtable Discussions
- Good Shepherd Ministries

- Wilmington Interfaith Hospitality Network
- First in Families of Southeastern North Carolina
- University of North Carolina Wilmington
- Coastal Horizons Center, Inc.
- Domestic Violence Shelter and Services, Inc.
- WAVE Transit
- Wilmington Housing Finance and Development, Inc.
- Wilmington Regional Association of Realtors
- City of Wilmington, Development Services Department, Planning Division
- City of Wilmington, Community Services Department, Parks and Recreation
- City of Wilmington Police Department
- City of Wilmington Fire Department
- AMEZ Community Development Corporation
- Cape Fear Housing Coalition
- Cape Fear Council on Aging
- New Hanover County Department on Aging
- New Hanover County Planning Department
- Legal Aide
- New Hanover County Department of Social Services
- New Hanover Regional Medical Center
- North Carolina Department of Health and Human Services, Division of Aging; Division of Facility Services; Division of Mental Health, Developmental Disabilities, and Substance Abuse Services
- North Carolina Department of Corrections
- North Carolina Employment Security Commission
- Phoenix Employment Ministry
- DREAMS
- Cape Fear Area United Way
- NC Community Development Association
- NC Housing Finance Agency
- Cape Fear Area Chamber of Commerce
- Kids Making It
- DREAMS
- First Fruit
- Wilmington Regional Associations of Realtors
- Community Boys & Girls Club
- Brigade Boys & Girls Club
- Food Bank of Central & Eastern NC
- American Red Cross
- The Carousel Center
- Cape Fear Housing Land Trust

3. During the next year the Community Development Division will continue to work to enhance coordination between public and private housing, health, and social services

agencies by maintaining an active participation and consultation with public and private agencies to address community needs.

The need for affordable rental housing was identified as a high priority for the City in the Consolidated Plan. City Community Development resources will continue to foster the development and/or redevelopment of affordable rental housing. As well as promoting the development of rental housing, the City will continue to support organizations, such as Cape Fear Habitat for Humanity and Cape Fear Community Land Trust, which provide homeownership opportunities for very low and low income households. These agencies utilize construction and equity models that enable citizens to own a home for less than the Fair Market Rent. Additionally, the City will continue to provide financing for housing rehabilitation. Homeownership loans for eligible low to moderate income households will continue through the City's HOP program in partnership with area banks,

Citizen Participation

1. Provide a summary of the citizen participation process.
2. Provide a summary of citizen comments or views on the plan.
3. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.
4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

Action Plan Citizen Participation response:

1. Citizen Participation Process:

Encouraging citizen participation and consulting with other public and private agencies are important parts of the planning process. The City used several methods to solicit citizen participation and to consult with other public and private entities, including public notices, public meetings, public hearings and other outreach efforts. A copy of the City's Citizen Participation Plan can be found on the City of Wilmington's website (www.wilmingtonnc.gov) or obtained upon request by contacting the Community Development Division.

Survey

A survey of key stakeholders was conducted to ascertain priority needs and strategies for community development. Rankings for strategies under three community development goals 1) Decent Housing, 2) Suitable Living Environment, and 3) Expanded Economic Opportunities revealed the following:

Figure # 1 Decent Housing Priorities

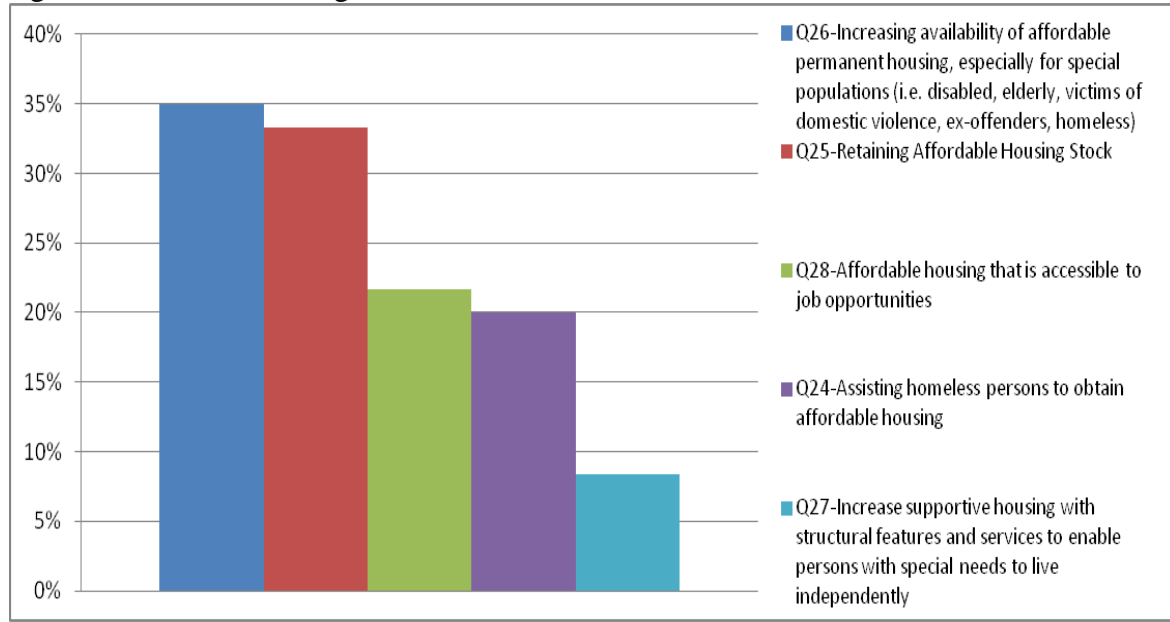


Figure # 2 Suitable Living Environment Priorities

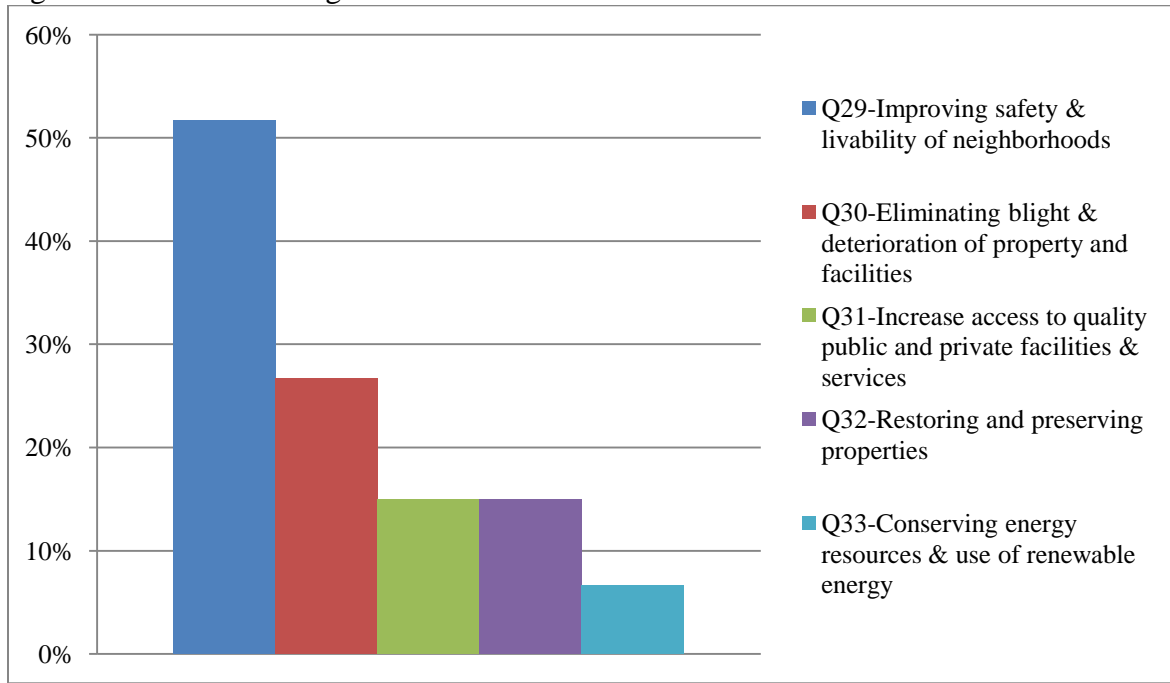


Figure # 3 Expand Economic Opportunities Priorities

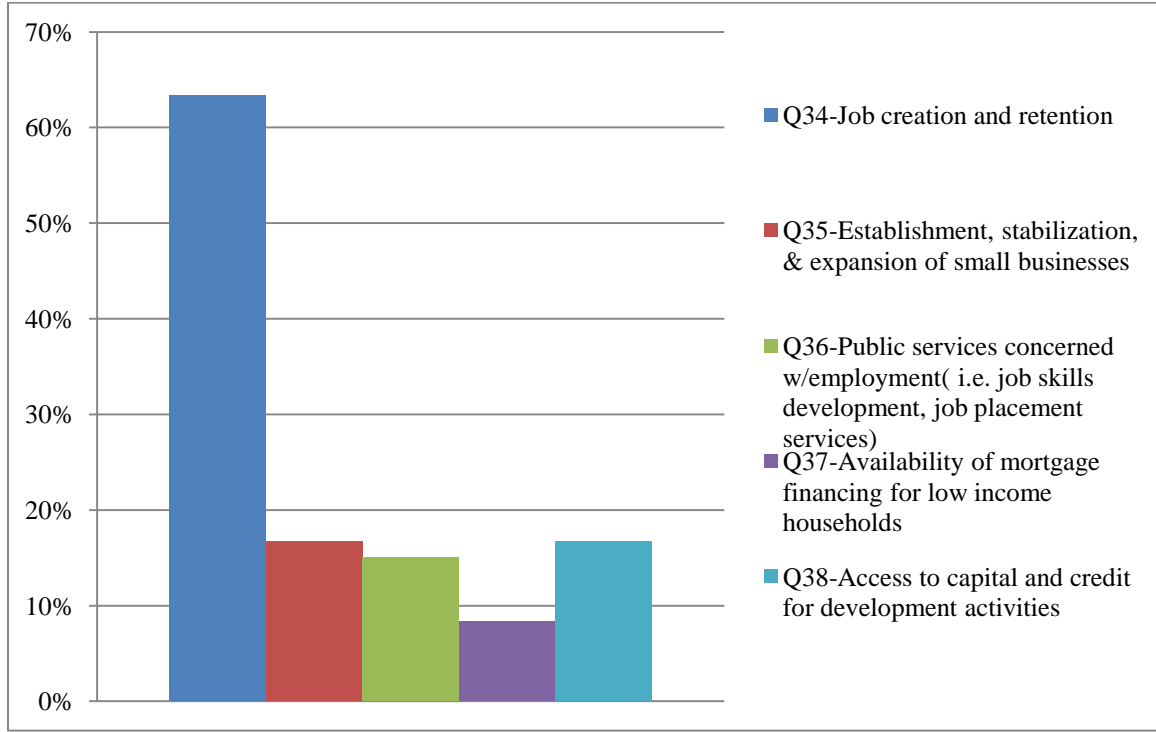
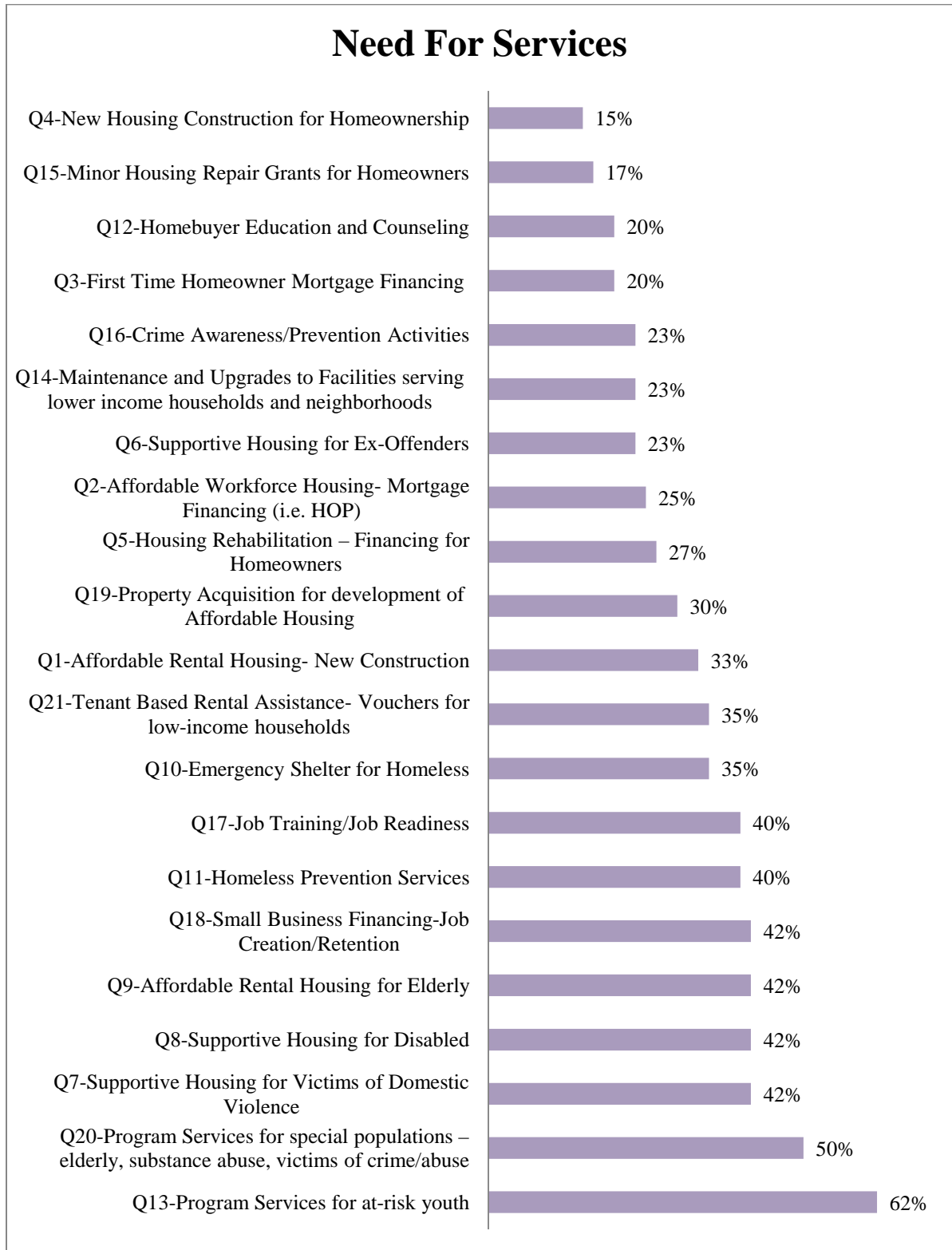


Figure # 4 Need for Services Priorities



Public Meetings

The City of Wilmington held a formal public hearing on May 20, 2014 to obtain comments on the draft of the FY2014-15 Annual Action Plan. Prior to the meeting a draft of the Plan was e-mailed to interested parties on the City's "Outside Agency" database and made available on the City's website and in the New Hanover County main library. The public hearing and the 30-day comment period were advertised in the local newspaper at least 14 days in advance of the hearing, and on the City's cable channel, and through local housing and service providers. Comments received during the planning process and during the 30-day comment period are summarized in the final draft.

As noted in a previous section of this report, a public meeting/workshop was held in December 2013, to solicit applications for programs and projects addressing the City's Five Year Consolidated Plan. During this public meeting the goals and priorities established in the Five-Year Plan were described and questions and comments addressed.

Throughout the year community development staff have attended meetings of various community initiatives, such as Affordable Housing Coalition, Tri-County Homeless Initiative Coalition, Re-entry Roundtable and others, and provided information as well as solicited input on various community development issues.

2. Citizen Comments: Below are public comments received:

Comment received from Don Skinner, Executive Director Phoenix Employment Ministry via email 12/12/13

Thank you, Suzanne. It is a pleasure working with you.

Here are my thoughts regarding "PARTNERSHIPS." The hue and cry these days is COLLABORATE, COLLABORATE, COLLABORATE!!"

I think there is some real merit to considering the importance and value of partnerships. My definition of a partnership is a relationship between two or more organizations that share clients whose success is dependent on all the organizations involved in the partnership. The partnership need not share resources, space, equipment or personnel. Their budgets and funding are not shared. They operate independently of one another. Phoenix Employment Ministry partners with many organizations in New Hanover County. These include Good Shepherd Center, the Mercy House, Wilmington Interfaith Hospitality Network, First Fruits the Salvation Army and others. We receive referrals from all of these agencies and we also make referrals to all of them. All of the agencies I have mentioned provide housing of one sort or another. Often their residents need to find a job. The "residential agencies" don't have the staff, space, equipment, or expertise to provide extensive assistance to those needing work. PEM does. However, PEM has no ability to house anyone. Working together as partners we are able to provide more support than the individual can get from a single agency. Partnerships also help to avoid duplication of services. PEM does employment like no one else in the area. Therefore funds, space, and staffing are not duplicated nor diminished as they would be if every

agency tried to tack on an “employment department.” Because PEM specializes in employment, it is constantly creating innovative ways to help impoverished people find work. That is its sole concentration. All of PEM’s assets, talent and time are always spent developing new ways to increase its participant’s ability to find and keep long-term work. This is to the advantage of those who are referred to PEM for assistance in finding work. It is a great blessing to know that PEM can rely on others with a wealth of resources, experience and ability to house those whom we send their way as well as those they send to PEM. One of PEM’s requirements is that those seeking work in its programs must have stable housing.

Them’s my thoughts.

Oh, I think being in one or more partnerships is worth 50 points! 😊

Don

Staff Response via email 12/12/13

Hi Don,

Thank you for your comments. I will include these in the Annual Action Plan for FY14/15. You make a valid point about the value and benefit of partnerships. We recognize that PEM successfully partners with many organizations. As currently designed our criteria for collaboration awards 25 points to agencies that submit a joint application with one lead agency administering the city funds and distributing to the collaborating agency(ies) via memorandum of understanding. As I explained in the workshop the joint application should clearly describe improvements in providing services, through gains in efficiency or effectiveness, beyond what the collaborating agencies would be able to accomplish without the joint initiative. Your comments will be taken into consideration for possible changes to the scoring criteria to give credit for partnerships among agencies that are not submitting joint applications.

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3. Efforts to broaden public participation in the development of the consolidated plan: A survey, in conjunction with focus groups was used to broaden public participation in the development of the 2013-2017 Consolidated Plan.

4. Explanation of Comments not accepted:
All comments were accepted see above.

Institutional Structure

1. Describe actions that will take place during the next year to develop institutional structure.

Plan Institutional Structure response:

The City will continue to have formal and informal working relationships with the Wilmington Housing Authority, Community Housing Development Organizations (CHDOs), Cape Fear Habitat for Humanity, Leading Into New Communities (LINC), the Cape Fear Community Land Trust and other non-profit housing developers

Several new multi-family projects are included in the FY2014-15 Annual Plan. Shipyard Village by Beacon Management, Inc. will provide 96 units of affordable rental for low income households. In addition to Shipyard Village, the plan also recommends funding for Dawson Street Lofts, a 40 unit multi-family project; along with the rehabilitation of a 40 unit affordable family project – Willow Pond- previously funded with LIHTC and City funds. All projects recommended for funding are contingent upon receipt of other financing. These projects, if funded, will enable the City of Wilmington to leverage its entitlement funds and increase and maintain the number of affordable rental units available for low-to-moderate income households.

The City will continue its close working relationship with nonprofit organizations involved in providing multi-family housing, emergency shelters, transitional housing for the homeless and domestic violence victims, and group homes for people with physical or mental disabilities, substance abuse problems or HIV/AIDS.

Monitoring

1. Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

Action Plan Monitoring Response:

The Community Development Compliance Specialist will manage the annual monitoring programmatic assessment of every housing and community development project funded by HOME and CDBG as required by law. Agencies will be provided on-going technical assistance. Agencies identified with concerns or findings will be required to participate in in-depth reviews, i.e., weekly, monthly and quarterly and technical assistance. Desk monitoring will also be conducted, where applicable, and all currently funded and affordability period eligible agencies are required to participate in a mandatory quarterly reporting tool. Pre-award conferences will continue to be held to finalize contracts and review reporting compliance. Technical assistance, especially to new grant recipients, will be provided when deemed appropriate. All newly funded housing and development projects will be provided with technical assistance regarding federal regulations, i.e.

environmental assessment process, tenant selection process, Davis Bacon, fair labor standards, fair housing, Section 3, Minority Business Enterprises, etc. as applicable by law. Additionally, Finance Staff assigned to the Community Development Division monitor compliance with all federal financial requirements pertaining to CDBG and HOME, such as those found in Office of Management and Budget Circulars and the Code of Federal Regulations Part 84 and 85.

Lead-based Paint

1. Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.

Action Plan Lead-based Paint Response:

All housing rehabilitation activities will include a lead-based paint (LBP) assessment, hazard control and abatement where necessary. All Community Development outside agencies activities, such as the the AMEZ HOUSING CDC, Cape Fear Regional CDC, Habitat for Humanity, and Wilmington Area Rebuilding Ministry housing rehabilitation projects, will be monitored for compliance with the Lead Rule.

Specific Objectives

Action Plan Specific Objectives Response:

<input checked="" type="checkbox"/>	Objective Category Decent Housing Which includes:	<input checked="" type="checkbox"/>	Objective Category: Suitable Living Environment Which includes:	<input checked="" type="checkbox"/>	Objective Category: Expanded Economic Opportunities Which includes:
<input checked="" type="checkbox"/>	assisting homeless persons obtain affordable housing	<input checked="" type="checkbox"/>	improving the safety and livability of neighborhoods	<input type="checkbox"/>	job creation and retention
<input checked="" type="checkbox"/>	assisting persons at risk of becoming homeless	<input checked="" type="checkbox"/>	eliminating blighting influences and the deterioration of property and facilities	<input type="checkbox"/>	establishment, stabilization and expansion of small business (including micro-businesses)
<input checked="" type="checkbox"/>	retaining the affordable housing stock	<input checked="" type="checkbox"/>	increasing the access to quality public and private facilities	<input checked="" type="checkbox"/>	the provision of public services concerned with employment
<input checked="" type="checkbox"/>	increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability	<input checked="" type="checkbox"/>	reducing the isolation of income groups within areas through spatial de-concentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods	<input type="checkbox"/>	the provision of jobs to low-income persons living in areas affected by those programs and activities under programs covered by the plan
<input type="checkbox"/>	increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence	<input type="checkbox"/>	restoring and preserving properties of special historic, architectural, or aesthetic value	<input checked="" type="checkbox"/>	availability of mortgage financing for low income persons at reasonable rates using non-discriminatory lending practices
<input checked="" type="checkbox"/>	providing affordable housing that is accessible to job opportunities	<input type="checkbox"/>	conserving energy resources and use of renewable energy sources	<input type="checkbox"/>	access to capital and credit for development activities that promote the long-term economic social viability of the community

HOUSING

Specific Housing Objectives

*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

City of Wilmington

ANNUAL ACTION PLAN FY2014-15

Affordable Housing Objectives and Strategies

HUD Objective		Objective:	Key One-Year Targets
Decent Housing	X	Increase and maintain the supply of safe, decent rental housing units available for low-income households, focusing on households earning 50% or less of the AMI.	Construct- 200 rental units; Rehab 47 rental units
Suitable Living Environment			
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	Shipyards Village 96 unit multifamily; Dawson St. Lofts 40 unit multifamily; Willow Pond 40 unit multifamily rehab; Lockwood Village 60 unit multi-family affordable family rental; CFRCDC up to 7 single-family affordable rental units; AMEZ CDC up to 4 single-family affordable rental units	CDBG; HOME; Revolving Loan; LIHTC; Private funds
Affordability	X		
Sustainability	X		
HUD Objective		Objective:	Key One-Year Targets
Decent Housing	X	Increase opportunities for low income households (less than 80% AMI) to become homeowners through mortgage subsidy	6 households w/mortgage subsidy i.e. HOP, NCHFA, etc.
Suitable Living Environment			
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	Continue HOP partnership with local banks;	CDBG; HOME; Revolving Loan Fund; General Fund
Affordability	X		
HUD Objective		Objective:	Key One-Year Targets
Decent Housing	X	Increase opportunities for low income persons to become homeowners, focusing on very low-income and low income households	5 new construction/rehab units
Suitable Living Environment			
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	CFRCDC- rehab up to 5 vacant foreclosed properties for homeownership; CFHFH infill rehabilitate or rebuild up to 6 units for homeownership	HOME; NSP; Private Funds
Affordability	X		
Sustainability	X		
HUD Objective		Objective:	Key One-Year Targets
Decent Housing	X	Preserve and improve existing affordable owner housing for low-income owners, focusing on elderly, disabled and other special needs populations	15 critical repairs; 5 major rehabs
Suitable Living Environment			
Create Economic Opportunity			
HUD Outcome		Strategies:	Resources to be used:
Availability/Accessibility	X	Continue City Rehabilitation Loan Program; CFHFH/WARM- NRI program: critical repairs up to 15 units; rehab/reconstruct up to 6; 5 major rehabilitations to owner-occupied homes	CDBG; HOME; Private Funds; Volunteer Labor
Affordability	X		
Sustainability	X		

City of Wilmington		
ANNUAL ACTION PLAN FY2014-15		
Affordable Housing Objectives and Strategies		
HUD Objective		Objective:
Decent Housing	X	Provide Emergency Shelter and Services to Homeless
Suitable Living Environment		
Create Economic Opportunity		
HUD Outcome		Strategies:
Availability/Accessibility	X	Good Shepherd/WIHN; Domestic Violence Shelter & Services; Coastal Horizon Youth Shelter
Affordability		
Sustainability		
HUD Objective		Objective:
Decent Housing	X	Provide Case Management and Services to Transition Homeless to Permanent Housing
Suitable Living Environment	X	
Create Economic Opportunity		
HUD Outcome		Strategies:
Availability/Accessibility	X	Good Shepherd/WIHN; Domestic Violence Shelter & Services; Coastal Horizon Youth Shelter; United Way 10 Year Plan; First Fruit; LINC; AMEZ/Mercy House
Affordability		
Sustainability		
HUD Objective		Objective:
Decent Housing	X	Develop Transitional and Permanent Supportive Housing opportunities for homeless and special needs populations
Suitable Living Environment	X	
Create Economic Opportunity		
HUD Outcome		Strategies:
Availability/Accessibility	X	Revise Rental Rehab Loan Program to make funds available for scattered site and small scale non-profit and affordable housing
Affordability	X	
Sustainability	X	
HUD Objective		Objective:
Decent Housing		Increase opportunities for successful homeownership and or prevent homelessness through housing counseling, financial literacy, program service
Suitable Living Environment		
Create Economic Opportunity		
HUD Outcome		Strategies:
Availability/Accessibility		City of Wilmington Homebuyer Education & Counseling;
Affordability		
Sustainability		
Key One-Year Targets		Resources to be used:
		CDBG; CoC; ESFP; Private Funds; General Funds
		200 units of service to transition homeless
		CDBG; HOME; CoC; ESFP; Private Funds; General Funds; US DOJ
		1 unit
		HOME; NCHFA; Private Funds
		175 households receive counseling/education program service
		HOP fees; General Funds;

1. The lack of affordable housing, low paying service jobs and high economic volatility make securing affordable housing increasingly difficult for citizens. Moreover, these conditions threaten the stability of neighborhoods. Through the City's Strategic Plan, Welcoming Neighborhoods and Public Spaces Focus Area and the Five-Year Consolidated Plan the following priorities and objectives have been established:

- Clean, safe, attractive, diverse and convenient neighborhoods, that include a mix of residential, commercial, community facilities and recreation, and open space;
- Support permanent supportive housing for chronically homeless, frail elderly, disabled, and other special needs populations;
- Affordable homeownership for low-income households;

- Affordable workforce housing, especially for households from 80 to 120 percent of median income;
- Increasing stock of affordable housing stock by investing in new construction and rehabilitation;
- Preserve stock of affordable housing; and
- Provide affordable rental housing for those living in poverty, especially families, elders and the disabled.

To ensure the maximum benefit and leverage from limited resources, including entitlement funds and NCHFA Tax Credits, community development staff recommends projects be considered for funding over two or more years. The Annual Action Plan for FY2012-13 adopted by City Council included projects identified for multi-year funding. The FY2014-15 Plan identifies projects for allocation of future entitlement funds contingent upon the availability of funds. In addition, the award of City funds is conditional upon the sub-recipient, grantee, developer, and/or contractor successfully securing financing and/or matching funds, and meeting all other requirements for funding from the City. The Annual Action Plan for FY2014-15 reflects the carryover of funds allocated for multi-year projects that are underway and near completion, along with the allocation of anticipated FY2014-15 entitlement funds.

AFFORDABLE HOUSING

AFFORDABLE RENTAL HOUSING

The following initiatives address this priority:

Affordable Rental Housing:

- Shipyards Village. Beacon Management Corporation submitted an application requesting \$850,000 in City entitlement funds towards this \$12,157,378 multi-family rental project. The proposed project will construct 96 one, two, and three bedroom apartments at 2821 Carolina Beach Road. The developer, Beacon Management, has applied for Low Income Housing Tax Credits and loans with the North Carolina Housing Finance Agency (NCHFA) and private banks. City funding is contingent upon the project receiving other finances and completing all requirements for permitting and development. The project meets the requirements for HOME funding – a market analysis shows demand, the project is consistent with City plans; the site and building design incorporate energy efficiency, green and recreation space, quality design and construction materials; and the project is located near amenities. The developer has demonstrated experience and capacity to successfully complete the project. The project will provide affordable rental housing opportunities for working families and individuals. Rents are estimated to range from \$272 to \$730, excluding utilities, for units from 834 to 1368 square feet. This project will serve households earning 30 to 60 percent of area median income. The operating budget allows for repayment of a portion of City funds over 20 years. Multi-year funding is recommended, conditional upon available HOME funds, with the project receiving

\$273,948 in FY2014.15 HOME funds, and additional funding in FY2015.16 and FY2016.17 up to \$850,000.

- Dawson Street Lofts. Wilmington Housing Authority/Housing Economic Opportunities submitted an application requesting \$500,000 towards a \$4,423,214 multi-family rental project to be constructed 909 Virgie Rhodes Lane (formerly 830 Dawson Street). The Lofts will consist of 40 two bedroom units in three apartment buildings. This project will replace 40 units at the nearby Hillcrest public housing community which will be demolished as part of the Choice Neighborhood Initiative (CNI). The project has been approved by the U.S. Department of Housing and Urban Development (HUD) and is near shovel ready. In addition to the funds requested from the City, WHA will fund the project with capital funds provided by HUD for the replacement of housing and with debt backed by rent vouchers attached to the project (project based voucher), and with financing from a private bank. Units in the project will be made available to relocate residents from Hillcrest. Tenants in the project will have all or a portion of their rent covered by rental assistance vouchers (Section 8). Rent, including utilities, is estimated to start at \$751 per month. Units range from 992 to 1,431 square feet, with a mix of flats and two-story townhomes in three buildings. A market analysis demonstrates demand for the project. The project is consistent with City plans; the site and building design incorporate energy efficiency, green and recreation space, quality design and construction materials; and is located near amenities. The developer has recognized experience and capacity to successfully complete the project. The operating budget does not provide for repayment of City CDBG funds; however, net cash-flow projections may permit limited repayment of a portion of City funds. Multi-year funding totaling \$200,000 is recommended, conditional upon available CDBG funds, with the project receiving funds as follows: \$100,000 CDBG FY2014.15 and \$100,000 CDBG FY2015.16.
- Willow Pond. Wilmington Housing Finance and Development (WHFD) is requesting \$665,674 as a portion of financing for a \$2,348,420 substantial rehabilitation of the 40 unit Willow Pond Apartments, located at 3508 Frog Pond Place. Originally built in 1994, the complex consists of two and three bedroom apartments in six, two story buildings. The units range from 850 to 1000 square feet and currently rent for \$480 to \$525, excluding utilities, for 34 restricted units. Six units rent at market rate \$600 to \$650, excluding utilities. After the rehabilitation WHFD anticipates a \$25 per month increase in rent. The project has demonstrated market demand and the increased rents are competitive with comparable affordable and market rate developments. The project will remain affordable and is subject to a 20 year affordability period. The proposed rehabilitation will upgrade plumbing, HVAC, windows, doors, roof, and upgrades to interior and exterior finishes. The project specifications include quality materials and will improve energy efficiency. The construction will relocate current residents within the complex, rehabilitating one building at a time. The developer and management organization has recognized experience and capacity to successfully complete the project. The operating budget does not provide for repayment of City HOME funds; however, net cash-flow projections may permit limited repayment of a portion of City funds. Multi-year

funding totaling \$665,674 is recommended, conditional upon available HOME funds, with the project receiving funds as follows: \$332,837 HOME FY2014.15 and \$332,837 CDBG FY2015.16.

- Lockwood Village. Community Alternatives for Supportive Abodes (CASA) has secured all funding to begin construction of a 60 unit multi-family affordable rental project at 4900 South College Road. CASA is a non-profit housing developer with over 20 years experience owning and managing over 290 affordable housing units and developing affordable housing in North Carolina. CASA was approved for \$650,000 in City entitlement funds towards this \$7.5 million project. CASA will carry-over FY2013.14 HOME funds to complete the project in FY2014.15.
- Cape Fear Regional Community Development Corporation (CFRCDC) will continue a multi-year approach for the acquisition and rehabilitation of up to seven properties with the carry-over of \$293,150 HOME funds and \$55,062 in proceeds. CFRCDC will manage rental of these properties. Houses can also be sold to qualified homebuyers if identified prior to development of the house
- AMEZ Housing Community Development Corporation will continue housing development with the carry-over of \$211,923 HOME funds and \$250,488 in proceeds for the development of up to five units of rental housing. AMEZ HOUSING CDC has ownership of properties at 701 McRae St., 910 S. 5th Street, and 905, 909, 913 Grace Street. Currently there is an oversupply of housing on the market for homeownership and AMEZ HOUSING CDC has experienced a decline in sales of homes it has developed. Development and management of affordable rental housing will address a high priority need within the city. That being noted, houses can also be sold if qualified homebuyers are identified prior to completion of construction of the house.

AFFORDABLE HOMEOWNERSHIP/ PERSERVE AFFORDABLE HOUSING STOCK

This priority includes the following objectives:

- **Community Land Trust:** The City continues to support the Cape Fear Community Land Trust (CFCLT) formerly, the Cape Fear Housing Land Trust (CFHLT) with a recommended allocation of \$21,767 in FY2014-15 General Funds. These funds will support the CFCLT Place Making initiative in the SouthSide neighborhood. The agency continues to seek land for the development of affordable housing using the land trust model; therefore, future applications for acquisition and/or construction funding are anticipated. Since the Land Trust's inception the City has provided \$261,380 to the Land Trust for administrative cost and to support the formation, incorporation, and development of organizational capacity. In a prior year the City provided \$220,000 in HOME funds to the Land Trust, through Cape Fear Habitat for Humanity (CFHFH) as fiscal agent, for the acquisition of 2.178 acres of land for

development of eight units – Gideon Point. The City also supported the Land Trust with conveyance of a house at 808 North Sixth Street and \$57,400 loan for the rehabilitation of the house. Currently, this house is a rental unit managed by the Land Trust. The Land Trust is successfully holding nine properties in trust and receiving rental income and ground lease fees.

- **Cape Fear Habitat for Humanity:** Using the Habitat model Cape Fear Habitat for Humanity (CFHFH) provides housing for families earning 30 to 60 percent of the area median income (AMI). CFHFH constructs about 12 houses per year and has no problem finding qualified homebuyers using Habitat underwriting and intensive case management. Often Habitat homebuyers pay less for the mortgage than they were paying for rent. Habitat will carry-over \$169,988 in prior year HOME funds to continue to acquire lots for in-fill reconstruction or houses for rehabilitation of up to six units of housing. Moreover, when feasible the City will provide City-owned foreclosed property to CFHFH. The City invested in the Cornerstone Cottages and Corbett Street projects to produce 36 units of affordable housing.
- **CHDO Proceeds:** HUD allows for the creation of Community Housing Development Organizations (CHDOs) to develop affordable housing for low to moderate income households within lower income communities. CHDO's are non-profit organizations with representation from low to moderate income individuals or communities serving on the board of directors. AMEZ HOUSING CDC and Cape Fear Regional Community Development Corporation (CFRCDC) are currently the only certified CHDOs in the city. CHDO's may use sales proceeds from the development of housing for operating and future development. As of April, 2014, the City was holding \$305,540 in proceeds available for use by AMEZ HOUSING CDC and CFRCDC.
- **CHDO Set-aside:** HUD requires that at least 15 percent of HOME funds be set-aside for use by CHDOs. To date \$3,019,446 has been set-aside; this is more than the required cumulative set-aside of \$ 1,526,552 as of FY2013.14. HOME funds will be set-aside in the future as needed to meet the requirements and provide funding for CHDO projects.
- **Home Ownership Program (HOP):** The City will continue to administer the HOP program to provide zero interest, second mortgages for eligible households. This program uses CDBG, HOME, and General Funds. The program serves households earning up to 120 percent of area median income. In FY2014.15, \$60,000 in program income is anticipated for HOP. In addition, \$59,445 in FY2014.15 CDBG funds will be allocated to HOP. Prior year CDBG funds will be reprogrammed to HOP as follows: \$65,073 Rental Incentive/Rehabilitation Loan program and \$66,380 Housing Rehabilitation loan program; along with \$40,960 in prior year HOME funds, and \$302,856 in Housing Rehabilitation Revolving Loan Funds. There is \$412,026 balance available in the HOP General Fund Revolving Loan fund. Taking this into account there is a total of \$1,006,740 available for HOP loans (using balances

available 3/31/2014). The funding available will support approximately six loans to homebuyers earning 80 percent or less of the area median income (AMI); and eight workforce loans to homebuyers earning between 80 and 120 percent AMI.

- **Workforce Housing:** In FY2014.15 efforts continued to market the City's HOP program and encourage the purchase of affordable housing within the city limits by households earning between 80 and 120 percent of the Area Median Income. The success of the HOP workforce housing program has depleted the general funds available. Approximately \$463,949 in loan repayments is available in the revolving loan fund for workforce housing loans as of March 31, 2014. Once these funds are loaned it will take some time before the repayments accumulate for more loans. Without an infusion of general funds the HOP program will be limited in the number of workforce housing loans that can be provided, it is estimated that only eight workforce loans will be closed during FY2014.15.
- **Down Payment Assistance:** HOME funds and revolving loan funds may be used for down payment assistance in those instances where such assistance is needed to make housing affordable for low-to-moderate income households, especially those at 60 percent and below area median income. Rising insurance cost impact the mortgage payment and make housing unaffordable. An analysis is prepared to determine the amount of down payment assistance needed to make the mortgage affordable. The down payment assistance is provided as a forgivable loan with a lien on the property. In FY2014.15, \$37,688 of prior year HOME funds is recommended to carry-over for down payment assistance.
- **Homeownership Education and Counseling:** In conjunction with the HOP program and the Workforce Housing initiatives the City offers a six-hour homebuyers' workshop provided each month, or on request, by the Community Development Housing staff. Both of the City's Housing Finance Counselors are HUD Certified. In addition to homebuyer education, the Housing Finance Counselors will be providing delinquency counseling to assist existing City housing loan recipients to work out payment plans and avoid foreclosure if at all possible.

PRESERVE AFFORDABLE HOUSING STOCK

The City will continue to utilize CDBG and HOME funds to make low-interest loans to rehabilitate sub-standard housing citywide, for low-income families, elders and people with disabilities.

- **Foreclosed Properties Disposition and Rehabilitation:** Prior year CDBG funds in the amount of \$24,058 will be carried forward to be used to board-up, re-key locks, and make minor repairs and clean-up City-owned foreclosed properties. The method for disposition of the properties is determined after taking into consideration the outstanding loan balance, financing and resale restrictions, and potential for resale, redevelopment and/or conveyance to non-profits with the goal to ensure continued

availability as affordable housing. Unfortunately the City is experiencing an increase in foreclosure of properties in the City housing loan portfolio. In almost every case the foreclosure results from the death of the homeowner; however, because of the declining real estate market the properties are not being sold by heirs or purchased at foreclosure sale. In order to return these properties to affordable housing and maintain the stability of the neighborhoods the City is seeking homebuyers, and non-profit and for-profit developers to acquire these properties. Deed restrictions require the properties remain affordable housing.

- **Housing Rehabilitation Program:** Low or no interest loans are made available to low income homeowners in need of extensive housing rehabilitation. Loan payments are based on income, the ability to repay, and may be deferred. In the last fiscal only five housing rehabilitation loans were closed. The staff position, Housing Finance Counselor, is currently vacant and the guidelines are being reviewed. Given the demand for homebuyer financing via the HOP program, it is recommended that funds in the Housing Rehabilitation Program Revolving Loan, and CDBG and HOME Housing Rehabilitation Loans reprogrammed to HOP for the next year pending review of the Housing Rehabilitation Program. The following funds will be reprogrammed to HOP: \$66,380 CDBG, \$40,960 HOME funds, and \$302,856 in the Housing Rehabilitation Loan Revolving Fund (as of March 31, 2014).
- **Rental Rehabilitation:** The Five-Year Plan identifies the need for affordable rental housing for lower-income citizens, especially special populations, homeless and ex-offenders, as a high priority need. Moreover, the Consolidated Plan and TRI-HIC identified the need for Permanent Supportive Housing as a high priority. To help address this need the Rental Rehabilitation/Rental Incentive Loan program offers incentives to investors and non-profit developers to renovate, purchase/renovate, or develop new housing units for lower-income households. The intent of the program is to bring deteriorated or dilapidated housing units back into the rental housing stock; therefore all units will be vacant. The program also allows for reconstruction of rental units on in-fill lots. The program gives priority to the development of Permanent Supportive Housing. Borrowers will have access to up to \$100,000 in loans per unit. Funds may be used for acquisition, renovation hard costs, and for reasonable soft costs necessary to close the loan. The terms of the loan are contingent upon the priority need and operating pro-forma as described in the underwriting guidelines. The project must be maintained as affordable rental housing for lower-income tenants for 15 years, 20 years if new construction. Rents paid by tenants shall not exceed HOME Program Rents. As of March 31, 2014, \$58,525 in revolving loan funds are available for rental rehabilitation
- **Neighborhood Revitalization Initiative (NRI):** In FY2012-13 Cape Fear Habitat For Humanity (CFHFH) and Wilmington Area Rebuilding Ministry (WARM) proposed a target neighborhood strategy in the Southside area. This NRI proposal will support WARM's efforts to make critical home repairs to up to 15 eligible homes. CRHFH will focus on the acquisition and rehabilitation or reconstruction of up to six homes in the area for sale to low-income homebuyers. Habitat will also make major home

repairs to up to five owner occupied homes. The program has been modified to allow for projects city-wide with a priority on projects in the SouthSide. The project has experienced delays in implementation and as of March 31, 2014, no funds have been expended; therefore, it is recommended that \$81,000 in FY2013.14 CDBG and \$150,000 in FY2012.13 CDBG funds carry-over to complete the project. After completion of the aforementioned projects and expenditure of the allocated funds the agency will be eligible to submit proposals for additional projects as City funds are available.

- Grants for lead paint control, voluntary relocation, and demolition are also available, in limited amounts, to assist home owners and sustain decent, safe neighborhoods
2. Federal, State and local public and private sector resources that are reasonably expected to be available to be used to address identified needs for the period covered by the Action Plan:

• CDBG and HOME Entitlement funds	\$ 1,400,194
• CDBG and HOME Program Income	\$ 322,000
• Carryover of CDBG and HOME Funds from prior years	\$ 2,228,650
• City General Funds and Revolving Loan Funds for housing and economic development	\$ 901,518
• HUD Continuum of Care	\$ 733,743
• Other Federal Funds (ESG, EFSG, DOJ, Dept Ed., HHS, NEA, VA , USDA, etc...)	\$ 4,946,173
• US LIHTC	\$ 7,839,058
• State Funds (NCHHS, NCHFA, GCC, Pub Instruction, etc....)	\$ 1,344,980
• Private funds (Foundations, Events, Business, Donations, etc..)	\$ 2,436,132
• New Hanover County Funds (DSS, NHCS, General Fund)	\$ 249,000
• City General Funds	\$ 520,000

Needs of Public Housing

1. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.
2. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.

Action Plan Public Housing Strategy Response:

The Wilmington Housing Authority's (WHA) focus will include continued efforts to revitalize and upgrade its obsolete housing while adding to its overall inventory by constructing new units to better meet the ever-growing need for affordable housing in the city of Wilmington. Some of the specifics include: the renovation of 77 units of existing public housing at Rankin Terrace, plans for 40 plus affordable housing units and 8 units of supportive housing in front of their Jervay Community in the Southside, as well as plans to put 32 public housing units back on line with the complete renovation of their Eastbrook Development off of Princess Place Drive near Creekwood on the Northside. In addition to WHA's more substantial new construction and renovation efforts, there will continue to be major upgrades to our housing stock in the areas of plumbing, electrical, HVAC, laundry facilities and landscaping.

In addition, through various in-house programs, along with participating service providers, WHA will provide resources and guidance that will assist residents to work toward self-sufficiency, become more involved in management initiatives and to experience the pride of homeownership. WHA is taking advantage of resource centers on site to offer more programming for residents, particularly at Creekwood, Houston Moore, and Hillcrest. The CORE Center (Community, Opportunity, Resource, Recreation, and Education) Center at Hillcrest will become a non-profit to take advantage of funding with a Program Coordinator to be brought on by the middle of summer. WHA endeavors to empower resident leaders to become even more effective representatives of their communities.

The WHA Section 8 program will continue to pursue additional vouchers to assist more families. WHA has been successful in the pursuit of targeted population vouchers, such as the Veterans Administrative Supportive Housing (VASH) vouchers and Family Unification Program (FUP) vouchers.

Barriers to Affordable Housing

1. Describe the actions that will take place during the next year to remove barriers to affordable housing.

Action Plan Barriers to Affordable Housing Response:

- Availability of developable land is a major barrier to affordable housing. Subsidizing nonprofit housing developers to purchase property and build single-family, stand-alone homes has become increasingly expensive. The City will look more toward providing financial incentives for projects with multiple units. This could be accomplished through funding one facet of the project, such as acquisition, infrastructure or impact fees.

- HUD will no longer assist with financing, through Continuum of Care, for transitional housing. Without those resources to provide transitional housing the City will attempt to address the need for transitional housing with CDBG, HOME and General Fund resources. Notwithstanding the limited resources available, transitional housing continues to be a viable option for homeless individuals and families that do not have permanent supportive housing readily available. That said, the City will continue to advocate for support of such projects as the M.E. Roberts Memorial (transitional housing) Center, a re-entry program for ex-offenders.
- NIMBY (Not in My Backyard) attitudes when coupled with the limited availability of developable land makes affordable housing projects subject to opposition from neighboring property owners expressing concern over the perceived negative impact of affordable housing developments on property values.
- Increase in number of households in poverty, especially African American families, is a barrier to affordable housing as these households struggle to maintain decent housing within their budget. Development of affordable housing and housing subsidy are necessary to ensure access to decent housing for low-income households.
- Increasing cost of housing over time compared to wages. Over the period from 2000 -2009 median housing values increased by 71 percent in the city, greatly outpacing increases in median income over the same period at 26 percent.
- Increased demand for rental property drives up the market rate for rental property contributing to the housing cost-burden for low income renters.
- A deficient in the availability of permanent resources to sustain current efforts to move homeless individuals and households into transitional housing and permanent supportive housing is a barrier to affordable housing for homeless. Significant strides have been made over the past year to 18 months to assist homeless individuals and those at –risk of becoming homeless to secure housing. One component of this success was the availability of ARRA Homeless Prevention and Rapid Re-housing funds. These funds are no longer available and other sources of funding will need to be identified to continue the level of services.
- Approximately half of the housing units in Wilmington were constructed prior to 1979, thus requiring lead-paint remediation and abatement. The cost of lead-hazard control increases the cost of housing rehabilitation for low-to-moderate income homeowners.

- Finally, state and local governments' budget gaps reduce the resources available to support community development initiatives and services. In response to these barriers the City will continue to maximize leverage and support NCHFA Tax Credit Projects which provide financing for the development of affordable housing within the city limits. Additionally, the HOP program provides second mortgages at no/low interest, along with down payment assistance when available to help low-to-moderate income and workforce income households purchase affordable housing, including foreclosed units.

HOME/ American Dream Down payment Initiative (ADDI)

1. Describe other forms of investment not described in § 92.205(b).
2. If the participating jurisdiction (PJ) will use HOME or ADDI funds for homebuyers, it must state the guidelines for resale or recapture, as required in § 92.254 of the HOME rule.
3. If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under § 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt. At a minimum these guidelines must:
 - a. Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.
 - b. Require a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
 - c. State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
 - d. Specify the required period of affordability, whether it is the minimum 15 years or longer.
 - e. Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e) (2) or a federally designated Empowerment Zone or Enterprise Community.
 - f. State that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.
4. If the PJ is going to receive American Dream Down payment Initiative (ADDI) funds, please complete the following narratives:
 - a. Describe the planned use of the ADDI funds.

- b. Describe the PJ's plan for conducting targeted outreach to residents and tenants of public housing and manufactured housing and to other families assisted by public housing agencies, for the purposes of ensuring that the ADDI funds are used to provide down payment assistance for such residents, tenants, and families.
- c. Describe the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers.

Action Plan HOME/ADDI Response:

The City of Wilmington does not qualify for ADDI funds.

The City of Wilmington is not currently refinancing debt secured by multifamily housing that is being rehabilitated with HOME funds.

Subject: Recapture of Funds for HOME-Assisted Homeownership Housing

In FY2012-13 HUD Field Office staff reviewed the City of Wilmington Recapture/Resale Policy in accordance with federal regulations. The field office has approved the following policy which was adopted on October 2, 2012, by City Council.

City of Wilmington
Community Development
Policy for

Ensuring Affordability for Low-to-Moderate Income Homebuyers

I. Purpose

When HOME Investment Partnership program funds are used to assist homebuyers, the regulations require that the unit remain affordable regardless of any subsequent resale. The period of affordability is determined by a schedule set forth in 24 CFR 92.254.

Homeownership Assistance HOME amount per unit	Minimum period of affordability in years
Under \$15,000	5
\$15,000 - \$40,000	10
More than \$40,000	15

II. Background

The City of Wilmington (City) is a participating jurisdiction in and recipient of HOME Investment Partnership program funds to be used by the City to expand the supply of

decent, safe, sanitary, and affordable housing available to low-income and very low-income residents.

The City has established the Recapture and Resale policies in accordance with HUD guidance provided in CPD Notice 12-003. These policies ensure that properties developed with HOME funds for homebuyers remain affordable to a reasonable range of low-income homebuyers, or that the HOME investment in affordable housing are recaptured upon sale of the property for use in other HOME eligible housing activities.

The City has elected to use “Recapture” as the primary method of ensuring affordability for low-to-moderate income homebuyers; however, “Resale” provisions will be used for HOME funds used for acquisition of land held in a Community Housing Land Trust. That said, with the exception of Community Housing Land Trust, all Community Development Housing Organizations, and sub-recipients receiving City HOME funds and other community development funds to provide affordable housing are required to use “Recapture” provisions to ensure affordability.

The City will use HOME funds to provide direct HOME subsidies to eligible Low-to-Moderate Income homebuyers through the City’s low interest Second Mortgage Purchase Program and through sub-recipients including, but not limited to, Community Housing Development Organizations (CHDO), and other affordable housing developers.

III. Definitions:

Direct HOME subsidy is the amount of HOME assistance, including any program income that enables the homebuyer to buy the unit. The direct subsidy includes HOME funds used for down payment, closing cost, interest subsidies, or other HOME assistance provided directly to the homebuyer

In addition, direct subsidy includes any assistance that reduced the purchase price from fair market value to an affordable price. If HOME funds are used for the cost of developing the unit and the unit is sold below fair market value the difference between fair market value and the purchase price will be added to the HOME subsidy amount. In such cases, the direct HOME subsidy will be provided to the homebuyer as a forgivable subordinate mortgage lien held by the City.

Purchase price as described herein refers to the amount of the affordable mortgage to be repaid by the eligible low-income homebuyer. The difference between the purchase price and contract sales price or fair market value, whichever is less, will be the direct HOME subsidy to the homebuyer.

Net proceeds are the funds remaining from the sale of the property by the original homebuyer less the repayment of the outstanding balance on any superior mortgage and any closing cost.

Low-income homebuyers are individuals and households that meet the HUD income limits for HOME Investment Partnership Program as published annually. HOME funds are used for households at or below 80 percent of the HUD published area median income (AMI).

Affordable housing is defined by HUD as housing cost that does not exceed 30 percent of household gross income. Generally, for owner-occupied housing it may be characterized as housing that can be purchased for no more than 2.5 to 3 times the total annual household income.

IV. Recapture

The City will use restrictions in the promissory note and deed of trust to enforce the recapture provisions of the HOME program found at 24 CFR 92.254 (a)(5)(ii). In accordance with applicable recapture provisions the City requires the recapture of its HOME-funded homeownership housing assistance from net sales proceeds when the original homebuyer sells the property during the affordability period. Any net proceeds in excess of the original HOME subsidy will go to the homeowner. The City will recapture 100 percent of the net proceeds up to the amount of the HOME subsidy. In the case where there are insufficient net proceeds available at sale to recapture the entire direct HOME subsidy provided to the homeowner, the City can only recapture what is available from net proceeds. The City will limit the amount to be recaptured to the net proceeds, as defined herein, available from the sale of the property.

V. Resale

The City will use Resale provisions as required when HOME funds are used to provide subsidy to the developer that will not result in a Direct HOME subsidy to the homebuyer. “Resale” provisions will be used for HOME funds used for acquisition of land held in a Community Housing Land Trust, which constitutes a developer subsidy. Under the Land Trust model the land acquired with HOME funds will be held in trust and not conveyed to the homebuyer. A long-term ground lease between the Land Trust and Homebuyer will establish long-term affordability of the property, and the distribution of value of improvements between the Land Trust and homebuyer upon sale of the housing unit. The ground lease ensures that the original homeowner receives a fair return on investment and that the property is sold at a price that is affordable to a reasonable range of low-income buyers. In addition, the City will utilize deed restrictions to ensure continued affordability, along with a deferred promissory note and deed of trust, with covenants and deed restrictions as enforcement mechanism.

The following “Resale” provisions apply for Community Housing Land Trust:

Sale of Improvements to Property held in Land Trust

Homebuyers purchasing homes in a Community Housing Land Trust purchase the improvements and lease the land, therefore these homebuyers are referred to as homebuyer/lessee or homeowner/lessee upon purchase of housing unit.

Improvements include all buildings, structures, fixtures, and other improvements purchased by the homebuyer/lessee or constructed or placed by the homeowner/lessee are the property of the homeowner/lessee.

The homeowner/lessee may transfer interest in the improvements only to the Community Housing Land Trust or another low-income homebuyer/lessee. Upon notice of homeowner/lessee intent to sell, the CHLT has the option to purchase the improvements. This option to purchase is intended to further the purpose of preserving the affordability of the improvements for succeeding low-income homebuyers.

The seller's resale price shall be determined by the resale formula stipulated in their ground lease. The formula will allow the homeowner/lessee's to sell their home for their original purchase price, plus 25 percent of the increase in market value of the entire property (land and improvements combined) as determined by appraisal at time of notice of intent to sell minus the initial appraised value at purchase. The appraisal shall meet Federal Housing Administration (FHA) standards.

The CHLT does not recapture the other 75 percent of the increase in market value, but rather this value "remains with the property", thereby ensuring continued affordability for succeeding homebuyers. This formula allows the homeowner/lessee to receive a fair return on increase in value to the property while maintaining continued affordability for subsequent homebuyers. Appraisal is an accepted method for determining value of land and improvements. Appraisal is commonly used by lenders to determine property value in real estate transactions.

Example: A homebuyer/lessee purchases a home in a Community Housing Land Trust (CHLT) for a purchase price of \$80,000. The property is appraised at a market value of \$110,000. Five years later the homeowner/lessee notifies the CHLT of intent to sell. The improvements are appraised at \$130,000. The homeowner/lessee is entitled to resell their home at a price of \$85,000. $((\$80,000) + (.25 * (\$130,000 - \$110,000)))$.

Resale or Transfer of Improvements

Upon purchase of improvements from the homeowner/lessee the CHLT will re-sell the improvements and lease the land to another low-income homebuyer at purchase price that is affordable to a reasonable range of low-income homebuyers. A reasonable range of low-income homebuyers consists of households earning between 60 and 80 percent of the Area Median Income. The City's original deed restrictions, which run with the land, will require the CHLT to always re-sell the home to buyers earning at or less than 80 percent of the Area Median Income.

The CHLT may provide additional subsidy in the form of down-payment assistance, and /or deferred subordinate mortgage to ensure affordability. The amount of subsidy will be determined by the difference between return on improvements and the fair market value as determined by appraisal at time of resale.

HOMELESS

Specific Homeless Prevention Elements

*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Sources of Funds—identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction’s plan for the investment and use of funds directed toward homelessness.
2. Homelessness—in a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.
3. Chronic homelessness—The jurisdiction must describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness by 2017. Again, please identify barriers to achieving this.
4. Homelessness Prevention—The jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.
5. Discharge Coordination Policy—Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.

Action Plan Homeless Prevention Response:

1. Sources of Funds – identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals

and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction’s plan for the investment and use of funds directed toward homelessness.

2. Homelessness – in a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.

3. Chronic homelessness- The jurisdiction must describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness. Again, please identify barriers to achieving this.

4. Homelessness Prevention- the jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.

5. Discharge Coordination Policy – Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.

Specific Homeless Prevention Elements Response:

1. Sources of Funds for Homelessness:

• HUD Continuum of Care Funds	\$ 733,000
• Emergency Food and Shelter Grants	\$ 103,807
• Emergency Shelter Grants (through the State)	\$ 178,000
• City CDBG and HOME	\$ 158,418
• Other Federal Funds (DOJ, HHS, etc...)	\$ 750,000
• Other State Funds (VOCA, DHHS, etc...)	\$ 2,577,000
• New Hanover County Funds (DSS, General Fund)	\$ 289,000
• Local Private Funding (foundations, fees, donations, events, business revenues , etc)	\$ 3,048,223
• City General Funds	\$ 180,907

2. Homelessness:

In order to coordinate activities to meet the needs of individuals and families who are experiencing homelessness and apply for federal funds, community partners come together to form a Continuum of Care. The Cape Fear area (New Hanover, Brunswick, Pender) receives approximately \$733,000 in Continuum of Care (CoC) funds and \$178,502 in Emergency Shelter Grant funds to support homeless programs, including emergency shelter, transitional housing, permanent supportive housing, and short-term rental assistance programs. Grants to CoCs are administrated by the U. S. Department of Housing and Urban Development (HUD). One of the requirements for receiving CoC

funding is collection and maintenance of data on homeless clients in a national database HMIS (Homeless Management Information System). In addition, an annual Point In Time survey is conducted to count sheltered and unsheltered homeless in the region. In North Carolina the NC Housing Coalition manages the Carolina Homeless Information Network (CHIN) to administer the HMIS for the 12 CoCs within the state.

To date, the lead agency for the Cape Fear area CoC has been CoastalCare, formerly Southeastern MH/DD/SA. In this role CoastalCare provided a staff position to coordinate the CoC application process and convene membership of the CoC through the Tri- HIC (tri-county Homeless Interagency Council). The City of Wilmington is a member of the Tri-HIC along with New Hanover County DSS, area homeless shelters, WHA, affordable housing providers, United Way, NC Veterans Council, and others. CoastalCare has decided not to continue as lead agency for the CoC or to serve as fiscal agent. The United Way of the Cape Fear Area serves as the fiscal agent for the ESG grant, but recommends CoC and ESG grants under one local administrator to ensure efficiency and coordination in planning for homeless services.

HEARTH Act (Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009) codifies into law and enhances the Continuum of Care (CoC) planning process, the coordinated response for address the needs of homelessness. In addition, the HEARTH Act broadens the existing emergency shelter and homelessness prevention activities under the Emergency Shelter Grant (ESG). With passage of the HEARTH Act, HUD began the process to implement the act resulting in more rigorous administrative and recordkeeping requirements for the ESG and CoC.

In 2012, HUD published the CoC Program Interim Rule which expanded and clearly defined the CoC responsibilities and requirements, including governance and administrative. CoCs have two years to establish a compliant governance model. As currently organized and administered the Tri-HIC and CoC serving the city of Wilmington, and New Hanover, Brunswick and Pender counties is unable to meet some of these requirements. Added administrative requirement include, but are not limited to, establishing and monitoring performance targets, evaluating outcomes, conducting an annual gap analysis of homeless needs and services, and establishing and operating a centralized or coordinated assessment system. Furthermore, the lead agency (known as collaborative applicant) must have financial management systems that meet the standards in 24 CFR part 84.21 or part 85.20.

The advisory boards for the 10 Year Plan, along with representatives from the Tri-HIC requested the City serve as lead applicant and provide staff to administer the CoC and ESG. This request is currently under consideration. Support and financial participation from other jurisdictions in the Tri-County Region are vital to addressing homelessness and ensuring sustainability of the CoC.

The City of Wilmington, New Hanover, Brunswick and Pender Counties worked together to develop the *10-Year Plan to End Chronic Homelessness and Reduce Homelessness in the Cape Fear Region*. The 10-Year Plan was implemented on May 20, 2008 under the direction of the United Way of the Cape Fear Area. The plan focuses on strategies for prevention and engagement, services and support, permanent housing, and data collection and evaluation.

The following issues and components will be addressed in Fiscal Year 2014-15: Management of the \$178,000 HUD ESG Grant as the designated operations component for the ESG Fiscal Agent, United Way; continued management and operation of the *Make A Change* parking meter program to reduce panhandling and substance abuse and to divert previously panhandled funds to homelessness services agencies in Wilmington; maintenance and possible expansion of the *Circles of Support* mentoring program for homeless people who obtain housing; continuation of efforts to improve the discharge process for hospital patients and ex-offenders; management and oversight of the highly successful dedicated SOAR caseworker project that represents homeless clients in obtaining Social Security Disability benefits, SSI, Medicare and Medicaid; and by implementing and providing program management for the recently created homeless medical respite care program for homeless people whose temporary medical conditions are too acute to care for in a shelter but not acute enough to merit continuing hospitalization. The 10 Year Plan will also provide continuing leadership of collaborative community efforts to bring the Cape Fear community into conformance with *Opening Doors*, the new federal strategic plan for addressing homelessness. In doing so, the 10 Year Plan will create a strategy team for addressing homeless veterans issues. Additionally, the 10 Year Plan will continue its traditional role of seeking additional resources to address the problems and costs associated with chronic homelessness.

3. Chronic Homelessness:

The 10-Year Plan focuses on partnerships of government, nonprofits, and the private sector. A number of the projects that the City allocated funds to in earlier versions of this Annual Action Plan have roots in the 10-Year Plan and are actually part of the plan's objectives, including the Cape Fear Housing Land Trust and the Crisis Intervention Team. Both projects came online during the plan's development process and are now actualities within the community. Additionally, the 10- Year Plan's leadership will continue to collaborate with a myriad of groups and organizations and individuals throughout the three-county area. Examples of successful collaboration in fiscal year 2012-13 included updating the community's Point in Time (PIT) Count Manual for use in the Cape Fear Continuum of Care's annual HUD mandated homeless count; serving on the Wilmington Housing Authority's (WHA) YouthBuild Advisory Committee and as an active participant on the WHA Choice Neighborhoods Planning Group.

The 10 Year Plan staff continued to actively manage the SOAR caseworker project and increased the number of disability claims awards to date to 130, resulting in:

- Nearly \$2 million in SSI/SSDI mainstream client income to date and an ongoing monthly client income stream of \$100,000.
- \$300,000 in cumulative Medicaid reimbursement to New Hanover Regional Medical Center (NHRMC),
- An increase in the NHRMC contribution to SOAR caseworker operations funding from \$50,000 to \$75,000 for FY13.

Following the release of Opening Doors in June 2010, the 10 Year Plan Executive Board was broadened to include the New Hanover County School District's McKinney-Vento coordinator, the chair of the Affordable Housing Coalition of Southeastern North Carolina (AHCSENC), and the New Hanover County Veterans Services Officer. Since plan implementation in 2008, the 10 Year Plan Executive Board has consistently had previously homeless individuals as members.

Collaborative efforts led by the 10-Year Plan Projects Manager and United Way staff created the Annual 10-Year Plan Pajama Parties, resulting in considerable positive publicity for the activities of the 10-Year Plan and garnering modest funding that will be used to fund hotel vouchers for the newly-created, Homeless Medical Respite Care project. The 10 Year Plan Pajama Party will continue to serve as a cornerstone annual event that will serve as an ongoing fundraising and awareness building activity in the years ahead.

Chronic Homelessness: The City's participation in the *10-Year Plan to End Chronic Homelessness and Reduce Homelessness in the Cape Fear Region* will constitute its major effort to address chronic homelessness.

Other objectives in the 10-Year Plan that address chronic homelessness are:

- Expansion of case management, financial literacy and housing counseling;
- Increasing outreach and engagement services through the use of mobile outreach, regardless of the location of homeless clients;
- Advocacy for continued funding of a drug court;
- Advocacy for scholarship funds for individuals who are homeless, to enable them to access higher education, earn their GED, or receive vocational training;
- Identification of opportunities for increasing the creation of permanent housing, permanent supportive housing, subsidized housing, group homes, and safe havens and advocacy for those opportunities;
- Working collaboratively with existing national and local programs that repair and rehabilitate existing housing stock to be maintained or reintroduced as affordable housing;
- Supporting the recently incorporated Cape Fear Community Housing Land Trust in its efforts to build single family and multi-family affordable housing units;
- Promoting the success of the CIT in the communication in an effort to increase interest in the training among law enforcement agencies;

- Identifying municipal and county zoning ordinances and encouraging modification to promote the creation of multi-family units, or single-family units for the homeless; and,
- Work collaboratively with local governments and other quasi-governmental boards to establish procedures for donating surplus property to organizations for the development of affordable housing with priority designation for homeless.

4. Homelessness Prevention:

Initiatives identified in the 10-Year Plan include:

- Expand case management, financial literacy and housing counseling activities;
- Advocate for continued support of relocation funds for victims of domestic violence;
- Establish a homeless mentoring program using a model that partners individuals who are homeless with volunteers who do not work as providers of services for homeless individuals and families to advocate a client provider relationship;
- Identify properties for the creation of permanent housing, permanent supportive housing, or subsidized housing;
- Establish a Community Land Trust to build single family and multi family units;
- Fund and work collaboratively with existing local and national programs to repair and rehabilitate existing housing stock to be maintained or reintroduced as affordable permanent supportive housing options;
- Identify municipal and county zoning ordinances and encourage modification to promote the creation of multi-family units, or single-family units for the homeless; and
- Work collaboratively with local governments and other quasi-governmental boards to establish procedures for donating surplus property to organizations for the development of affordable housing with priority designation for homeless.

Good Shepherd/WIHN: Working in collaboration, Good Shepherd Ministries and Wilmington Interfaith Hospitality Network (WIHN) are providing emergency shelter and transitioning the homeless to housing. The shared goal to return homeless shelter guest to health, housing, and stability is realized through an effective partnership. Good Shepherd provides emergency shelter, including day and night shelter, an on-site medical clinic, including mental health, and case management services. WIHN provides emergency shelter and case management services for placement in transitional and/or permanent housing. Together the agencies coordinate services to meet the needs of over 900 individuals annually.

First Fruit: Proving transitional housing to 12 homeless women and 2 families, First Fruit Wilmington Dream Center offers residents a two-year program focused on gaining stable employment and permanent housing. Residents receive case management services, mental health care, food service, transportation assistance, job placement assistance, educational assistance, and life skills training.

Domestic Violence Shelter/Services: Provides shelter and services to victims of domestic violence. In 2013, DVSS provided services to over 1,400 victims, including women, men and children. Shelter was provided to 242 women and children and five men during this period.

Leading Into New Communities (LINC): Providing transitional housing program specifically for the re-entry of homeless individuals returning to the community after incarceration. LINC provides supportive services for employment, education, family reunification, substance abuse, health and mental health. Currently, LINC provides 40 beds for ex-offenders.

5. Discharge Coordination Policy:

According to the 10-Year Plan, every person being discharged from jail, prison, mental health care, or foster care will have a discharge plan that leads to stable housing. The Plan Manager will continue to provide support for Prevention and Engagement Strategy Team efforts to gather and evaluate data as necessary and to ensure the discharge planning process is implemented.

Meanwhile, LINC, with its re-entry program is working with the NC Department of Correction (DOC) on a Transition and Reentry Model for Prisons and Community Corrections. In September 2006, DOC created the Office of Transition Services (OTS).

Emergency Shelter Grants (ESG)

(States only) Describe the process for awarding grants to State recipients, and a description of how the allocation will be made available to units of local government.

Action Plan ESG Response:

The City of Wilmington does not receive Emergency Shelter Grants

COMMUNITY DEVELOPMENT

City of Wilmington		
ANNUAL ACTION PLAN FY2014-15		
Community Development Objectives and Strategies		
HUD Objective		Objective:
Decent Housing		Preserve and maintain public facilities serving low-income, at-risk youth, elderly and special needs population in low-wealth neighborhoods
Suitable Living Environment	X	
Create Economic Opportunity		
HUD Outcome		Strategies:
Availability/Accessibility	X	DREAMS Community Arts Center Phase II: Continue Domestic Violence Kitchen Rehab
Affordability		
Sustainability		
HUD Objective		Objective:
Decent Housing		Promote workforce development through education, training, job placement and other linkages to job market
Suitable Living Environment		
Create Economic Opportunity	X	
HUD Outcome		Strategies:
Availability/Accessibility	X	Phoenix Employment Ministry; LINC New Workforce Program
Affordability		
Sustainability		
HUD Objective		Objective:
Decent Housing		Support quality youth programs for at-risk youth
Suitable Living Environment	X	
Create Economic Opportunity		
HUD Outcome		Strategies:
Availability/Accessibility	X	CBGC afterschool, summer; Afterschool, Arts Education; Tutoring: BBGC/CBGC; CIS ; WRAAP; DREAMS;KMI; BRC; Coastal Boxing;
Affordability		
Sustainability		
HUD Objective		Objective:
Decent Housing		Support programs that assist victims of crime and provide crime prevention and community safety education and outreach
Suitable Living Environment	X	
Create Economic Opportunity		
HUD Outcome		Strategies:
Availability/Accessibility	X	Coastal Horizons-Rape Crisis Center/Crisis Line; Carousel Center-Services for victims of child abuse;
Affordability		
Sustainability		
HUD Objective		Objective:
Decent Housing		Provide for food security & basic needs and public services for low-income households
Suitable Living Environment	X	
Create Economic Opportunity		
HUD Outcome		Strategies:
Availability/Accessibility	X	CF Literacy Center; Food Bank; American Red Cross; Elderhaus;
Affordability		
Sustainability		

Community Development

*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), public facilities, public improvements, public services and economic development.

2. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.

*Note: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.

Action Plan Community Development Response:

1. Non-housing Community Development Needs to be Addressed in 2014-15:

- a. Infrastructure and Public Facilities

- **DREAMS Community Arts Center:** FY2014-15 CDBG funds of \$150,000 are recommended for the final phase of the rehabilitation/adaptive reuse of the former City garage into the DREAMS Community Arts Center. These funds will be used for the rehabilitation of the final section of the building into a 4,500 square foot multi-purpose community gathering and performance space. The space will allow for hosting community events, DREAMS student performance showcases, and provide space for other nonprofits to host meetings and events in the NorthSide community.
- **NorthSide Site Revitalization:** Designated in 2004 as a Neighborhood Revitalization Strategy Area, the NorthSide community has been the focus of several redevelopment initiatives as described earlier in the narrative responses to general questions. One area selected for comprehensive redevelopment is the site of the former City garage, public works operations center and warehouse. Initially Cape Fear Area Resource Center (CFARC) was identified to redevelop this site into a community resource center to include office space for a variety of non-profit and government human service agencies, youth services, job training services, and other community service functions. As part of this initiative funds have been allocated to DREAMS for redevelopment of the former City garage into an arts education and community center, and to Coastal Boxing (formerly Psalms 23) to rehab an old warehouse space into a boxing center. However, in FY2010-11 CFARC ceased operations at the site. Community Boys & Girls Club (CBGC) took over the space formerly occupied by CFARC. In FY2011-12, the City proposed to complete the revitalization by developing a site plan for the grounds surrounding the NorthSide Community Center and DREAMS Arts Education and Community Center. A cross departmental City staff team, working with DREAMS and CBGC, developed a plan to address the existing blight caused by delapidated buildings, fencing and overgrown landscaping. As of April, 2014, work is underway to improve the site. Work should be complete by the end of the fiscal year.

- Carry-over funding of FY2011-12, \$42,410 is allocated to the **Domestic Violence Shelter** for improvements and repairs to the shelter kitchen.; and a loan of up to \$40,000 to **Brigade Boys and Girls Club** for replacement of pool filtration equipment and reconstruction of pool house and other related repairs. The Brigade Boys and Girls Club will be offered a loan at no interest, amortized over 15 years or the useful life of the equipment, whichever is less. The Brigade pool project is complete and will be closed-out by June 30, 2014.

b. Public Services

- The City will allocate approximately 15 percent of annual CDBG funding to three public service agencies: **Good Shepherd and Wilmington Interfaith Hospitality Network (WHIN)** (joint project), \$114,107; **First Fruit**, \$21,535; and **Domestic Violence Services (DVSS)**, \$32,151; and **LINC** \$47,569 of which \$10,597 is CDBG and \$36,972 is General Fund.
- In addition, the City will fund, through the general fund, nonprofit agencies to provide public service to the community. See attached list of recommendations for general fund grants. Please see Attachment 1: Recommendations for General Fund Community Partner Grants.

c. Economic Development

As of March 31, 2014, \$159,775 remains in the Community Lending Program revolving loan program.

2. Specific long-term and short-term goals as described in 24 CFR 91.1: See the attached strategies and objectives table.

Antipoverty Strategy

1. Describe the actions that will take place during the next year to reduce the number of poverty level families.

Action Plan Antipoverty Strategy Response:

Wilmington city, NC Poverty Status 2005 & 2009							
	2005			2009			% Change Below Poverty Level
	Total	# Below Poverty Level	% Below Poverty Level	Total	# Below Poverty Level	% Below Poverty Level	
Population	91,115	15,264	16.8%	97,807	23,229	24%	52%
Age:							
Under 18 years	18,863	3,385	17.9%	19,228	5,963	31%	76%
Related Children under 18 years				19,186	5,921	31%	
18-64 years	59,730	10,940	18.3%	65,678	16,285	25%	49%
65 years and over	12,522	939	7.5%	12,901	981	8%	4%
Sex:							
Male	42,710	5,986	14.0%	46,449	9,488	20%	59%
Female	48,405	9,278	19.2%	51,358	13,741	27%	48%
Race:							
White	68,671	9,682	14.1%	71,229	11,860	17%	22%
Black or African American	17,267	4,713	27.3%	22,966	10,146	44%	115%

Data Source: 2005 & 2009 US Census, American Community Survey

Within the scope of this Five-Year Plan, the most effective ways to fight poverty will be to:

- Promote economic development, especially workforce readiness, including basic adult literacy, for those populations experiencing the greatest need.
- Advocate for living wages to eliminate the mismatch between wages and cost of living.
- Address barriers to employment such as poor credit, criminal record, and lack of childcare or transportation.
- Link affordable housing locations to access to transportation and employment centers.
- Make affordable housing options equitably available to low income households.
- Provide a safety net to ensure families' basic needs are met, including food security and safe, decent shelter.
- Ensure that low-income youth have access to quality after-school and summer programs to receive tutoring and other support in a healthy and safe environment.

NON-HOMELESS SPECIAL NEEDS HOUSING

Non-homeless Special Needs (91.220 (c) and (e))

*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan.

2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Action Plan Specific Objectives Response:

The city will continue to encourage the provision of supportive services through organizations such as the New Hanover County Department of Social Services, the Health Department, Coastal Carolina HIV Care Consortium, CoastalCare MCO for Mental Health/Developmental Disabilities/Substance Abuse, the Arc of North Carolina, the Tri-County Homeless Interagency Council, and the Mayor's Committee on People with Disabilities.

Other agencies that will receive CDBG, HOME or General Funds in 2014-15 to serve special populations include Cape Fear Literacy Council, Carousel Center, Child Advocacy Parenting Place, Coastal Horizons, Domestic Violence Services, DREAMS, Elderhaus, Good Shepherd, Housing and Economic Opportunities, Kids Making It, LINC, Ability Garden, and Wilmington Interfaith Hospitality Network.

Housing Opportunities for People with AIDS

*Please also refer to the HOPWA Table in the Needs.xls workbook.

1. Provide a Brief description of the organization, the area of service, the name of the program contacts, and a broad overview of the range/ type of housing activities to be done during the next year.
2. Report on the actions taken during the year that addressed the special needs of persons who are not homeless but require supportive housing, and assistance for persons who are homeless.
3. Evaluate the progress in meeting its specific objective of providing affordable housing, including a comparison of actual outputs and outcomes to proposed goals and progress made on the other planned actions indicated in the strategic and action plans. The evaluation can address any related program adjustments or future plans.
4. Report on annual HOPWA output goals for the number of households assisted during the year in: (1) short-term rent, mortgage and utility payments to avoid homelessness; (2) rental assistance programs; and (3) in housing facilities, such as community residences and SRO dwellings, where funds are used to develop and/or operate these facilities. Include any assessment of client outcomes for achieving housing stability, reduced risks of homelessness and improved access to care.
5. Report on the use of committed leveraging from other public and private resources that helped to address needs identified in the plan.

6. Provide an analysis of the extent to which HOPWA funds were distributed among different categories of housing needs consistent with the geographic distribution plans identified in its approved Consolidated Plan.
7. Describe any barriers (including non-regulatory) encountered, actions in response to barriers, and recommendations for program improvement.
8. Please describe the expected trends facing the community in meeting the needs of persons living with HIV/AIDS and provide additional information regarding the administration of services to people with HIV/AIDS.
9. Please note any evaluations, studies or other assessments that will be conducted on the local HOPWA program during the next year.

Action Plan HOPWA Response:

The City of Wilmington does not receive HOPWA funds.

Specific HOPWA Objectives

Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the Action Plan.

Specific HOPWA Objectives response:

The City of Wilmington does not receive HOPWA funds.

Other Narrative

Include any Action Plan information that was not covered by a narrative in any other section.

ATTACHMENT A

**CDBG & HOME
BUDGET SUMMARY**

SUMMARY OF CDBG PROJECTED REVENUES 2014-15 PROGRAM YEAR

	BUDGET 2014-15	
REVENUE SOURCE		
CDBG Entitlement	\$	901,544
CDBG Projected Program Income	\$	2,000
Revolving Loan Fund Repayments (Not Appropriated)	\$	150,000
TOTAL CDBG REVENUES APPROPRIATED	\$	903,544
TOTAL CDBG REVENUES NOT APPROPRIATED	\$	150,000
TOTAL ALL REVENUES	\$	1,053,544

SUMMARY OF CDBG FUNDED PROJECTS 2014-15 PROGRAM YEAR

	BUDGET 2014-15	
EXPENDITURES		
Planning & Administration	\$	210,709
Total	\$	210,709
Housing		
Housing Delivery Costs	\$	205,000
Housing Rehabilitation Revolving Loan (Not Appropriated)	\$	85,000
HOP Revolving Loan (Not Appropriated)	\$	60,000
WHA/HEO Dawson Street Lofts	\$	100,000
HOP	\$	59,445
Total	\$	509,445
Public Services		
Good Shepherd/WHIN	\$	114,107
First Fruit	\$	21,535
Domestic Violence Shelter & Services	\$	32,151
LINC – Leading Into New Communities	\$	10,597
Total	\$	178,390
Public Facilities		
DREAMS Community Arts Center 10th& Fanning Phase II	\$	150,000
Total	\$	150,000
Economic Development		
Economic Development Loan Program (Not Appropriated)	\$	5,000
Total	\$	5,000
TOTAL CDBG EXPENTIURES APPROPRIATED	\$	903,544
TOTAL CDBG EXPENTIURES NOT APPROPRIATED	\$	150,000
TOTAL CDBG EXPENTIURES	\$	1,053,544

SUMMARY OF HOME PROJECTED REVENUES 2014-15 PROGRAM YEAR

REVENUE SOURCE

HOME Entitlement	\$	498,650
HOME Project Program Income/HOME Loan Repayments	\$	170,000

TOTAL HOME REVENUES APPROPRIATED \$ **668,650**

SUMMARY OF HOME FUNDED PROJECTS 2014-15 PROGRAM YEAR

EXPENDITURES

Planning & Administration	\$	66,865
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Total \$ **66,865**

Housing

WHFD Willow Pond Rehabilitation	\$	327,837
Beacon Mgt - Shipyard Village	\$	273,948

Total \$ **601,785**

TOTAL HOME EXPENDITURES APPROPRIATED \$ **668,650**

SUMMARY OF CDBG FUNDED PROJECTS CARRY-OVER FROM PRIOR YEARS

Account Description	CDBG Funds Available July 1, 2013	CDBG FY13.14 Expenditures as 3/31/2014	Carry-Over Reprogrammed for FY2014.15	As of 3/31/2014 CDBG Funds Carry-Over FY2014.15
Housing				
Disposition	\$ 24,058.40	\$ -		\$ 24,058.40
Housing Demolition	\$ 12,253.00	\$ -		\$ 12,253.00
Voluntary Demotion	\$ 26,056.35	\$ 5,625.00		\$ 20,431.35
Relocation	\$ 16,943.26	\$ 8,000.00		\$ 8,943.26
Limited Assistance Grants	\$ 7,075.66	\$ -		\$ 7,075.66
HOP	\$ 273,172.51	\$ 272,685.32	\$ 131,453.00	\$ 131,940.19
Rental Rehab	\$ 65,073.00	\$ -	\$ (65,073.00)	\$ -
Rehab Loans	\$ 66,380.00	\$ -	\$ (66,380.00)	\$ -
Habitat/WARM Joint Project	\$ 231,000.00	\$ -		\$ 231,000.00
Activity Delivery Costs	\$ 205,000.00	\$ 153,750.00		\$ 51,250.00
Housing	\$ 927,012.18	\$ 440,060.32	\$ -	\$ 486,951.86
Public Facilities				
PF - Brigade Boys & Girls Club	\$ 40,000.00	\$ -		\$ 40,000.00
PF - Domestic Violence Shelter	\$ 44,190.00	\$ 1,780.35		\$ 42,409.65
Public Facilities - 10th & Fanning	\$ 116,599.95	\$ 703.75		\$ 115,896.20
Public Facilities	\$ 200,789.95	\$ 2,484.10	\$ -	\$ 198,305.85
Public Services				
PS - Domestic Violence Shelter	\$ 31,393.33	\$ 20,415.49		\$ 10,977.84
PS - Coastal Horizons	\$ 1,232.67	\$ -		\$ 1,232.67
PS - LINC	\$ 53,401.75	\$ 30,776.00		\$ 22,625.75
PS - First Fruits	\$ 6,789.00	\$ -		\$ 6,789.00
PS - Good Shepherd & WHIN	\$ 96,970.65	\$ 72,490.24		\$ 24,480.41
Public Services	\$ 189,787.40	\$ 123,681.73	\$ -	\$ 66,105.67
Administration	\$ 202,000.00	\$ 150,000.00		\$ 52,000.00
Reprogrammable	\$ 650.47	\$ -		\$ 650.47
TOTAL	\$ 1,520,240.00	\$ 716,226.15	\$ -	\$ 804,013.85

SUMMARY OF HOME FUNDED PROJECTS CARRY-OVER FROM PRIOR YEARS				
Account Description	HOME Funds Available July 1, 2013	HOME FY13.14 Expenditures as 3/31/2014	Carry-Over Reprogrammed for FY2014.15	As of 3/31/2014 HOME Funds Carry-Over FY2014.15
Rehabilitation Loans	\$ 119,208.02	\$ 78,248.00	\$ (40,960.02)	\$ -
HOP Loans	\$ 247.25		\$ 40,960.02	\$ 41,207.27
Relocation	\$ 13,879.00	\$ 10,117.90		\$ 3,761.10
Down payment Assistance	\$ 86,888.00	\$ 49,200.00		\$ 37,688.00
Habitat Acquisition	\$ 205,987.94	\$ 36,000.00		\$ 169,987.94
Lakeridge	\$ 85,148.21	\$ 85,148.21		\$ -
CASA	\$ 650,000.00			\$ 650,000.00
AME CHDO	\$ 274,225.00	\$ 62,301.89		\$ 211,923.11
CFRCDC CHDO	\$ 293,158.78			\$ 293,158.78
Administration	\$ 60,084.00	\$ 45,063.00		\$ 15,021.00
Reprogrammable	\$ 1,889.06			\$ 1,889.06
TOTAL	\$ 1,790,715.26	\$ 366,079.00	\$ -	\$ 1,424,636.26

SUMMARY OF REVOLVING LOAN FUNDS AVAILABLE				
Account Description	Revolving Loan Funds Available 3/31/2014	Carry-Over Reprogrammed for FY2014.15	As of 3/31/2014 Revolving Loan Funds Carry-Over FY2014.15	
HOP CDBG	\$ 58,000.00	\$ 302,856.42	\$ 360,856.42	
HOP General Fund	\$ 463,948.64		\$ 463,948.64	
City Wide Rehab Loans	\$ 302,856.42	\$ (302,856.42)	\$ -	
Rental Rehab Loans	\$ 58,525.39		\$ 58,525.39	
	\$ 883,330.45	\$ -	\$ 883,330.45	

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ATTACHEMENTS

Attachment 1:
Recommendations for General Fund Grants
(Public Service Recommendations for funding FY2014.15)

Attachment 2: Affirmative Marketing Certifications

Attachment 3: City of Wilmington MBE-WBE Policy

Attachment 4: City of Wilmington Fair Housing Plan

Attachment 5: Non-State Certifications

Attachment 1: RECOMMENDATIONS FOR GENERAL FUND GRANTS

COMMUNITY DEVELOPMENT PUBLIC SERVICES RECOMMENDATIONS		
CDBG Public Services Cap FY15	\$	178,390
General Fund	\$	450,000
General Fund - United Way Initiatives	\$	70,000
Total Funds Available	\$	698,390
AGENCY	General Funds	CDBG
Brigade/Community Boys & Girls Club	\$	44,276
Good Shepherd Center/WHIN		\$ 114,107
Community in Schools of the Cape Fear	\$	19,808
Dreams of Wilmington	\$	20,000
Brigade Boys and Girls Club	\$	26,543
Kids Making It	\$	30,288
Coastal Horizons Center Rape Crisis Center/Carousel Center	\$	26,180
Ability Garden	\$	6,500
Coastal Horizons Center Open House	\$	40,000
AMEZ/Mercy House	\$	25,330
Community Boys and Girls Club	\$	20,000
LINC	\$	36,972
Phoenix Employment	\$	15,000
WRAPP	\$	22,844
Cape Fear Literacy Council	\$	13,581
First Fruit		\$ 21,535
Domestic Violence Shelter and Services		\$ 32,151
Cape Fear Housing Land Trust	\$	21,767
American Red Cross	\$	10,000
Elderhaus	\$	19,231
Food Bank of CENC	\$	14,853
Wilmington Coastal Boxing	\$	10,000
Historic Wilmington Foundation	\$	11,723
Aging in Place Downtown	\$	8,998
United Way/Blue Ribbon Commission	\$	20,000
United Way/10 Year Plan	\$	50,000
TOTAL	\$	513,894
		\$ 178,390

Attachment 2: Affirmative Marketing Policy

June 22, 2012
Affirmative Marketing Procedures
Community Development Programmatic Response

The following are the written procedures to ensure compliance with the Code of Federal Regulation Affirmative Marketing mandates.

- Community Development and Housing Planner facilitates a prefunding workshop with includes the presentation by staff of HOME and Fair Housing regulatory requirements including but not limited to fair housing, disclosures, and tenant selection plans. A question and answer session is included.
- Community Development Staff conduct site assessments and determine potential needs for developments prior to funding approvals.
- The Community Development Compliance Specialist under supervision of the City of Attorney's office drafts funding agreements to include compliance with assurances for the development of housing under the HOME Partnership Grant funding provisions. The compliance with assurances clauses include the following:

Developer shall comply with the Federal Requirements for the HOME program as set forth in 24 CFR Part 92, Subpart H. A of the regulations and specifically references *Affirmative Marketing; Minority Outreach Program* and 92.351 is included and attached to the agreement incorporated into an Exhibit along with other requirements.

- Pre contract workshops are facilitated by the Community Development Compliance Specialist and each representative is provided with a copy of the US Dept. of HUD Compliance in HOME Rental Projects: A Guide for Property Owners. The requirements are reviewed at the workshops and technical assistance is provided throughout the development including meetings with property managers and staff, if required or requested.
- Technical assistance is provided to sub recipients, contractors, and/or developers and their representatives on the requirement and development of tenant selection policies, including the maintenance, retention and procedures for waiting lists. Agencies maintain control of their waiting lists and are interviewed by the Community Development Compliance Specialist to determine that the selection of eligible tenants is on a first come first serve basis and the tenant listing is reviewed for comparison at year end or monitoring assessment visits.

- The Community Development Compliance Specialist reviews the leases prior to project closeout to determine that the fair housing logos and language are included, houses rules if an evitable offense are attached as an exhibit, and that there are no violations of fair housing and equal access to the properties, and that no applicable federal, State, and local regulations are being violated. Agencies are referred to fair housing and if required to attend copies of the certificates are submitted to the City of Wilmington for verification. The City of Wilmington does not write leases, but directs to the proper areas for assistance including referring to the agencies legal counsel, including the distribution of the NC Bar Association Landlord and Tenant Rights Materials.
- Community Development staff attend the housing coalition, permanent supportive housing, and various other meetings where special housing referrals are managed to our agencies.

Attachment 3: City of Wilmington MBE-WBE Plan

MBE/WBE Outreach Efforts

The City of Wilmington has a comprehensive plan to address and enhance minority and women owned business enterprises. Below are the strategic steps as outlined in the plan:

- Work with minority-focused and small business groups that support MWBE and small business inclusion in the solicitation of bids. These groups include the Community Development Corporation (CDC), Small Business Technology Development Center (SBTDC) at the University of North Carolina at Wilmington, the Black Chamber of Commerce, the Hispanic Chamber of Commerce, the Community Action Group, Partners for Economic Inclusion, Greater Wilmington Chamber of Commerce, Wilmington Small Business Network, and others as they become available and known to the City.
- Link web sites where possible so those MWBE firms can gain broad access to bidding information, business development resources, and training opportunities.
- Place more emphasis on the importance of soliciting certified MWBE firms and small businesses for subcontracting opportunities at pre-bid conferences and in the bid documents. Examine specifications to identify special subcontracting opportunities and strongly encourage prime contractors to solicit bids for subcontracts from MWBE firms.
- Provide detailed information to majority contractors concerning the City's MWBE Policy and Procurement Policy and provide information on N.C.G.S. 143-129 by holding meetings with the contractors.
- Assess the effectiveness of the MWBE Program and identify opportunities to enhance it by evaluating MWBE participation and compliance and reviewing the "good faith efforts" provided in bid packages. Feedback will be given to bidders regarding their "good faith efforts" submitted in the bid packages.
- Identify subcontracting opportunities unique to each construction contract and project and concentrate heavily on targeting certified MWBE firms and small businesses that have expressed an interest in City of Wilmington projects. Identify these opportunities and contact interested businesses no later than 10 days prior to the bid opening and provide a list of prime contractors who are pre-qualified to bid on the project.
- Build new business relationships through networking and continue networking with other North Carolina cities and counties to find out how their Outreach Program and MWBE program is working and sharing "best practices" and ideas to improve the program.
- Participate in educational opportunities throughout the community through seminars and training sessions, to share the City's MWBE Program with interested businesses and organizations.
- Be visible through participation in trade shows and business organizations of interest to MWBE firms, majority contractors and small businesses, and provide information to the general public about the MWBE Program, and continue outreach efforts to the business community.

- Enhance the City's web page by better defining the MWBE policy, listing good faith efforts, and creating links to MWBE resources, and creating awareness of specific subcontracting opportunities.
- Make available to minority-focused agencies, a list of subcontracting opportunities when they are identified, no later than 10 days prior to the bid opening, and a list of prime bidders that subcontractors may wish to contact for subcontracting consideration.
- Review the feasibility of using a reciprocal certification program with other municipalities to "grow" our list of MWBE certified vendors because many of our contractors are from out of town.
- Purchasing staff will interview subcontractors during routine visits to construction sites to determine contractor compliance.
- Establish a database specifically for MWBE firms and majority contractors to ensure that those firms wishing to do business with the City have access to up to date information.
- Help build relationships between minority and majority contractors.
- Advertise in minority-focused media, upcoming bid opportunities.
- Work with Architects and Engineers to make subcontracting opportunities more noticeable and more easily understood by potential contractors and subcontractors.

City of Wilmington Fair Housing Plan

Impediments

The Analysis of Impediments identified the following Impediments to Fair Housing Choice in the City of Wilmington:

A. Lack of affordable housing, specifically for disabled and low-income populations

Service providers report that demand exceeds the supply of accessible, subsidized units for disabled individuals. The lack of affordable rental housing, especially for elderly, disabled and other special populations is well documented, by the Consolidated Plan, and practitioners.

B. Lack of fair housing enforcement by a local agency or department

Currently, the City of Wilmington and New Hanover County do not have a fair housing department or agency to receive complaints, or promote education and outreach. Lack of effective enforcement is a potential barrier to fair housing in the City and County. Without a local presence and efforts of a local fair housing agency it is more difficult to raise awareness of the law and rights granted under the law. Many who are aware of their rights may not be aware of how or where to file a complaint. This lack of a central location for filing complaints and obtaining information about fair housing may constitute a barrier to fair housing. Additionally, a lack of education by both citizens and housing professionals may lead to discrimination or a violation of fair housing laws.

C. Disparity and inequality in lending

Analysis of 2008 HMDA data reveals a disparity in the loan origination patterns and denial rates of minorities and non-minorities in the Wilmington MSA. Despite similar income levels, minorities have a higher rate of denial than non-minorities. The data however is limited in scope and further investigation would be necessary to determine if discrimination is present. Note that the perception of lending bias, or undue burdens on minorities seeking home loans could be a barrier to fair housing.

Actions to Address Impediments

A. Lack of affordable housing, specifically for disabled and low-income populations

Action: Provide CDBG & HOME Funds to Support Affordable Housing

The Annual Action Plan for expenditure of Community Development Block Grant and HOME Investment Partnership funds identifies initiatives for affordable housing development for low and moderate income, including disabled, residents.

FY2014-15 Action:

- Cape Fear Habitat for Humanity (CFHFH): Carryover funds for acquisition and development of six affordable housing units for household with earnings at 30 to 60 percent of the area median income (AMI).
- Cape Fear Regional CDC: Carryover HOME funds for the acquisition and redevelopment of no less than five vacant foreclosed properties for sale to households at or below 80 percent AMI.
- AMEZ Housing CDC: Carryover HOME CHDO proceeds for development of up to four affordable rental units for low to moderate income households
- Lockwood Village: Carryover HOME funds for construction of 60 units of multi-family housing for low-income households.
- Rental Rehabilitation Loan Program to fund investor and nonprofit development of single unit and small scale rental housing for low income, especially special populations.
- Shipyard Village: Provide HOME funds for construction of 96 units multi-family housing for low-income households.
- Dawson Street Lofts: Provide CDBG funds for construction of 40 units multi-family housing for low-income households, part of Choice Neighborhood Initiative for WHA.
- Willow Pond: Provide HOME funds for major rehabilitation of 40 units of multi-family housing for low-income households.

Action: Seek Additional Funds for Development of Affordable Housing

City staff will continue to work with New Hanover County staff to explore opportunities for development of affordable housing including reviewing the possibility of forming a HOME Consortium to secure additional funds for affordable housing development to serve residents within the City and County. Also, City Community Development staff will continue to seek to leverage resources to increase the funds available for the development of affordable housing within the city, such as projects utilizing Low Income Housing Tax Credits (LIHTC).

FY2014-15 Action:

CDBG and HOME funds are allocated to projects that leverage other funds in order to maximize the low-to-moderate income benefit; the following sources have been leveraged for projects that will be started and/or completed in FY2014-15:

- North Carolina Housing Finance Agency/Low Income Housing Tax Credits
- Private Lenders
- Habitat for Humanity
- CICCAR
- FHA
- Public Housing Capital Funds/Replacement Funds

B. Lack of fair housing enforcement by a local agency or department

Action: Outreach and Education

The City will maintain a prominent webpage providing information about Fair Housing Law and explaining what constitutes discrimination. In addition, brochures and flyers will be developed to provide information on the Fair Housing Act. Two community development staff members will serve as points of contact to ensure the materials are up to date and accurate, and to actively disseminate brochures and flyers throughout the community, especially to the disabled, elderly and minority citizens.

The City will continue to offer home buying classes, which include information on credit, budget and fair housing laws. Further, the City supports nonprofit home buyer counseling and education offered through AMEZ Housing Development Association. Also, the City Housing Financial Counselor is HUD certified.

FY2014-15 Action:

- Continue to maintain Fair Housing Website,
- Continue to produce and distribute brochures, flyers and other material throughout the community and at community events,
- Continue monthly homebuyer education classes and realtor education classes,
- Sponsor, in partnership with New Hanover County and Cape Fear Housing Coalition, NC Justice Center Fair Housing Workshop for community-based organizations and other stakeholders,
- Maintain HUD certification for City Housing Financial Counselors,
- Continue to monitor affordability period to ensure compliance.

Action: Referral

Included in the outreach and education materials and webpage will be links and specific instructions on how to file a complaint with the state and federal agencies responsible for processing complaints. Additionally, the community development staff points of contact will be available to assist in making referrals to the appropriate enforcement agencies.

FY2014-15 Action:

- Continue to act as point of contact for referrals to HUD and NC Human Relations Commission.

C. Disparity and inequality in lending

Action: Continue Bank Partners in the HOP Program

Area banks partner with the City to provide financing to low and moderate home buyers through the City's Home Opportunities Program (HOP). The City will continue to encourage area banks and realtors to participate in affordable housing initiatives offered by the City and other organizations.

FY2014-15 Action:

- HOP Partner Banks: BB&T, First Citizens, NewBridge
- Seek additional partner banks for HOP Program

Action: Continue AFFH in all City Support Housing Programs

City housing loan and grant program guidelines require the City, its grantees and/or borrowers to actively engage in affirmatively furthering fair housing, including displaying the equal housing opportunity logo.

FY2014-15 Action:

- Continue AFFH in all City Supported Housing Programs.

Attachment 5: Non-State Certifications



CPMP Non-State Grantee Certifications

Many elements of this document may be completed electronically, however a signature must be manually applied and the document must be submitted in paper form to the Field Office.

<input type="checkbox"/>	This certification does not apply.
<input checked="" type="checkbox"/>	This certification is applicable.

NON-STATE GOVERNMENT 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 antidisplacement 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.

City of Wilmington

Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

8. 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;
9. 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 its instructions; and
10. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients 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 it 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.



Signature/Authorized Official

6-19-14

Date

Sterling B. Cheatham

Name

City Manager

Title

PO Box 1810

Address

Wilmington, NC 28401

City/State/Zip

910-341-7810

Telephone Number

- This certification does not apply.
 This certification is applicable.

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:

11. **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);
12. **Overall Benefit** - The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2012, 2013, 2014, (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;
13. **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:

14. 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
15. 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;

City of Wilmington

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 part 35, subparts A, B, J, K and R, of title 24;

Compliance with Laws -- It will comply with applicable laws.



Signature/Authorized Official

6-19-14

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Name

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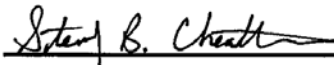
City of Wilmington

- This certification does not apply.
 This certification is applicable.

**OPTIONAL CERTIFICATION
CDBG**

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.



Signature/Authorized Official

6-19-14

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City of Wilmington

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 This certification is applicable.

Specific HOME Certifications

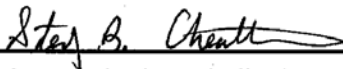
The HOME participating jurisdiction certifies that:

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 with other Federal assistance than is necessary to provide affordable housing;



Signature/Authorized Official

6-19-14

Date

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Name

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Telephone Number

<input checked="" type="checkbox"/> This certification does not apply.
<input type="checkbox"/> This certification is applicable.

HOPWA Certifications

The HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under that program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility,
2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

Signature/Authorized Official	<input type="text"/>
Date	<input type="text"/>

Name

Title

Address

City/State/Zip

Telephone Number

- | |
|---|
| <input checked="" type="checkbox"/> This certification does not apply. |
| <input type="checkbox"/> This certification is applicable. |

ESG Certifications

I, _____, Chief Executive Officer of City of Wilmington certify that the local government will ensure the provision of the matching supplemental funds required by the regulation at 24 *CFR* 576.51. I have attached to this certification a description of the sources and amounts of such supplemental funds.

I further certify that the local government will comply with:

1. The requirements of 24 *CFR* 576.53 concerning the continued use of buildings for which Emergency Shelter Grants are used for rehabilitation or conversion of buildings for use as emergency shelters for the homeless; or when funds are used solely for operating costs or essential services.
2. The building standards requirement of 24 *CFR* 576.55.
3. The requirements of 24 *CFR* 576.56, concerning assurances on services and other assistance to the homeless.
4. The requirements of 24 *CFR* 576.57, other appropriate provisions of 24 *CFR* Part 576, and other applicable federal laws concerning nondiscrimination and equal opportunity.
5. The requirements of 24 *CFR* 576.59(b) concerning the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
6. The requirement of 24 *CFR* 576.59 concerning minimizing the displacement of persons as a result of a project assisted with these funds.
7. The requirements of 24 *CFR* Part 24 concerning the Drug Free Workplace Act of 1988.
8. The requirements of 24 *CFR* 576.56(a) and 576.65(b) that grantees develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted with ESG funds and that the address or location of any family violence shelter project will not be made public, except with written authorization of the person or persons responsible for the operation of such shelter.
9. The requirement that recipients involve themselves, to the maximum extent practicable and where appropriate, homeless individuals and families in policymaking, renovating, maintaining, and operating facilities assisted under the ESG program, and in providing services for occupants of these facilities as provided by 24 *CFR* 76.56.
10. The requirements of 24 *CFR* 576.57(e) dealing with the provisions of, and regulations and procedures applicable with respect to the environmental review responsibilities under the National Environmental Policy Act of 1969 and related

authorities as specified in 24 *CFR* Part 58.

11. The requirements of 24 *CFR* 576.21(a)(4) providing that the funding of homeless prevention activities for families that have received eviction notices or notices of termination of utility services will meet the requirements that: (A) the inability of the family to make the required payments must be the result of a sudden reduction in income; (B) the assistance must be necessary to avoid eviction of the family or termination of the services to the family; (C) there must be a reasonable prospect that the family will be able to resume payments within a reasonable period of time; and (D) the assistance must not supplant funding for preexisting homeless prevention activities from any other source.
12. The new requirement of the McKinney-Vento Act (42 *USC* 11362) to develop and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons. I further understand that state and local governments are primarily responsible for the care of these individuals, and that ESG funds are not to be used to assist such persons in place of state and local resources.
13. HUD's standards for participation in a local Homeless Management Information System (HMIS) and the collection and reporting of client-level information.

I further certify that the submission of a completed and approved Consolidated Plan with its certifications, which act as the application for an Emergency Shelter Grant, is authorized under state and/or local law, and that the local government possesses legal authority to carry out grant activities in accordance with the applicable laws and regulations of the U. S. Department of Housing and Urban Development.

Signature/Authorized Official

Date

Name

Title

Address

City/State/Zip

Telephone Number

This certification does not apply.
 This certification is applicable.

APPENDIX TO CERTIFICATIONS

Instructions Concerning Lobbying and Drug-Free Workplace Requirements

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.

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 (Street address, city, county, state, zip code) Check if there are workplaces on file that are not identified here. The certification with regard to the drug-free workplace is required by 24 CFR part 21.

Place Name	Street	City	County	State	Zip
Administration Building	305 Chestnut St.	Wilmington	NHC	NC	28401
Town Hall	102 N.Third Street	Wilmington	NHC	NC	28401

7. Definitions of terms in the Nonprocurement 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 *nolo 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:

City of Wilmington

- a. All "direct charge" employees;
- b. all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and
- c. 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 subrecipients or subcontractors in covered workplaces).

Note that by signing these certifications, certain documents must be completed, in use, and on file for verification. These documents include:

- 1. Analysis of Impediments to Fair Housing
- 2. Citizen Participation Plan
- 3. Anti-displacement and Relocation Plan



Signature/Authorized Official

6-19-14

Date

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