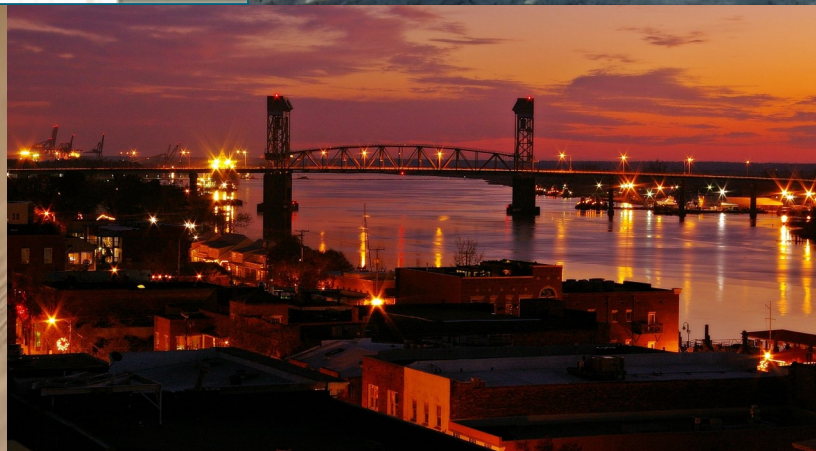
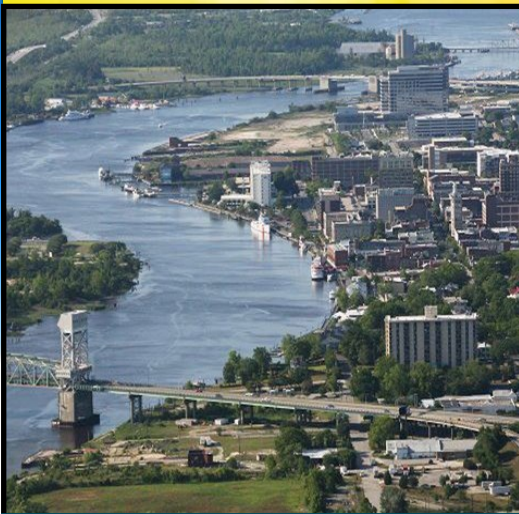


CITY OF WILMINGTON NORTH CAROLINA

2021-2022 Consolidated Annual Performance and Evaluation Report for CDBG and HOME Programs Year Ending June 30, 2022

Draft Submitted to the Citizens of
Wilmington September 12, 2022



**City of Wilmington
City Council**

Bill Saffo, Mayor

Margaret Haynes, Mayor Pro-Tem
Luke Waddell
Kevin Spears

Clifford D. Barnett Sr.
Neil Anderson
Charlie Rivenbark

Anthony N. Caudle, City Manager

Community Development Administration, Planning and Housing

Amy Beatty, Community Services Director

Suzanne E. Rogers, Community Development & Housing Planner
Tanita Wallace, Community Development Analyst /Housing Finance Counselor
Chianti Johnson, Community Development Specialist
Brittany Redd, Administrative Support Technician
Todd Fiskin, Senior Rehabilitation Specialist
R.B. Gardner, Lead Hazard Grant Coordinator
Holly Bruhn, Senior Accountant



Plan Prepared by:

Suzanne E. Rogers, Community Development & Housing Planner
Holly Bruhn, Senior Accountant

City of Wilmington
Community Services/ Community Development
305 Chestnut Street
Post Office Box 1810
Wilmington, NC 28402-1810
910-341-7836

CR-05 - Goals and Outcomes

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

91.520(a)

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

The City's Five-Year Consolidated Plan (Strategic Plan) incorporates priority needs identified in the City's Assessment of Fair Housing (AFH). The AFH serves as the framework for formulating five year and annual goals and objectives. The Consolidated Plan will focus on the following priorities:

- **Foster access to opportunities** including, but not limited to, jobs, education, and housing for low-to-moderate income persons, protected classes and special populations.
- **Increase the supply of and access to decent, safe affordable housing** throughout the community through production and preservation of owner and rental housing.
- **Promote a suitable living environment** by supporting initiatives to transform racially/ethnically concentrated areas of poverty into areas of opportunity

Within the goals are a number of programs aimed at addressing the priority needs utilizing CDBG, HOME and General Funds. To accomplish these goals, the City works in partnership with community-based agencies, non-profits, banks, and non-profit and for-profit affordable housing developers.

FY2021-22 marks the final year of the City's Five-Year Consolidated Plan. Additionally, the year ending June 30, 2022, was impacted by covid supply chain issues, labor shortages, and the war in Ukraine. Locally, but not unique to Wilmington, the demand for for-sale and rental housing exceeds the supply causing significant challenges for low-to-moderate income households. Housing production lags behind demand in-part due to rising construction costs and interest rates. As a result, pre-qualified homebuyers struggle to compete with higher income buyers for housing in a market where most houses were sold above asking price. Investors continue purchasing Naturally Occurring Affordable Housing (NOAH) in legacy neighborhoods to convert to market-rate rental units displacing low-to-moderate households. While the City's Owner-Occupied Housing Rehabilitation program applications increased, finding contractors to rehabilitate the houses is an on-going challenge. Increased local support for affordable housing allowed the City to provide gap financing to ensure two Low Income Housing Tax Credit (LIHTC) projects are developed in the next year or two producing at least 350 additional affordable rental units.

Taking into consideration a limited supply of housing inventory for rent or homeownership along with inflation, labor shortages and supply delays, the following accomplishments are presented

in this report: 15 loans were closed through the City's loan programs for homebuyers, rental rehabilitation, and homeowner rehabilitation; and, one thousand, five hundred and twenty- nine (1,529) homeless individuals, including victims of domestic violence, youth and ex-offenders, benefited from funding to local homeless shelters and programs serving the homeless, including Coordinated Entry. Finally, CDBG and general funds were used to support the activities of 22 community-based nonprofits providing services to address unemployment, child abuse, at-risk youth, hunger, illiteracy, at-risk and victims of abuse and crime, elder care, and homelessness. As a result of this funding 4,721 individuals were served, including 3,658 youth and 1,340 underemployed and unemployed were served.

Another noteworthy initiative started in FY2022 was the City's successful application to become a HUD Certified Housing Counseling Agency. Along with the certification, the Community Development Analyst-Housing became a Certified Housing Counselor. The City became a member of the North Carolina Housing Coalition Housing Counseling Network and received a \$24,000 grant to support Housing Counseling programs. Additionally, the FY2023 City budget included an additional Housing Counselor position and authorization for the City to participate in the North Carolina Housing Finance Agency Community Partners Lending Pool. As of the writing of the report City staff continue steps to set-up the Housing Counseling program including purchase of Client Management System software funded by a donation from South State Bank, hiring the Housing Counselor, and incorporating Housing Counseling as a key component of the City's Housing Loan Programs including homeownership and owner-occupied housing rehabilitation. Without any promotion or outreach the City has provided one-on-one counseling sessions to 22 individuals.

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

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

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
AFH 1 - Increase Affordable Housing Options	Affordable Housing	CDBG: \$ / HOME: \$/ General Fund: \$ / Private Bank Partner HOP: \$	Rental units constructed	Household Housing Unit	100	41	41.00%	0	0	100%
AFH 1 - Increase Affordable Housing Options	Affordable Housing	CDBG: \$ RL: HOME: \$329,300	Rental units rehabilitated	Household Housing Unit	0	7	700%	10	2	20%
AFH 1 - Increase Affordable Housing Options	Affordable Housing	CDBG: \$ / HOME: / General Fund:	Homeowner Housing Added	Household Housing Unit	5	0	0.00%	2	0	0%
AFH 1 - Increase Affordable Housing Options	Affordable Housing	CDBG: \$ RL/ HOME: \$177,033/ General Fund: \$155,200	Homeowner Housing Rehabilitated	Household Housing Unit	50	18	36%	5	6	120%

AFH 1 - Increase Affordable Housing Options	Affordable Housing	CDBG: \$63,000 / HOME: \$185,986 / General Fund: \$168,106 / Private Bank Partner HOP: \$396,912	Direct Financial Assistance to Homebuyers	Households Assisted	70	45	69%	34 22 HOP 12 DPA	7 3 HOP 4 DPA	20%
AFH 1a- Maintain Existing Affordable Housing	Affordable Housing		Homeowner Housing Rehabilitated	Household Housing Unit	50	18	36%	5	6	120%
AFH 1b - Increase Home Ownership	Affordable Housing		Direct Financial Assistance to Homebuyers	Households Assisted	70	45	69%	34	7	20%
AFH 1c- Land Use & Planning	Affordable Housing Land Use Policy		Other	Other	1	1	100%	1	1	100%
AFH 2 - Fair Housing Awareness & Enforcement	Affordable Housing Fair Housing Education/ Outreach/ Enforcement	General Fund: \$	Other	Other	5	3	60%	1	1	100.00%

AFH 2a- Increase local Housing Enforcement Efforts	Fair Housing Education/ Outreach/E nforcement		Other	Other	5	3	60%	1	1	100.00%
AFH 2b- Reduce Housing Discrimination Disabled	Fair Housing Education/ Outreach/E nforcement		Other	Other	5	3	60%	1	1	100.00%
AFH 2c - Perception of Affordable Housing	Fair Housing Education/ Outreach/E nforcement		Other	Other	5	3	60%	1	1	100.00%
AFH 3 -Expand & Improve Resources Afford Housing	Affordable Housing	General Fund: \$	Other \$60K for Housing Study; GF Gap Financing	Other	4	3	75%	1	1	100.00%

AFH 4- Support Public Service Programs	Homeless Non- Homeless Special Needs Non- Housing Community Developme nt	CDBG: \$General Fund: \$ 676,808	Public service activities other than Low/Modera te Income Housing Benefit	Persons Assisted	6,000	15,720	262%	1200	4,721	393%
AFH 4- Support Public Service Programs	Homeless Non- Homeless Special Needs Non- Housing Community Developme nt	CDBG: \$175,000	Homeless Person Overnight Shelter	Persons Assisted	6,000	4084	68%	1,100	495	45%
AFH 4- Support Public Service Programs	Homeless Non- Homeless Special Needs Non- Housing Community Developme nt		Jobs created/retai ned	Jobs	100	243	243%	250	271 summer youth job placmts	108%

AFH 4a- Education Supportive Services	Non- Homeless Special Needs Non- Housing Community Developme nt	CDBG: \$/ General Fund: \$	Public Facility or Infrastructur e Activities other than Low/Modera te Income Housing Benefit	Persons Assisted	0	328	328%	0	0	100.00%
AFH 4a- Education Supportive Services	Non- Homeless Special Needs Non- Housing Community Developme nt		Public service activities other than Low/Modera te Income Housing Benefit	Persons Assisted	6,000	12,327	205%	1200	3658	305%
AFH 4b - Employment Training	Non- Housing Community Developme nt		Public service activities other than Low/Modera te Income Housing Benefit	Persons Assisted	3,750	5009	134%	1600	1340	84%

AFH 4c - Employment Opportunities	Non- Housing Community Developme nt		Public service activities other than Low/Modera te Income Housing Benefit	Persons Assisted	500	550	110%	250	271	108%
AFH 4c - Employment Opportunities	Non- Housing Community Developme nt		Jobs created/retai ned	Jobs	100	343	343%	250	271	108%
AFH 4d- Access to Public Transportation	Non- Housing Community Developme nt		Other	Other	1	1	100.00%	0	0	00%

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

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

The City’s Five-Year Consolidated Plan (Strategic Plan) incorporates priority needs as identified in the City’s Assessment of Fair Housing (AFH). The AFH serves as the framework for formulating five year and annual goals and objectives. The Consolidated Plan will focus on the following priorities:

- **Foster access to opportunities** including, but not limited to, jobs, education, and housing for low-to-moderate income persons, protected classes and special populations.
- **Increase the supply of and access to decent, safe affordable housing** throughout the community through production and preservation of owner and rental housing.
- **Promote a suitable living environment** by supporting initiatives to transform racially/ethnically concentrated areas of poverty into areas of opportunity.

CDBG funds totaling \$699,961 were used for homebuyer assistance for HOP second mortgages, relocation, activity delivery, relocation, and homeless services and shelter to assist low-to-moderate individuals in the City of Wilmington. HOP enables low-to-moderate income homebuyers to search the Wilmington housing market to find a home that meets their needs including, but not limited to, access to jobs, good schools, and amenities. Unfortunately, the Wilmington housing market has a limited supply of homes available that are affordable to most HOP buyers; therefore, the HOP guidelines were revised to provide a forgivable down payment assistance in addition to the zero percent second mortgage. As a result of adding down payment assistance HOP homebuyers are more able find homes within the available inventory, but it is taking longer to find a suitable house for purchase. That said, at the end of FY2020-22, thirteen HOP borrowers were pre-qualified and searching for a house. These loans in the pipeline will require approximately \$2 million.

As noted above CDBG funds were used to support emergency shelter and services for homeless persons including victims of domestic violence and families with children. Access to homeless services supports these individuals and families to secure permanent housing and employment if possible or other benefits, such as SSI disability if eligible.

General funds support the efforts of 22 community-based organizations to provide programs for at-risk youth, elderly, disabled, homeless, victims of abuse, formerly incarcerated, food insecure, low skilled individuals and others serving over 4,721 persons; thereby promoting a suitable living environment.

HOME funds expended totals \$827,389 for four Down Payment Assistance loans, three owner-occupied housing rehabilitation loans and two Rental Rehabilitation Loans in addition to administrative costs. General Funds supported three Forgivable Homeowner Rehabilitation loans totaling \$155,200.

CR-10 - Racial and Ethnic composition of families assisted

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

91.520(a)

	CDBG	HOME
White	212	3
Black or African American	175	10
Asian	2	0
American Indian or American Native	14	0
Native Hawaiian or Other Pacific Islander	0	0
2 or more Races	54	0
Refused or Other	1	2
Total	458	15
Hispanic	31	0
Not Hispanic	427	15

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

Narrative

Attached are tables showing the racial and ethnic status of individuals assisted with CDBG, HOME and General Funds in community development activities including homebuyer assistance, homeowner assistance, housing production, public services, and public facility improvements. The data reported is compiled from in-house data collection for HOP, Homeowner Rehabilitation, and Rental Rehabilitation Loan programs, and data provided by sub-recipients providing program services and activities for low-to-moderate income families.

Race & Ethnicity by Funding Source	CDBG	HOME	General Fund	Total
White	212	3	1284	1499
Black or African American	175	10	2378	2563
Asian	2	0	81	83
American Indian or American Native	14	0	23	37
Native Hawaiian or Other Pacific Islander	0	0	2	2
2 or more Races	54	0	315	369
Refused or Other	1	2	286	289
Total	458	15	4369	4842
Hispanic	31	0	531	562
Not Hispanic	427	15	3838	4280

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Type of Funds	Resources Made Available	Amount Expended During Program Year
Total CDBG	EN,PI, RL, Prior Yr	\$ 2,307,443	\$ 699,961
Total HOME	EN, PI, Prior Yr	\$ 4,014,407	\$ 827,389
General Fund	Local Gov. Taxes, RL	\$ 3,862,822	\$ 333,801
Other (Banks, 1st Mortgage)	Private Sector	\$ 991,926	\$ 991,926
Total		\$ 11,176,599	\$ 2,853,076

Table 3 - Resources Made Available

Narrative

Resources made available include FY21.22 CDBG and HOME entitlement awards, plus prior year entitlement carry-over and Revolving Loan income. General Funds available and expended include Revolving Loan income as well as FY21.22 appropriations to HOP, Rehab and Public Service expenditures. For more detail please see appendix for budget spreadsheets.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
City-wide	30	39	City-wide area of opportunity, equitable access to opportunities throughout the city
NorthSide	30	28	
Southside	40	33	

Table 4 – Identify the geographic distribution and location of investments

Narrative

Geographic distribution of investments does not include General Fund public service investments. The calculation is based on location of homeownership assistance loans (HOP), general fund and federal funded rehab loans, and production of new housing or substantial rehabilitation projects. A total of 21 projects were analyzed by location of investment. Of the 21 projects six are in the Northside RECAP and seven in the Southside RECAP.

It should be noted that most persons served through public services programs funded by general funds are residents of the RECAPs; however, data is not collected on addresses of participants.

See map in appendix for location of investments.

Leveraging

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

Working in partnership with community agencies, non-profits, public institutions, and businesses the City seeks to leverage CDBG and HOME funds. The City allocates \$676,808 general funds to support public service programs benefiting low-to-moderate income households with a focus on youth development and youth violence prevention and intervention. In addition, the City's Homeownership Opportunities Program (HOP) is offered in partnership with three banks, First Citizens, BB&T, Corning Credit Union, which pledge up to \$900,000 each to provide first mortgages to low-to-moderate homebuyers. Partner banks provided first mortgages for the HOP program totaling \$396,912 and \$595,014 was leveraged by down payment loans. The City budgeted \$957,000 to support HOP second mortgages for workforce homebuyers, and \$507,852 for Rental Rehabilitation Incentive Loans to acquire and rehabilitate vacant housing for use as affordable rental to LMI households. Additionally, the City allocated \$3.5 million in fund balance to be used for gap financing to produce affordable housing. City CDBG and HOME funds are used to provide gap financing for housing production/rehabilitation utilizing North Carolina Housing Finance Agency Permanent Supportive Housing program and other public and private financing.

An analysis of funds leveraged reveals that for every \$1 in CDBG/HOME FY21.22 entitlement funds expended leveraged \$2.18 in other local government funds.

Ratios			
	Expenditures	Leverage	Ratios
CDBG FY21.22 EN	\$ 699,961.00	\$ 2,579,753.00	3.685566767
HOME FY21.22 EN	\$ 827,389.00	\$ 750,214.00	0.906724648
Total	\$ 1,527,350.00	\$ 3,329,967.00	2.180225227

1. Excess Match From Prior Federal Fiscal Year	\$ 1,042,756.03
2. Match Contributed During Current Federal Fiscal Year	\$ 195,200.00
3. Total Match Available for Current Federal Fiscal Year	\$ 1,237,956.03
4. Match Liability for Current Federal Fiscal Year	\$ 15,815.26
5. Excess Match Carried Over to Next Federal Fiscal Year	\$ 1,222,140.77

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MATCH CONTRIBUTION October 1, 2020-September 30, 2021												
Account Number	Account Number	IDIS Number	Date Project Committed	Project Address	Project Type	HOME Funds Expended	Date HOME \$ Expended	Amount Match Liability Incurred	Value of Match Contribution	Type of Match	Date Match Recognized	Comments
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
FL-014			8/12/2021	4404 Fairlawn Dr					\$ 72,000.00			
FL-015			8/10/2021	614 Taylor Street					40,200.00			
FL-016			8/25/2021	1408 Stanley St					83,000.00			
								Grand Total	195,200.00			
				Match Liability					15,815.27			
				Match Credit Carryforward From 2021					179,384.73			

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period	Amount received during reporting period	Total amount expended during reporting period	Amount expended for TBRA	Balance on hand at end of reporting period
\$	\$	\$	\$	\$
\$ 237,361.92	\$339,196.88	\$ 514,402.92	\$ -	\$ 62,155.88

Program Income through 6/30/22		\$5,133,068.16
Less Program Income Expenditures through 6/20/2022		<u>(\$4,895,706.24)</u>
Program Income Balance 7/1/2022		<u><u>\$237,361.92</u></u>
Program Income Generated 2021-2022	Addition	<u>\$339,196.88</u>
Available Program Income 2021-2022		<u><u>\$576,558.80</u></u>
Less Program Income Expenditures 2019-2020	Subtraction	<u>(\$514,402.92)</u>
Balance of Program Income on Hand 6/30/2022		<u><u>\$62,155.88</u></u>

Table 7 – Program Income

HOME MBE/WBE report

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Number	7	0	0	5		2
Dollar Amount	\$304,989.21	0	0	\$177,543.26		\$127,445.95
Sub-Contracts						
Number	46	0	0	16	6	24
Dollar Amount	\$335,896.8	0	0	\$81,222	\$61,004.67	\$193,670.13
	Total	Women Business Enterprises	Male			
Contracts						
Number	0	0	0			
Dollar Amount	0	0	0			
Sub-Contracts						
Number	0	0	0			
Dollar Amount	0	0	0			

Table 8 - Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	3	0	0	3	0	
Dollar Amount	\$329,300	0	0	\$329,300	0	

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition						
Parcels Acquired		0				
Businesses Displaced						
Nonprofit Organizations Displaced						
Households Temporarily Relocated, not Displaced						
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number						
Cost						

Table 10 – Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

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

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	36 (22 HOP; 12 DPA; 2 SF new)	(3 HOP; 4 DPA)
Number of Special-Needs households to be provided affordable housing units	10% of all units = 4	10% (1 of 7 units)
Total	36	7

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance (TBRA)	0	0
Number of households supported through The Production of New Units	2SF	0
Number of households supported through Rehab of Existing Units	15(10RR + 5 OOR)	8 (6OOR; 2 RRIL)
Number of households supported through Acquisition of Existing Units	34(22 HOP +12 DPA)	7 (3 HOP; 4 DPA)
Total	51	15

Table 12 – Number of Households Supported

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

The difference between goals and outcomes is primarily the result of the housing market values and lack of inventory of affordable for-sale housing due to a booming residential real estate market. Add to this the shortage of building materials and increased costs for materials. Based on demand and prior performance a goal of 22 HOP loans and 12 Down payment Assistance loans was established. The desire and demand for City Housing loan programs remains high with 74 total applications received for all housing loan programs, including a record number of applications for owner-occupied housing rehabilitation at 25 and 146 potential homebuyers attended HBE. At year-end 13 homebuyers were pre-qualified for HOP loans and 13 owner-occupants were pre-qualified. The lack of contractors to bid on

projects is a continues to be major obstacle to meeting the goal for owner-occupied rehabs, as well as the cost of rehabs exceeding the program limits. As a result of increased costs, the City Loan Review Board (LRB) recommended increasing the loan maximums. Additionally, a list of prospective contractors has been compiled with plans to reach-out to introduce the City's contractor opportunities. The goal for Rental Rehabilitation Incentive Loans was ten, in FY21.22, two loans were closed producing three units. At year-end one loan was in progress and inquiries continue from prospective borrowers. A goal of 12 down-payment assistance (DPA) loans was not met, four DPA were closed in FY21.22 This is explained in large part by the limited housing market. In addition to increasing the loan maximum for Owner-Occupied Rehabilitation loans, the LRB recommended increases for Rental Rehabilitation Incentive Loan. Moreover, the City became a HUD Certified Housing Counseling Agency in 2021, thereby providing more intensive services to households seeking homeownership.

Discuss how these outcomes will impact future annual action plans.

Goals for future annual actions plans will take into account the findings from a 2021 Housing Needs Assessment prepared by Bowen National Research and an Affordable and Workforce Housing Opinion Study prepared by UNC-Greensboro, Center for Housing and Community Studies in 2021. These reports provide an analysis of housing demand at various income levels as well as an inventory of supply by price point. Wilmington City Council and New Hanover County Commission joined efforts to procure the aforementioned studies and to identify strategies to increase the supply of affordable housing, including increasing local funding to leverage private and public funds. This comprehensive housing plan will inform future annual action plans.

As discussed, interest in City housing loan products remains high as evidenced by applications received and participation in homebuyer education. The City Council authorized the CDAH staff to apply to the North Carolina Housing Finance Agency (NCHFA) Community Partners Lending Pool (CPLP). Allowing homebuyers to access additional mortgage products for purchases within the Cape Fear region. Additional local and one-time federal funding will be directed toward gap financing to attract affordable multi-family projects to meet the demand for affordable rental housing. Finally, local, and federal funds have been identified to support the development of Permanent Supportive Housing.

Community leaders, including elected officials, business leaders, service agencies, and citizens recognize the need to address the shortage of affordable housing and support for identifying viable solutions has been demonstrated. Future plans will build upon this support and increased resources.

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

Household Income by Funding Source	CDBG	HOME
Extremely Low-Income 0-30%	359	1
Low-Income 31-50%	61	4
Moderate Income 51-80%	18	4
Household Income > 80%	7	0
Total	445	9

Table 13 – Number of Households Served

Below is a table depicting household income of beneficiaries by funding source, including General Funds

Household Income by Funding Source	CDBG	HOME	General Fund	Total
Household Income 0-30%	359	1	1436	1796
Household Income 31-50%	61	4	1477	1542
Household Income 51-80%	18	4	329	351
Household Income > 80%	7	0	263	270
Total	445	9	3505	3959

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

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

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

The Homeless Continuum of Care (CoC) served 1,529 homeless individuals in the FY2021/2022 in New Hanover County. This includes persons seeking homeless services who were literally homeless, leaving institutions, and those imminent danger of homelessness due to unstable living arrangements.

The 2022 PIT Count has been updated with data improvements showing 347 persons who were homeless in the region on January 26, 2022. The total includes 150 persons who were unsheltered and 197 persons in either emergency shelters or transitional housing.

It is understood in the community that the HUD Point-in-Time (PIT) count does not accurately report the number of people experiencing homelessness in the community. However, the pandemic continued to impact the point-in-time field surveys. It was difficult to secure volunteers and several trained volunteers were not able to participate because they contracted CoVID-19. This situation is considered to have contributed to an even more serious undercount for a second year.

The CoC increased its organizational outreach efforts in 2021-2022, beginning a heavier emphasis on working more collaboratively with law enforcement, code enforcement as well as traditional partners. Vigilant Hope Ministry, SOAR Program and Coastal Horizons Center are street outreach providers within the City of Wilmington. The Coastal Horizons' PATH Street Outreach team began coordinating with the Social Worker hired by Wilmington Downtown, Inc to provide better coverage downtown and extend services to cover a larger area in New Hanover County than was serviced by street outreach providers in the recent past.

The CoC prioritizes individuals according to their level of need and type of housing intervention that would support housing security. The CoC receives street outreach funds for the unsheltered homeless through the NC Emergency Solutions Grant (ESG) administered through the NC Department of Health and Human Services. Beginning in January 2022, ESG funds are contracted to Coastal Horizons Center to provide outreach services whose services focus on meeting basic needs such as food, clothing, and medical care. Additional resources and assistance with housing referral are offered based on the willingness of the person to engage with the outreach staff.

The ESG funds allowed Coastal Horizons to add non-PATH specific team members and begin increasing the number of people they could both engage and enroll in services. The Project for Assistance in Transition from Homelessness (PATH) program administered by NC DHHS has a specific focus on reducing or eliminating homelessness for individuals the age of 18 and older with a serious mental illness, or co-occurring mental illness and substance use disorder, who are homeless or at risk of homelessness. With the limitation on the scope of eligible participants for PATH, the ESG street outreach funding was

critical to improving services.

Addressing the emergency shelter and transitional housing needs of homeless persons

At the time of the PIT Count, the housing inventory count (HIC) shows 29 projects providing 570 emergency & transitional housing beds in the region. This includes shelters in Wilmington operating at reduced capacity, which left us at 72 percent of capacity due to CoVID-19. The limits on bed capacity continued into the spring of 2022. Even at full capacity, the area lacked enough beds to serve all of the people estimated to be homeless in the region.

The CoC firmly supports a “housing first” approach to the provision of housing services in our community. It has strongly encouraged shelters and transitional housing providers to reduce barriers to entry and shorten the length of stay in their facilities to only what is necessary to create and accomplish a housing plan.

Unfortunately, the tight housing market continued into 2022. The costs of housing, particularly rents, continued to increase through the spring and created significant barriers to the ability of families to maintain what had previously been affordable housing. The rental housing prices, which as stated last year were on top of the pre-existing lack of capacity in the housing system after years of low housing production brought on the last recession, led our continued inability for us to move a significant number of people through the system and into permanent housing (with or without support).

One bright spot in our area has been the success of HUD’s Emergency Housing Vouchers (EHVs) in our area. This limited program aimed at reducing barriers to the most vulnerable populations in our community and provide stable rental subsidies. The program requires that Public Housing Authorities work with Continuums of Care and use the Coordinated Entry System (CES) as the basis for identifying eligible families. The Wilmington Housing Authority (WHA) accepted 27 EHVs and partnered with the CoC to identify eligible families. The program’s lease-up rate was nearly 75 percent in the spring of 2022. The Wilmington area was in the top five of communities in North Carolina who received EHVs, in utilization, and the vouchers where nearly 100 percent leased by June 30, 2022.

We expected to see a surge of families being displaced once eviction moratoriums fully expired. However, the housing prices and sale of affordable rental homes drove the increase in calls for services. There has been an increase in calls from families and seniors. We are working on a way to provide direct reporting on those calls which do not currently fall into the categories we have traditionally tracked.

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

The CES has also begun its process of moving away from the ViSPDAT, which has been found to racial equity concerns. HUD no longer supports the ViSPDAT and communities, including ours, are working on better methods to triage individuals and family for homeless services and housing options. We remain committed to expanding our referral services to include a homelessness prevention immediate referral track that will minimize the wait time for housing services by ensuring only literally homeless individuals are placed on the housing prioritization list. We have added a focus to refer CES participants to non-housing service providers, such as medical services and SOAR, to obtain services to support them until housing options are available.

The CoC continues to work toward to be an actual continuum for people experiencing homelessness rather than a collection of partners focus primarily on HUD related grants. The CoC Board is beginning to think strategically about how we apply State and Federal funding including setting community priorities for funding. There are still both data and service gaps in system, but we continue to work with our local partners to fill those gaps by increasing participation in HMIS and working with our government partners to assist us by incentivizing local homeless service providers who do not currently participate in data collection to engage with HMIS.

Building lasting partnerships between CoC members continues to be essential to the long-term success of the clients we serve. Encouraging more non-traditional community partnerships, better communication, improved coordination among existing partners, and moving to a more holistic service approach will shape our activities in the new fiscal year.

(source: Continuum of Care 2022)

The Good Shepherd Center (GSC) received CDBG funds to provide emergency shelter and services to homeless persons. Good Shepherd uses a housing first approach and offers a range of services including case management with the goal of ending homelessness by returning homeless individuals and families to permanent housing. In FY21.22, GSC served 42 men, women, and children through Rapid Rehousing preventing them from becoming homeless. Additionally, 162 homeless persons were returned to safe, affordable, stable housing by GSC.

(source: Good Shepherd 2022)

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

Actions taken to address the needs of public housing

- Over the past year, WHA saw a steady rise in reported cases of mold in public housing units. Residents were removed from units and placed in market-rate apartments, in hotels, or with family and provided with a per-person per diem based on Government Services Administration (GSA) guidelines. Companies certified in environmental testing and remediation were procured. In many cases, cabinets, walls, and ceilings were completely torn out of units. Finding contractors to rebuild the units was challenging and jobs were sometimes delayed due to supply chain disturbances.

Due to COVID restrictions, inspection of units could not be done for more than a year. WHA instituted emergency-only work orders. This combined with staff shortages due to illness, quarantine, and lack of qualified applicants, greatly impeded the normal operation of the Housing Authority.

In June 2022, a new CEO was hired by the Board of Commissioners and has implemented an aggressive plan to return all but the most profoundly affected units to inventory and return displaced families to WHA units by the end of the year. The executive department is re-staffed and new positions in property management and resident services departments were created and filled to help ensure the success of this plan and more efficient operations overall. Mold training for maintenance staff has been incorporated into ongoing staff training. This purpose is to educate staff how to recognize a mold issue.

In March 2022, the Housing Choice Voucher waiting list was opened for applications over three days and involuntarily displaced and local preferences were applied. Informational sessions were held for displaced residents about how to apply to the HCV program. Of 97 eligible displaced households, 47 responded. As of August 11, 2022, 37 families have received vouchers, 4 have executed a lease, and 4 are in process of doing so, 1 family has ported out of Wilmington.

The unprecedented cost of paying for so many hotel rooms, 11 market-rate apartments, a significant weekly per diem per displaced person, as well as costs for testing, remediation, and rebuilding of units, caused WHA serious financial challenges. However, the organization is beginning to recover and is confident in regaining a strong financial position.

WHA submitted an initial application to the department of Housing and Urban development (HUD) for an Emergency Capital Funds grant in January 2022 and has been working to fulfill ongoing requests since. Additionally, WHA has applied to the North Carolina Office of Recovery and Resiliency (NCORR) for Public Housing Restoration funds.

- In March 2022, the Board of Commissioners approved the recommendation of Related Urban as development partner for the redevelopment of Hillcrest. With HUD approval of a Demolition and/or Disposition, Section 18 application for Hillcrest and Hillcrest Annex, WHA/HEO will undertake the steps necessary to redevelop the Hillcrest/Annex property, +/- 25 acres, from the current state of the property to a newly constructed, modern, architecturally and environmentally friendly, mixed-income, mixed-use community that will be a model for others.

Hillcrest was originally constructed in 1943 as temporary housing for port workers, later turned into military housing. Eventually, it was designated as low-income housing. The Hillcrest Annex

was added in 1967. While usable and occupied since the original occupancy date, the buildings and units are past the normal service life intended for the property. Ongoing repairs are both inefficient and, in some cases, not possible.

- WHA has continually actively sought to purchase property in areas of opportunity.
- WHA contracts with the Wilmington Police Department to ensure full-time police officers are assigned to work exclusively in and around WHA neighborhoods. Not only has this continued to decrease crime on the sites but has helped strengthen the relationship between law enforcement and the community through various events and activities.
- WHA shares in the cost of Shot Spotter with the Wilmington Police Department to help ensure the safety of the sites.

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

- In 2021, WHA was awarded a \$2.3 million Jobs Plus Grant. As required by the grant guidelines, applicants must demonstrate at least a 25% match in in-kind services by local partners. WHA exceeded this amount, showing \$1.2 million in in-kind support, a 52% match. As part of the grant application requirements, WHA identified Creekwood South and Houston Moore as the target sites eligible for the program. Through the Jobs Plus program, residents have access to resources that will assist them with attaining their educational and employment goals in an on-site Jobs Plus program center. The program brings comprehensive education, employment programming, and wrap around services. Residents are able to access incentives and subsidies designed to keep their earnings in their bank accounts, as they move towards self-sufficiency. This includes transportation cost coverage and childcare stipends. WHA offers four (4) Jobs Plus Skills Academies per year in Customer Service, Healthcare, Business Services and Construction. Each Academy offers an industry-specific nationally recognized certification. Many of the Jobs Plus program participants will find themselves working in the same community they reside, building an enhanced sense of investment and pride in their community as stakeholders.
- WHA continues to administer 27 Emergency Housing Vouchers. These may be distributed only by referral from the Coordinated Entry system of the CoC. The vouchers are funded for ten years. If someone drops off the program, the voucher can be reissued up until September of 2023. These vouchers are specifically for homeless, and those effected by domestic violence or human trafficking
- WHA continues to use a Public Housing & Housing Choice Voucher Family Self Sufficiency grant from the Department of Housing and Urban Development (HUD) to fund the salary of 2 full-time Family Self-Sufficiency Coordinator for both Public Housing and Housing Choice Voucher participants.
- The Resident and Opportunities and Self-Sufficiency (ROSS) Grant pays for 1 full-time staff over three years. Currently, this program, along with our community partners, provides resources and guidance for residents to work towards self-sufficiency.
- The Elderly Services Grant pays for a full-time staff person to assist senior and disabled residents to

live independently.

- WHA resumed regular Community Outreach and Resident Relations Committee meetings comprised of Board members and Chaired by the President of the RAB Board. The purpose is to give residents and community members an opportunity to voice concerns directly to Board members and staff.
- WHA has worked with community partners to provide COVID-related resources to residents as well as making vaccines available on sites. Additionally, WHA staff has assisted residents with repayment plans and assisted them in applying for the Emergency Rental Assistance Program administered by the County.

Actions taken to provide assistance to troubled PHAs

- While WHA isn't considered troubled, The HCV department has addressed an unsatisfactory 2019 SEMAP score by taking the following actions. The appropriate staff have worked to resolve the data issues that were associated with the software conversion. The HCV department has undergone staffing changes, received additional training to ensure the timely reporting of information into the PIC system and training will be offered continuously.

(source: Wilmington Housing Authority 2022)

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

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

The City of Wilmington and New Hanover County Council established a joint Workforce Housing Advisory Committee (WHAC) to examine barriers to affordable housing and recommend actions to increase workforce/affordable housing. The committee was formed in response to recommendations from a previous ad hoc Joint Housing Committee presented in April 2017. The permanent committee members were selected in accordance with an interlocal agreement approved by the boards of the City and County on June 18, 2019. In FY21.22 the WHAC presented to the governing boards a comprehensive housing study and public opinion study. The findings of the study validated the gap in housing supply, especially for low-to-moderate income households. The New Hanover County Commission allocated \$15 million over five years to be used towards increasing workforce housing. Wilmington City Council continued increasing resources to support the City's long-standing housing programs and increased general funds directed to gap financing to leverage other public and private funds to increase housing stock. Additionally, both the City and County allocated a portion of the American Rescue Plan Act funds toward gap financing for a 4% Low Income Housing Tax Credit project that will create 278 affordable units.

The City of Wilmington updated Land Use/Zoning Codes to include density incentives in return for inclusion of affordable housing in projects, as well as changes to Accessory Dwelling Units (ADU), Density and Height regulations and requirements were revised to remove barriers to production of housing. The revised LDC was adopted in January 2022.

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

Obstacles to addressing underserved needs are complex and long-standing. The City's Analysis of Fair Housing identified a number of factors such as displacement due to economic pressure, community opposition to diversity of housing types, discrimination, and lack of safe, decent housing as contributing to underserved needs. The AFH identified neighborhoods within the City with limited access to opportunity and disproportionate rates of housing cost burden, low wealth, and low performing schools.

The City Council appropriates funds to support community-based efforts to address underserved needs, with a focus on youth development and violence prevention including job skills development and youth jobs program. In FY21.22, \$676,808 City General Funds supported 22 agencies, including the Continuum of Care, serving low-to-moderate income persons. Please see appendix for a list of agencies funded. In addition, \$175,000 CDBG funds were allocated for three public service programs that provide services and emergency shelter for victims of domestic violence and homeless persons.

City housing programs include homeowner housing rehabilitation, homebuyer assistance, affordable housing production, and rental rehabilitation. CDBG and HOME funds coupled with \$1,583,032 General Fund appropriation to support these programs. With rapid population growth and limited land many areas of Wilmington are experiencing redevelopment/gentrification where Naturally Occurring Affordable

Housing (NOAH) is at risk from conversion to expensive housing, relatively speaking. The City's Rental Rehabilitation Incentive Loan Program was created to provide financing to small developers to acquire and rehabilitate vacant NOAH to return to the low-income neighborhoods as affordable rental housing. This program has produced more loans than anticipated, despite the competitive demand for market rate rehabs.

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

All target housing, homes constructed before 1978, which receive federal assistance. The City's housing programs are required to be evaluated for lead-based paint hazards and the following actions taken.

For all properties

- Provide owner or occupant with information pamphlet(s) 1. Protect your family from lead in your home –EPA, 2. The lead-safe certified guide to renovate right – EPA.
- Require paint testing for surfaces to be disturbed or presume Lead based paint present.
- Notice to occupants.

For properties receiving less than or equal to \$5000.00 per unit

- Safe work practices during rehab (certified RRP Contractor).
- Repair/stabilize disturbed paint.
- Passing clearance exam of the worksite.

For properties receiving more than \$5000.00 and up to \$25,000.00 per unit

- LBP testing / Risk assessment.
- Interim controls (certified RRP Contractor).
- Passing clearance exam of the worksite.

For properties receiving more than \$25,000.00 per unit

- LBP testing / Risk assessment.
- Abatement of LBP hazards (licensed abatement contractor).
- Passing clearance exam of the worksite.

In January 2020, the City was awarded a Lead-Based Paint Hazard Control/Healthy Home Grant from the Office of Lead Hazard Control Healthy Homes (OLHCHH) for \$1.8 million over three and half years. Funds will allow the City to increase awareness of Lead-Based Paint Hazards, train contractors and volunteers in lead safe work practices and abatement. As of the writing of this report the following has been accomplished:

- 102 Eligibility Screenings submitted.
- 30 Applications submitted.
- 27 Lead Inspection / Risk Assessments performed.
- 27 Healthy Homes Inspection / Assessments performed.

- 17 Lead Remediation projects performed.
- 17 Healthy Homes projects performed

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

City support for programs that increase skills of youth, underemployed, homeless and others experiencing poverty. Programs supported include after-school programs, tutoring, job skills, job placement, and adult literacy. Please see appendix for full list of agencies supported. According to reports submitted by funded non-profits and City loan data, at least 5,245 individuals participated/benefited from programs supported by City funds, including CDBG and HOME.

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

Institutional structure is developed through continuous process improvement and collaboration with the City organization and with community stakeholders. To that end, City community development staff members attend Planning and Development Review Technical Review Committee meetings for residential projects. Further, CD staff members work in collaboration with City Planning, Attorney and Budget staff to explore policy changes that support development of affordable housing.

Improvements to Community Development program management, data collection and reporting have improved with the implementation of a new software system for loan program activities. As reported earlier, the City community development section have expanded to offer housing counseling as a HUD Certified Housing Counseling Agency. This enhances the City's services to low-to-moderate income citizens to address barriers to housing, such as credit, budget, and other issues.

Finally, collaboration with community-based organizations, banks, Cape Fear REALTORS, Tri-County Homeless Initiative Council and others is essential to addressing the needs within the community. CDBG and General Funds are invested in efforts to address homelessness, blight, job skill development, youth development, services to disabled and elderly. In addition, working in partnership with area banks and affordable housing developers the City works to provide homeownership, rental and housing preservation programs.

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

City community development and housing staff members represent the City on several community development organizations such as the Cape Fear Housing Coalition; and TRI HIC – Tri County Homeless Interagency Council. Additionally, CD staff host housing fairs and other events and participate in events hosted by the CF REALTORS and CF HOMEBUILDERS representing the private housing agencies. Likewise, the City works in partnership with three area banks to provide financing for homebuyers through the City's Homeownership Opportunities Pool (HOP). Finally, City Council appoints private sector representatives as volunteers to serve on the Loan Review Board, members represent the banking, insurance, social services, executive management, legal and accounting sectors

Identify actions taken to overcome the effects of any impediments identified in the jurisdiction's

analysis of impediments to fair housing choice. 91.520(a)

The City of Wilmington/Wilmington Housing Authority submitted an Assessment of Fair Housing to HUD in October 2016, under the requirements of the July 16, 2015 Final Rule on Affirmatively Furthering Fair Housing. The Final Rule AFFH required an analysis of data provided by HUD and for submitting entities to establish goals to address significant disparities in housing needs and access to opportunity, replace segregation with truly integrated and balanced living patterns, and transform racially/ethnically concentrated area of poverty into areas of opportunity.

1	Goal Name	AFH 1 -Increase Affordable Housing Options	Actions FY2021.22
	<p>Goal Description</p>	<ul style="list-style-type: none"> • Increase production of rental housing including Permanent Supportive Rental housing, and other rental housing for elderly, victims of domestic violence, disabled, and others; • Locate newly constructed housing in areas of opportunity to increase choices for low-to-moderate income households; produce housing in R/ECAPs as part of a strategy to transform the areas to areas of opportunity; • Preserve affordable housing and prevent displacement due to economic pressures through rehabilitation of owner-occupied housing; provide homebuyer assistance; and • Work in partnership with private sector lenders, developers, real estate professionals and others to increase affordable housing options throughout the City. 	<ul style="list-style-type: none"> • 2 Rental Rehab Loans closed • 3 Homebuyer assistance loans (HOP) closed • 4 Homebuyer assistance loans (DPA) • 0 Homeowner Houses Added. • 6 Owner-Occupied Rehabs <p>*includes private & other public financing</p>

2	Goal Name	AFH 2 - Fair Housing Awareness & Enforcement	Actions FY2021.22
	Goal Description	<ul style="list-style-type: none"> • Increase Fair Housing Awareness through education and collaboration with community-based organizations, disability advocates, real estate professionals, landlords, developers, lenders and the general public. • Support local efforts to monitor and enforce fair housing laws and initiatives to secure resources to establish a local Fair Housing Commission or similar organization. • Ensure that housing produced with HOME or CDBG funds include accommodations for disabled and universal design elements. • Support development of Permanent Supportive Housing and other housing for disabled persons. 	<ul style="list-style-type: none"> • Provide staff support as City Liaison to Joint City/County Community Relations Advisory Committee.
3	Goal Name	AFH 3 -Expand & Improve Resources Afford Housing	Actions FY2021.22
	Goal Description	<ul style="list-style-type: none"> • Implement recommendations from City/NHC Affordable/Workforce Housing Ad Hoc Committee adopted by City Council. Goal outcome - Permanent Committee; Study; Public Awareness Campaign; Housing Trust Fund 	<ul style="list-style-type: none"> • City Council appointed City/County Workforce Housing Advisory Committee (WHAC) on 10/19. WHAC contracted consultants, Housing Study completed.
4	Goal Name	AFH 4- Support Public Service Programs	Actions FY2021.22
	Goal Description	<ul style="list-style-type: none"> • Increase access to supportive services and programs by funding public service programs serving at-risk youth, elderly, disabled, homeless, and others. Programs include afterschool and summer programs, jobs skills and placement, and case management and supportive services. • Work with community-based agencies to transform R/ECAPs and improve living conditions and access to opportunities for low-to-moderate income persons. 	<ul style="list-style-type: none"> • 22 Non-Profit Agencies Funded See appendix for details. • All 22 Agencies serve low-to-moderate income persons, including persons residing in RECAPs. • 7 of the 22 agencies are located within RECAPs

5	Goal Name	AFH 1a- Maintain Existing Affordable Housing	Actions FY2021.22
	Goal Description	<ul style="list-style-type: none"> Rehabilitate and/or repair an average of 10 owner-occupied houses per year 	<ul style="list-style-type: none"> 6 Homeowner Rehabilitation Loans.
6	Goal Name	AFH 2a-Increase local Housing Enforcement Efforts	Actions FY2021.22
	Goal Description	<ul style="list-style-type: none"> Support CF Housing Coalition to apply for FHAP or FHIP to establish a local Fair Housing Initiative to monitor fair housing issues and complaints, provide funding to assist with FHIP application through biennial RFP process; Hold at least one fair housing workshop for landlords and real estate agents annually; Work in collaboration with other agencies advocating for affordable and fair housing, such as the Cape Fear Housing Coalition, Tri-County Homeless Interagency Council, Disability Resource Center and others to increase awareness and educate about Fair Housing 	<ul style="list-style-type: none"> Virtual Fair Housing Workshop Held April 2022. Presented by NC Legal Aide.
7	Goal Name	AFH 2b- Reduce Housing Discrimination Disabled	Actions FY2021.22
	Goal Description	<ul style="list-style-type: none"> Conduct at least one workshop annually on fair housing for landlords, lenders, and housing managers to review housing for persons disabilities and reasonable accommodations; Create working group of city/WHA staff, disability service providers, landlords, and advocates to discuss responses to recent cases of discrimination; 10% of affordable housing produced with CDBG and HOME participation over the next 5 years will be targeted for persons with disabilities. 	<ul style="list-style-type: none"> Virtual Fair Housing Workshop Held April 2022. Presented by NC Legal Aide

8	Goal Name	AFH 1b -Increase Home Ownership	Actions FY2021.22
	Goal Description	<ul style="list-style-type: none"> Partner with area banks to provide up to 10 mortgages annually, through the HOP program, to households at or below 80% AMI. 	<ul style="list-style-type: none"> 3 Homebuyer assistance loans (HOP), CDBG. *
9	Goal Name	AFH 4a- Education Supportive Services	Actions FY2021.22
	Goal Description	<ul style="list-style-type: none"> Increase enrollment in after school tutoring and youth mentoring programs by 5% over 5-year period. Fund after school programs in R/ECAPs over the next 5 years. 75% of youth enrolled will increase scores on end of year test at 80% or more; 90% promotion to next grade level 	<ul style="list-style-type: none"> FY18.19 Enrollment – 2,997 FY19.20 Enrollment -3,162 FY20.21 Enrollment – 4,521 FY20.21, - 9 afterschool tutoring programs funded: BBGC, CIS, CBGC, First Tee, DREAMS, KMI, One Love Tennis, Voyage, WRAAP FY21.22 3,658 FY17.18 Baseline Data
10	Goal Name	AFH 4b -Employment Training	Actions FY2021.22
	Goal Description	<ul style="list-style-type: none"> Support agencies providing job training programs. Refer public housing and HCV participants to employment training to promote self-sufficiency. At least 150 individuals enrolled annually in Job Training/Job Preparation/Placement program, including residents of R/ECAPs. 	<ul style="list-style-type: none"> 4 of 22 agencies funded provide job skills, job preparation, job placement programs. 1,340 persons participated in programs: CFLit; LINC; StepUp;KMI,Voyage
11	Goal Name	AFH 4c - Employment Opportunities	Actions FY2021.22
	Goal Description	<ul style="list-style-type: none"> Increase labor market participation rates in R/ECAPs. Provide annual funding for youth employment program for at least 20 youth to secure employment and supportive services for future career preparation. 	<ul style="list-style-type: none"> FY21.22 272 youth Voyage & Step Up Wilmington youth summer employment program
12	Goal Name	AFH 4d- Access to Public Transportation	Actions FY2021.22
	Goal Description	<ul style="list-style-type: none"> Participate in WAVE Transit Authority Planning process to advocate for improvements to bus stops and routes within the R/ECAPs. 	<ul style="list-style-type: none"> WAVE selected for pilot MicroTransit program. WAVE reorganized bus routes to reduce wait times.

13	Goal Name	AFH 2c - Perception of Affordable Housing	Actions FY2021.22
	Goal Description	<ul style="list-style-type: none"> • Increase Fair Housing Marketing, Awareness and Education throughout the community. Host at least one fair housing event annually, host annual workshops with lenders, real estate professionals and landlords, Fair Housing promotional program annually. 	<ul style="list-style-type: none"> • Virtual Fair Housing Workshop Held April 2022. Presented by NC Legal Aide
14	Goal Name	AFH 1c- Land Use & Planning	Actions FY2021.22
	Goal Description	<ul style="list-style-type: none"> • City owned vacant land/in-fill lots should be offered to affordable housing developers at no cost for redevelopment into affordable housing. • Review existing density bonus to identify ways to increase use, consult with developers for input into limitations and incentives to increase use. • In accordance with the City's Comprehensive Plan (policy 3.1.1) promote mixed-income neighborhoods throughout the city, to provide equitable access to opportunity and housing choice to households at all incomes. • 100% of available in-fill lots redeveloped into affordable housing. • Revised density bonus utilized by developers 100% more than in past. • Revise land development code to encourage mixed –use development and variety of housing types, prices, and tenures. 	<ul style="list-style-type: none"> • RFPs for City owned land include request for affordable housing if project includes residential. • City Planning, Development and Transportation Department presents Workforce Housing Mixed Use Draft Ordinance Zone to City Planning Commission and City Council to explore incentives for including affordable housing in multifamily/mixed use projects within specified zones. City Council adopted 10/20/20. • Land Development/Zoning Codes revised adopted by City Council January 2022
15	Goal Name	Planning & Administration	Actions FY2021.22
	Goal Description	Planning & Administration CBDG & HOME programs	

CR-40 - Monitoring 91.220 and 91.230

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

The Community Development Analyst- Compliance will manage the annual monitoring programmatic assessment of every housing and community development project funded by HOME and CDBG as required by law. Request for funding applications are made on a standard form and are evaluated by a staff team representing various City departments. Points are given for each criterion covering community need, program effectiveness, financial record, and capacity of the organization.

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. The City of Wilmington enters into standard grant agreements with each grantee that specify amount, source, and use of funds, match requirements, reporting standards, recordkeeping, results to be achieved, and other conditions specific to the project. A standard attachment of all federal standards (Executive Orders, Civil Rights Act, etc.) with which the agency must comply is included in the agreement. 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. Finance Staff are also responsible for managing the loan portfolio for loans made to individual/households for homeownership (HOP) and owner-occupied housing rehabilitation.

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 bi-annual 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.

On-Site Inspections

All HOME funded housing projects with deficiencies noted the prior year were brought into compliance with applicable standards and all projects are subject to inspections for the calendar year ending 2021. Programmatic monitoring verified compliance with rent affordability and occupancy rules. Each agency continues to perform applicable screening of tenants including the prohibition of lifetime registered sex offenders and those that are have been convicted of the manufacture or production of **Methamphetamine**, as certified by the agency, through electronic reporting. Any changes to tenant selection policies/procedures were reviewed by Compliance and found to be within the parameters of the eligible housing activity. Finance Staff conducted onsite evaluations of the overall accounting structure and financial management systems, procurement procedures, and client files. Technical assistance was provided and is continually provided by Community Development and Finance staff. In addition,

agencies are referred to workshops and other training opportunities, and/or other agencies for further assistance regarding compliance issues, as needed. Also, CD and Finance staff facilitated training workshops and meetings with Grantees, Sub-recipients, Developers, Contractors, and Agents as follows: Environmental, preconstruction meetings, pre-bid meetings, Davis Bacon and other Federal Employment Requirements, Fair Housing, Contractor Eligibility and Section 3 Requirements, Environmental and Choice Limiting Activities, and conditional funding agreements. This includes scattered site single family residential and Code Enforcement minimum housing activities, when rehab assistance is being pursued. Each applicable construction activity was inspected for continued compliance with the required posting of applicable federal posting requirements.

In response to COVID-19, HUD guidance the City adhered to the monitoring waiver in effect through September 31, 2021 waiving the requirement to perform ongoing on-site inspections. As a result the monitoring schedule has been delayed, additionally, the Community Development Analyst Compliance position has been vacant since February 2022, further delaying monitoring visits which were tentatively scheduled to begin in May 2022. City Community Development and Finance staff continue to collect information digitally to the extent that we can protect protected tenant information and scheduling on-site unit inspections and on-site reviews later.

If, based on the information received digitally, COW CDAH staff determine a larger sampling of files should be inspected, COW staff will schedule on-site meetings. COW CDAH staff will conduct a full risk assessment of all projects to evaluate and amend the monitoring plan/schedule as needed.

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

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

Citizens are provided with notice and an opportunity to comment on the CAPER at two public hearings, one during a City Council meeting and another at the City Municipal building, and also by accessing the draft CAPER via the City webpage, City Clerk's office, public library, WHA, and City Community Development and Housing office. A notice of Public Hearing and Public Comment period is advertised in the Wilmington Star News, and City Website and Social Media sites. In addition, notices with links to the CAPER are emailed to community-based organizations and other key stakeholders, such as the Cape Fear Housing Coalition, Tri-County Homeless Initiatives Council, and New Hanover County.

Please see appendix for copies of published notice.

CR-45 - CDBG 91.520(c)

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

An additional CDBG-CV allocation of \$883,609 was allocated for Permanent Supportive Housing (PSH) in the PY2021 Annual Action Plan. An application for rehabilitation of an existing PSH is in process as of the writing of the report.

As previously mentioned, the City has expanded housing rehabilitation programs to include Lead Hazard Reduction (LHR) grants for eligible households with children under the age of six. Funding for these grants will come from the OLHCHH grant. FY2021.22 is the final year for implementation of this grant. Close-out is anticipated to occur by March 2023. While the LHR program proved difficult to carryout for a variety of reasons including Covid, the Healthy Homes component of the grant was well received and the need for a continued Healthy Homes program is recognized by CDAH staff.

The City's program objective of increasing access to safe, decent, affordable housing will not change; however, programming will change to adjust to the realities of the market and the external environment. As described in earlier sections, the City will add Housing Counseling. In addition, we continue to explore opportunities to leverage CDBG funds to increase the resources available for homeownership programs and public service activities.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants? No

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

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

Property	Monitoring Date	Summary of Issues
Good Shepherd -Public Services - CDBG	Conducted monitoring meeting on 6/4/21. On-site monitoring date TBD	No issues of concern in review of files and monitoring questions; technical assistance will be provided as needed Good Shepherd receives Sundry CDBG funding in an annual agreement.
Lakeside Partners Phases I & II - HOME	Conducted monitoring meeting on 6/4/21. On-site monitoring date TBD	No issues of concern in review of files and monitoring questions; technical assistance will be provided as needed
Domestic Violence Shelter & Services – Public Services - CDBG	Conducted monitoring meeting on 6/8/21. On-site monitoring date TBD	No issues of concern in review of files and monitoring questions; technical assistance will be provided as needed Programmatic FY-22 documents were received by July 7, 2022. Domestic Violence receives Sundry CDBG funding in an annual agreement.

WHFD – Willow Pond - HOME	<p>Conducted monitoring meeting on 6/9/21.</p> <p>On-site monitoring date 2/24/22</p>	<p>No issues of concern in review of files and monitoring questions; technical assistance will be provided as needed</p> <p>On 2/24/22 Todd Fiskin, Terri Burhan, Suzanne Rogers, Holly Bruhn, and Dawn Coleman monitored Willow Pond on-site. Four minor recommendations were made to improve financial internal controls.</p>
Tammy Lynn Center - CDBG	<p>Conducted monitoring meeting on 6/9/21.</p> <p>On-site monitoring date TBD</p>	<p>New to the monitoring process; No issues of concern in review of files and monitoring questions; technical assistance will be provided as needed</p>
ARC – Cottonwood - CDBG	<p>Conducted monitoring meeting on 6/10/21.</p> <p>On-site monitoring date TBD</p>	<p>No issues of concern in review of files and monitoring questions; technical assistance will be provided as needed</p>
Lockwood Village - HOME	<p>Conducted monitoring meeting on 6/10/21.</p> <p>On-site monitoring date TBD</p>	<p>No issues of concern in review of files and monitoring questions; technical assistance will be provided as needed.</p> <p>Programmatic documents for FY-22 are needed for desk review.</p>
First Fruit Ministries – Public Services	<p>Conducted monitoring meeting on</p>	<p>Monitoring still in progress pending onsite inspection. Onsite COVID-19 waiver is in effect through September</p>

	6/10/21. On-site monitoring date TBD	2021 First Fruit receives Sundry CDBG/HOME funding in an annual agreement.
First Fruit Ministries – The Dream Center	Conducted monitoring meeting on 6/10/21. On-site monitoring date TBD	Monitoring still in progress pending onsite inspection. Onsite COVID-19 waiver is in effect through September 2021
HEO – Pointe at Taylor Estates Managed by Excel Property Management	Received requested programmatic documents on 6/24/21. On-site monitoring date TBD	Monitoring still in progress pending onsite inspection. Onsite COVID-19 waiver is in effect through September 2021. Programmatic documents for FY-22 are needed for desk review.
HEO – Robert E. Taylor Senior Homes Managed by Excel Property Management	Received requested programmatic documents on 6/24/21. On-site monitoring date TBD	Monitoring still in progress pending onsite inspection. Onsite COVID-19 waiver is in effect through September 2021. Programmatic documents for FY-22 are needed for desk review.
RHA Greenville Trace - HOME Managed by Excel Property Management	Received requested programmatic documents on 6/24/21. On-site monitoring date TBD	Monitoring still in progress pending onsite inspection. Onsite COVID-19 waiver is in effect through September 2021.

<p>Lake Ridge Managed by Excel Property Management</p>	<p>Received requested programmatic documents on 6/30/21. On-site monitoring date TBD</p>	<p>Monitoring still in progress pending onsite inspection. Onsite COVID-19 waiver is in effect through September 2021. Programmatic documents for FY-22 are needed for desk review.</p>
<p>Cape Fear CDC – 1108 N 5th- HOME</p>	<p>Received documentation on 5/18/21 and 6/29/22</p>	<p>Monitoring still in progress pending onsite file inspection and delivery of additional documents. 11/6/2020 property Inspection showed minor, level 1, repairs needed. No health and safety concerns noted.</p>
<p>Cape Fear CDC – 524 S 19th St - HOME</p>	<p>Received documentation on 5/18/21 and 6/29/22 Onsite property inspection TBD</p>	<p>Monitoring still in progress pending onsite file inspection and delivery of additional documents. Due to the COVID-19 pandemic, the city adjusted it's 2021-2022 monitoring plan. Programmatic FY-22 documents were received by July 7, 2022.</p>
<p>AMEZ – 905 Grace St - HOME</p>	<p>Request for programmatic monitoring documents sent 5/17/21, 4/25/22 and 6/10/22</p>	<p>No requested documentation provided to date. Monitoring still in progress pending onsite file inspection and delivery of additional documents. Due to the COVID-19 pandemic, the city adjusted it's 2021-2022 monitoring plan</p>
<p>AMEZ – 1314 Church St - HOME</p>	<p>Request for programmatic monitoring documents sent 5/17/21, 4/25/22 and 6/10/22</p>	<p>No requested documentation provided to date. Monitoring still in progress pending onsite file inspection and delivery of additional documents. Due to the COVID-19 pandemic, the city adjusted it's 2021-2022 monitoring plan</p>

AMEZ – 701 McCrae St - HOME	Request for programmatic monitoring documents sent 5/17/21, 4/25/22 and 6/10/22	No requested documentation provided to date. Monitoring still in progress pending onsite file inspection and delivery of additional documents. Due to the COVID-19 pandemic, the city adjusted it's 2021-2022 monitoring plan
Taylor West – New Brooklyn Managed by Excel Property Management	Received requested programmatic documents on 6/24/21. On-site monitoring date TBD	Monitoring still in progress pending onsite inspection. Onsite COVID-19 waiver is in effect through September 2021. Programmatic documents for FY-22 are needed for desk review.
608 Meares RR – HOME 1304 Wynwood RR - HOME	Received partial documentation on 5/18/21. Onsite property inspection TBD	Monitoring still in progress pending onsite file inspection and delivery of additional documents. Onsite COVID-19 waiver is in effect through September 2021. HOME training will be conducted in FY 21.22 for all Rental Incentive Loan Program owner/developers as part of technical assistance.
622 S 8 th St RR – HOME 1306 S 4 th St RR - HOME	Received some documentation by 7/7/22	Monitoring still in progress pending onsite file inspection and delivery of monitoring documents. No documentation provided to date. Onsite COVID-19 waiver is in effect through September 2021. HOME training will be conducted in FY 21.22 for all Rental Incentive Loan Program owner/developers as part of technical assistance.
2309 Monroe St RR - HOME	Received some documentation	Monitoring still in progress pending onsite file inspection and delivery of

	by 7/7/22	additional documents. HOME training will be conducted in FY 21.22 for all Rental Incentive Loan Program owner/developers as part of technical assistance.
917 S 10 th St RR – HOME	Received documentation by 7/7/22	Tenant selection plan, HOME lease, income verification, and rent roll submitted.
1503 Stanley St (unit a & b) RR – HOME	Received documentation by 7/7/22	Tenant selection policies, rent roll, and income verification submitted.
401 Henry St (unit a & b) RR – HOME	Received some documentation by 7/7/22	The financial monitoring documents, the rent roll, and proof of property insurance were received.
1210 King St RR – HOME 924 S 8 th St RR - HOME 333 Sumter Dr RR - HOME	FY22 documents requested 4/25/22 & 6/21/22	New to the monitoring process. Provided technical assistance on 5/26/22 and 5/31/22 to clarify the monitoring requirements.
1809 Queen RR – HOME 1809-A Queen RR - HOME 1714 Colwell Ave RR – HOME	FY22 documents requested 4/25/22 & 6/21/22	New to the monitoring process. HOME training will be conducted for all Rental Incentive Loan Program owner/developers as part of technical assistance.
1010 Fanning St RR – HOME	FY22 documents requested 4/25/22 & 6/21/22	New to the monitoring process. HOME training will be conducted for all Rental Incentive Loan Program owner/developers as part of technical assistance.
1314 Orange St RR – HOME 520 Harnett St RR – HOME 309 Anderson St RR - HOME	FY22 documents requested 4/25/22 & 6/21/22	New to the monitoring process. HOME training will be conducted for all Rental Incentive Loan Program owner/developers as part of technical assistance.
606 N 7 th St RR – HOME	FY22	New to the monitoring process. HOME

	documents requested 4/25/22 & 6/21/22	training will be conducted for all Rental Incentive Loan Program owner/developers as part of technical assistance.
--	---	--

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units.

92.351(b)

The City of Wilmington continues efforts to foster non-discrimination and equal opportunity in housing. To that end, housing programs assisted with federal or local funds are made widely known through-out the community through advertising in local media outlets, as well as ongoing contact with community-based organizations, social service agencies, partnering banks and real estate professionals, the Wilmington Housing Authority, and area churches. The Fair Housing Logo is displayed on all Community Development housing and other materials.

All CDBG and HOME assisted housing projects are required to have an affirmative marketing plan, as referenced in funding agreements. The borrower or recipient of CDBG or HOME funds is required to submit a tenant selection plan and/or marketing plan that describes affirmative marketing actions to provide information and otherwise attract eligible persons in the housing market to the available housing without regard to race, color, national origin, sex, religion, familial status, or disability.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

IDIS PR05 list projects and amounts of program income or entitlement drawn for the projects. See appendix.

Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing).

91.320(j)

CDBG-CV Program Support

As part of the March 27, 2020, CARES Act the City of Wilmington received two allocations of supplemental CBDG-CV funds \$612,032 and \$883,609 to prevent, prepare for and respond to Coronavirus. The funds are subject to CDBG program requirements and regulations with some exceptions and waivers.

City Council approved a Resolution and Supplemental Appropriation to amend the City's 2019-20 Annual Action Plan to use the funds for Public Service activities to include education programs to increase access to low-income youth at risk of learning loss; provision of food and supplies to prevent and respond to coronavirus; and emergency assistance, limited to three months, in the form of rent and utility payments for low-income households impacted by coronavirus. Likewise, City Council adopted the FY2021 Annual Action Plan which included the allocation of the second tranche \$883,609 to support Permanent Supportive Housing.

RENTAL REHABILITATION IN FY2020.21

Rental Rehabilitation Incentive Loan Program

\$329,300 HOME & RL (FY21.22)



The City of Wilmington offers a \$125,000 maximum loan at zero percent interest to finance the creation of affordable rental housing in existing residential homes in need of rehabilitation, or for new construction on in-fill lots. The loan is targeted to small developers, investors, non-profits, or others interested in providing single-family rental units. The intent of the program is to bring badly deteriorated or dilapidated housing units back into the rental housing stock; therefore, all potential units must be vacant.



Interest in the program is increasing as word spreads among small scale local developers. In FY2021.22, two loans closed for three units. The housing boom of the past year made it difficult for small affordable housing developers to compete with market-rate investors paying above asking for deteriorated housing that is the focus of the Rental Rehab Incentive Loan program. The Loan Review Board recommended that City Council increase the maximum loan amount from \$125,000 to \$200,000. Additionally, CDAH staff now offers workshop for interested developers to ensure the program requirements are fully explained and understood. The workshop also serves as a marketing tool to attract potential borrowers.



The Loan Review Board recommended that City Council increase the maximum loan amount from \$125,000 to \$200,000. Additionally, CDAH staff now offers workshop for interested developers to ensure the program requirements are fully explained and understood. The workshop also serves as a marketing tool to attract potential borrowers.



LOAN PROGRAMS FOR HOMEBUYERS AND HOMEOWNERS

Homeownership Opportunities Program (HOP)

\$231,106 CDBG/RL/GF

\$ 396,912 Banks

Working in partnership with local banks the City offers the Homeownership Opportunities Program (HOP) to low-to-moderate income homebuyers. CDBG and General Funds are used to provide second



HOP Closing

mortgages at zero percent interest to eligible homebuyers. Homebuyers must attend a homebuyer education class. Five-year affordability period requirements apply to all HOP loans. During FY2021.22, CD Housing staff closed 3 loans with CDBG and General Fund; this is a 50% reduction in loans closed from the prior year. There were over 13 pre-qualified homebuyers on at year-end searching for a house to purchase using the HOP program. The average HOP loan amount was \$209,339 with the bank portion average \$132,304 and the city portion average \$77,035 including \$25,000 in forgivable down

payment assistance. The average income of HOP borrowers was \$50,779 with an average household size of 1.3. All of the HOP loans were made to Female Head of Household and 2 of the 3 loans were to African American households.

HOP loans made as second position to bank loans are presented to a HOP Review Committee to underwrite the loans in accordance with the adopted HOP Underwriting Guidelines. Loans are recommended to the City Manager for final approval.

The Wilmington housing market is a high demand market with rising prices and limited inventory, especially for low-to-moderate income homebuyers. This was especially true in the past year or so. The City Loan Review Board recommended to City Council that a \$50,000 deferred loan be made available to HOP borrowers who purchase homes in need of rehabilitation. This \$50,000 would be added to \$25,000 forgivable DPA to provide up to \$75,000 in forgiven and deferred loan for rehabilitation of existing units. In addition, the purchase price of the HOP loan was increased to \$325,000.



Home purchased with HOP mortgage

Down Payment Assistance Loans (DPA)

\$185,986 HOME

\$595,014 First Mortgages

Homebuyers may apply for up to \$50,000 in down payment assistance to be used with a conventional or other non-City first mortgage program. In FY21.22, the City closed four DPA's. In addition, the City

provides referrals to other private and public mortgage products.

Loans are deferred, forgivable, with no interest and a maximum term of 10 years based on the amount of the loan. Applications are referred by primary lender to City of Wilmington for the benefit of borrower. Fully documented first mortgages approved for funding by FHA, the VA or a large institutional lender that underwrites to Fannie Mae, Freddie Mac, VA, FHA or NCHFA CPLP standards, will be acceptable to establish the applicant's ability to make payments and dependability of income, in addition to DPA Program's underwriting guidelines. City staff perform a subsidy layering review to substantiate the down payment assistance will not over-subsidize the borrower by lowering the housing ratio below 30% of applicant income. Down Payment Assistance is not eligible to be used with HOP loans. Down Payment Assistance cannot be used with other HOME program subsidies. The DPA program is marketed to Banks, Mortgage Companies, Cape Fear Realtor Workforce Housing Certified Brokers, Realtors, and non-profit lenders.

CDAH staff researched the opportunity for the City to join the North Carolina Housing Finance Agency Community Partners Loan Pool (CPLP) in order to provide more mortgage opportunities to low-to-moderate income (LMI) households. The CPLP program works with partner banks to provide affordable mortgages and down payment assistance throughout the state. As a member of the CPLP the City CDAH staff will process loans for eligible borrowers who may purchase outside the city limits. CPLP will reimburse the City for each loan thereby ensuring that no taxpayer funds are used for purchases outside the city limits. CPLP allows a more regional approach to homeownership and allows LMI homebuyers to access areas of opportunity which may have preferred schools and access to jobs as an example.

Housing Rehabilitation Loans

\$ 155,200 General Fund; \$177,033 HOME



Guidelines for the Housing Rehabilitation Loan Program allow for forgivable loans up to \$75,000 for households earning below 50% AMI. In addition, the guidelines include a forgivable loan of up to \$10,000 for minor repairs and fully amortized loans up to \$85,000 at 2% for households with incomes up to 80% AMI with the ability to repay a loan. In FY21.22 six loans were approved by the Loan Review Board (LRB). All six borrowers are female, with three extremely low income (less than 50% AMI), five of six are African American, and three are elderly. In FY21.22, the City received 25 applications of which nine were ineligible, two withdrew, and the remaining are in process (inspection, bid process, construction).

The inflated cost of construction materials and shortage of labor has hindered the Owner-Occupied Housing Rehabilitation program. Efforts are underway to recruit more contractors and review estimates to account for inflation. The Loan Review Board is recommending to City Council that the maximum loan amounts for the forgivable and amortized loans be increased.

Housing Counseling

CDBG \$1,100



Homebuyer Education Certificate

The City became a Certified Housing Counseling Agency in FY2021-2022. City Council approved the addition of a Housing Counselor position in the FY2022-2023 budget. As part of this initiative, the City became a member of the North Carolina Housing Coalition (NCHC) Housing Counseling Network and received a \$24,000 grant as a subrecipient of the NCHC HUD Housing Counseling Grant. City staff began the steps to establish the Housing Counseling Program including researching Client Management Software. Referrals from the HUD website yielded 22 clients

participating in one-on-one sessions. One hundred forty-six (146) individuals attended Homebuyer Education Classes in FY22. In FY2023, CDAH staff will complete program set-up to include the Client Management System, hiring the new Housing Counselor, developing marketing and outreach materials and webpage and other activities as needed.



Lending Fair for Community Members to Meet Mortgage Bankers. MLK Center 6/25/22

GAP Financing to increase Affordable Housing Units

\$3.5 million American Rescue Plan Act



Rendering Starway Village 1

City shows that only 396 units of affordable multifamily housing were permitted over the period from 2010-2020.

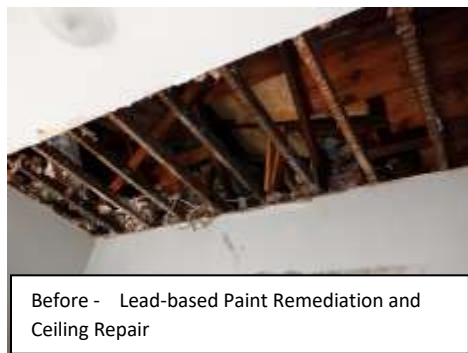
City Council authorized the use of \$3.5 million of unassigned fund balance to be available for affordable housing gap financing to leverage additional public and private funds for development of new housing

The 2021 Housing Needs Assessment for Wilmington/New Hanover County prepared by Bowen National Research quantified the housing gap by income for both rental and for-sale housing. The report indicated a gap of over 400 rental units per year for the next ten years for affordable rental housing for households with income at or below 80% AMI. A review of building permits for multifamily housing in the

units. Additionally, City Council allocated \$3.5 million of American Rescue Plan Act funds available to local governments. The City CDAH section has received applications for over 350 new units and rehabilitation of 196 units of existing affordable housing in FY2022. As of the writing of this report City Council has approved gap financing for 350 new units of affordable rental housing. The remaining project applications are still in process.

Lead Hazard Reduction/Healthy Homes

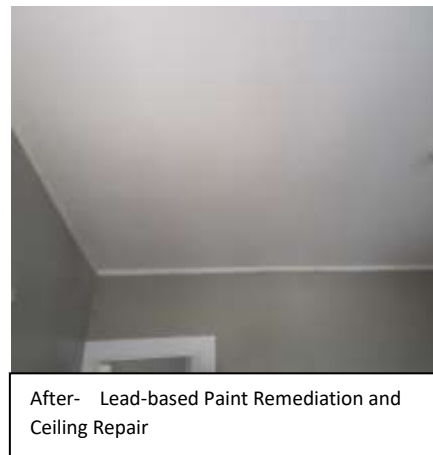
\$582,504 Lead Hazard Reduction/Healthy Homes grant



In January 2020, the City was awarded a three and half year \$1.8 million Lead Based Paint Hazard Control/Healthy Homes grant from the Office of Lead Hazard Control and Healthy Homes at HUD. Originally, the grant was to fund Lead-based Paint remediation and health and safety repairs in 65 homes where children under the age of six reside or spend significant time within the home. In addition, the grant allowed for education and outreach to the community at-large about the danger of Lead-based Paint, and training for contractors and volunteers on safe work practices in home renovations when

lead-based paint is present.

HUD suspend the many of the program activities due to Covid and revised benchmarks to account for the interruption in program implementation. As of June 30, 2022, the City has expended \$582,504 of the grant to remediate 17 units. In total 102 pre-applications have been screened for eligibility including income, City residency, and the presence of children under the age of six. Thirty full applications were submitted, and 27 Lead/Risk Inspections and Healthy Homes Assessments were conducted. In addition, 77 individuals working in the residential renovation construction were trained in Lead Safe practices and Healthy Homes.



General Fund Public Services Expenditures FY21.22	
Coastal Horizons	\$ 99,226.48
Domestic Violence Shelter & Services	\$ 3,757.00
Phoenix Employment Agency (Step Up)	\$ 32,167.00
Kids Making It	\$ 35,979.00
Brigade Boys & Girls Club	\$ 56,420.00
Good Shepherd	\$ 4,240.00
Food Bank	\$ 17,482.00
Cape Fear Communities in Schools	\$ 23,940.00
Ability Garden/Arboretum	\$ 8,333.00
WARM (Wilmington Area Rebuilding Ministry)	\$ 42,753.00
Comprehensive Care (Aging in Place)	\$ 6,950.00
Cape Fear Literacy Council	\$ 16,769.00
LINC	\$ 78,606.00
Cape Fear Community Housing Land Trust	\$ 24,440.00
Voyage	\$ 68,672.00
Dreams of Wilmington	\$ 23,194.00
WRAAP (Wilmington Area Residential Adolescent)	\$ 26,322.00
Community Boys & Girls Club	\$ 46,673.00
One Love Tennis	\$ 5,000.00
Cape Fear COG	\$ 50,000.00
First Tee	\$ 5,000.00
SUBTOTAL	\$ 675,923.48

This Page Intentionally Blank

2021-2022 General Fund

June 30 2022										
	Fund 80	General Fund	General Fund	Other Grants						
	General Fund	HOP Revolving	Loan Fund 76	General Funds						
	Revolving Rehab and Legal									
	Available	Expenditures	Available	Expenditures	Available	Expenditures	Sub-Total Available	Total Expenditures	Total Available	
HOP	\$ -	\$ -	\$ 2,877,004	\$ 169,886	\$ -	\$ -	\$ 2,877,004	\$ 169,886	\$ 2,707,118	
Legal Fees - Activity Delivery	\$ -	\$ -	\$ 912	\$ 912	\$ -	\$ -	\$ 912	\$ 912	\$ -	
Rental Rehab	\$ -	\$ -	\$ 507,852	\$ -	\$ -	\$ -	\$ 507,852	\$ -	\$ 507,852	
Housing Rehabilitation	\$ 297,426	\$ 155,200	\$ -	\$ -	\$ -	\$ -	\$ 297,426	\$ 155,200	\$ 142,226	
Activity Delivery Costs	\$ 3,495	\$ 3,495	\$ -	\$ -	\$ -	\$ -	\$ 3,495	\$ 3,495	\$ -	
Legal Fees - Activity Delivery	\$ 156,410	\$ 2,977	\$ -	\$ -	\$ -	\$ -	\$ 156,410	\$ 2,977	\$ 133,433	
Foreclosure Back Taxes & Other Costs FCLSRBCK	\$ -	\$ -	\$ -	\$ -	\$ 20,182	\$ -	\$ 20,182	\$ -	\$ 20,182	
Homeownership Services-OTREACH	\$ -	\$ -	\$ -	\$ -	\$ 19,542	\$ 1,331	\$ 19,542	\$ 1,331	\$ 18,212	
SUBTOTAL	\$ 437,330	\$ 161,672	\$ 3,385,768	\$ 170,798	\$ 39,725	\$ 1,331	\$ 3,862,822	\$ 333,801	\$ 3,529,022	

2020-2021 HOME

June 30 2022

	HOME Funds			CHDO Proceeds			Federally Funded Revolving Loan Funds 71, 74, 75, 77			Sub-Total		Total	
	Budget Appropriated	Available From Prior Years	Total Expenditures	Available	Total Expenditures	Available	Total Expenditures	Available	Total Expenditures	Available	Total Expenditures		
Rental Rehab													
HOME Loans	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 290,333	\$ -	\$ 290,333	\$ 430,763	\$ -	\$ 430,763		
HOP	\$ -	\$ (665)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (665)	\$ (665)	\$ -	\$ (665)		
Housing Rehabilitation	\$ 250,000	\$ 376,595	\$ 177,033	\$ -	\$ -	\$ -	\$ -	\$ 626,595	\$ 177,033	\$ 449,562	\$ 500,000		
Rental Rehab	\$ 500,000	\$ 228,888	\$ 329,300	\$ -	\$ -	\$ 100,412	\$ -	\$ 829,300	\$ 329,300	\$ 500,000	\$ 500,000		
Undesignated-HOME	\$ 186,606	\$ 26,140	\$ -	\$ -	\$ -	\$ 521,146	\$ -	\$ 733,892	\$ 329,300	\$ -	\$ 733,892		
Housing Relocation	\$ -	\$ 3,731	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,731	\$ -	\$ -	\$ 3,731		
Non-CHDO Housing - WHHD	\$ -	\$ 10,448	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,448	\$ -	\$ -	\$ 10,448		
Down payment Assistance	\$ 175,000	\$ 99,107	\$ 185,986	\$ -	\$ -	\$ -	\$ -	\$ 274,107	\$ 185,986	\$ 88,121	\$ 88,121		
CHDO Undesignated	\$ 104,026	\$ 407,858	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 511,884	\$ -	\$ -	\$ 511,884		
CHDO - RL	\$ -	\$ -	\$ -	\$ 161,677	\$ -	\$ -	\$ -	\$ 161,677	\$ -	\$ -	\$ 161,677		
CHDO - RL	\$ -	\$ -	\$ -	\$ 7,272	\$ -	\$ -	\$ -	\$ 7,272	\$ -	\$ -	\$ 7,272		
SUBTOTAL	\$ 1,215,632	\$ 1,152,102	\$ 692,319	\$ 168,948	\$ -	\$ 911,892	\$ -	\$ 3,879,337	\$ 692,319	\$ 3,187,018	\$ 3,187,018		
Administration-HOME	\$ 135,070	\$ -	\$ 135,070	\$ -	\$ -	\$ -	\$ -	\$ 135,070	\$ 135,070	\$ -	\$ -		
SUBTOTAL	\$ 135,070	\$ -	\$ 135,070	\$ -	\$ -	\$ -	\$ -	\$ 135,070	\$ 135,070	\$ -	\$ -		
Grand Total	\$ 1,350,702	\$ 1,152,102	\$ 827,389	\$ 168,948	\$ -	\$ 911,892	\$ -	\$ 4,014,407	\$ 827,389	\$ 3,187,018	\$ 3,187,018		

2021-2022 CDBG

June 30 2022										
			CDBG Funds			Federally Funded Revolving Loan Funds 71, 74, 75, 77				
	Prior Years PI & RL	Budget Appropriated	Available From Prior Years	Total Expenditures	Available	Expenditures	Sub-Total Available	Total Expenditures	Total Available	
Housing Rehab	\$ 154,924	\$ -	\$ -	\$ -	\$ 391,179	\$ 146	\$ 546,104	\$ 146	\$ 545,958	
HOP Loans RL75	\$ 292,069	\$ -	\$ -	\$ -	\$ 91,993	\$ -	\$ 384,062	\$ -	\$ 384,062	
HOP Loans	\$ -	\$ -	\$ 252,032	\$ 63,000	\$ -	\$ -	\$ 252,032	\$ 63,000	\$ 189,032	
Activity Delivery Costs	\$ -	\$ 260,473	\$ -	\$ 205,000	\$ -	\$ -	\$ 260,473	\$ 205,000	\$ 55,473	
Housing Counseling	\$ -	\$ -	\$ 1,300	\$ 1,100	\$ -	\$ -	\$ 1,300	\$ 1,100	\$ 200	
Relocation	\$ -	\$ -	\$ 62,079	\$ 36,130	\$ -	\$ -	\$ 62,079	\$ 36,130	\$ 25,948	
Limited Assistance Grants	\$ -	\$ -	\$ 5,543	\$ 8,113	\$ -	\$ -	\$ 5,543	\$ 8,113	\$ (2,570)	
Undesignated	\$ -	\$ 408,717	\$ 662	\$ -	\$ -	\$ -	\$ 409,379	\$ -	\$ 409,379	
SUBTOTAL	\$ 446,993	\$ 669,190	\$ 321,616	\$ 313,343	\$ 483,173	\$ 146	\$ 1,920,971	\$ 313,489	\$ 1,607,482	
Domestic Violence	\$ -	\$ 32,360	\$ -	\$ 32,360	\$ -	\$ -	\$ 32,360	\$ 32,360	\$ -	
First Fruit Ministries	\$ -	\$ 23,900	\$ -	\$ 23,900	\$ -	\$ -	\$ 23,900	\$ 23,900	\$ -	
Joint Project- Good Shepherd	\$ -	\$ 118,740	\$ -	\$ 118,740	\$ -	\$ -	\$ 118,740	\$ 118,740	\$ -	
SUBTOTAL	\$ -	\$ 175,000	\$ -	\$ 175,000	\$ -	\$ -	\$ 175,000	\$ 175,000	\$ -	
Administration -CDBG	\$ -	\$ 211,472	\$ -	\$ 211,472	\$ -	\$ -	\$ 211,472	\$ 211,472	\$ -	
SUBTOTAL	\$ -	\$ 211,472	\$ -	\$ 211,472	\$ -	\$ -	\$ 211,472	\$ 211,472	\$ -	
Grand Total	\$ 446,993	\$ 1,055,662	\$ 321,616	\$ 699,815	\$ 483,173	\$ 146	\$ 2,307,443	\$ 699,961	\$ 1,607,482	

IDIS - PR05

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Integrated Disbursement and Information System
Drawdown Report by Project and Activity
Wilmington , NC

DATE: 09-03-22
TIME: 13:39
PAGE: 2

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Integrated Disbursement and Information System
Drawdown Report by Project and Activity
Wilmington , NC

U.S. Department of Housing and Urban Development
 Office of Community Planning and Development
 Integrated Disbursement and Information System
 Drawdown Report by Project and Activity
 Wilmington , NC

Program Year/ Project

Program Year/ Project	IDIS Act ID	Activity Name	Prior Year	Voucher Number	Line Item	Voucher Status	LOCCS Send Date	Grant Year	Grant Number	Fund Type	Drawn Amount
				6599949	1	Completed	3/1/2022	2021	B21MC370010	EN	\$11,559.21
									Activity Total		\$11,559.21
2021 3	1036	Public Services				Good Shepherd Wilmington Interfaith Joint Project					
				6599950	1	Completed	3/1/2022	2021	B21MC370010	EN	\$40,261.62
				6599951	1	Completed	3/1/2022	2021	B21MC370010	EN	\$32,296.85
				6649425	1	Completed	6/23/2022	2021	B21MC370010	EN	\$23,662.64
				6649426	1	Completed	6/23/2022	2021	B21MC370010	EN	\$22,518.89
									Activity Total		\$118,740.00
									Project Total		\$159,962.38
									Program Year 2021 Total		\$846,293.63

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Integrated Disbursement and Information System
Drawdown Report by Project and Activity
Wilmington , NC

