

# CITY OF HIGH POINT

## AGENDA ITEM



**Title:** Adoption of the 2015-16 Annual Action Plan and the 2015-2019 Consolidated Plan

**From:** Michael E. McNair, Director

**Meeting Date:** 5/4/2015

**Public Hearing:** No

**Advertising Date**

**Advertised By:**

**Attachments:** Executive Summary of the 2015-2016 Annual Action Plan and the 2015-2019 Consolidated Plan

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### **PURPOSE:**

The Community Development and Housing Department (CD&H) has completed necessary activities for preparation and submission of the 2015-16 Annual Action Plan and the 2015-2019 Consolidated Plan to the Department of Housing and Urban Development (HUD). The final step prior to submission is Council approval. The current draft of the full document can be seen at:

<http://www.highpointconplan.com/learn-more.html>

### **BACKGROUND:**

HUD awards grants to eligible community grantees to carry out a wide range of community development activities directed toward revitalizing neighborhoods, affordable housing, economic development, and providing improved community facilities and services. High Point is required to submit a five year consolidated plan to HUD in order to receive Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds.

### **BUDGET IMPACT:**

The city will receive a CDBG allocation in the amount of \$808,831 (a decrease of \$1,068 from last year) and HOME allocation of \$320,099 (a decrease of \$35,901 from last year). Additionally, program income is expected in the amounts of \$135,000 for CDBG and \$458,000 for HOME.

### **RECOMMENDATION / ACTION REQUESTED:**

The action plan process has met HUD citizen participation requirements for plan development such as public availability of the proposed Plan, public hearings on the Plan, and the public comment period. We ask that Council favorably consider approval of the 2015-16 Annual Action Plan and the 2015-2019 Consolidated Plan and authorize the City Manager to execute necessary documents for submission to HUD. The plan must be submitted to HUD no later than May 15, 2015.

# 2015-2019 Consolidated Plan and 2015-2016 Annual Action Plan: Executive Summary

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The City of High Point's Community Development and Housing Department, along with WFN Consulting, Inc., has prepared its draft 2015-2019 Five-Year Consolidated Plan and 2015-2016 Annual Action Plan, as required by the U.S. Department of Housing and Urban Development. The Consolidated Plan identifies priority community development and housing needs for the City, with an emphasis on low and moderate income and special-needs populations. The Annual Action Plan outlines how High Point plans to spend its Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds over the next fiscal year.

## Citizen Participation

- ❖ Interview and focus group participation from 21 organizations
- ❖ Interview and public meeting participation from 52 residents
- ❖ Survey participation from 147 community members

### Top Needs Identified in Focus Groups & Public Meetings:

- Housing affordability
- Boarded-up/vacant properties
- Housing repair/rehab and code enforcement
- Homeless services and housing for the homeless
- Move-in assistance (utility set-up, deposits, etc.)
- Expanded transit service
- Employment skills training
- Financial literacy and homeownership counseling

## Needs Assessment

The Needs Assessment considered housing needs, public housing, homeless and other special needs populations, and non-housing community development needs. Key findings include:

- ❖ **Affordability is the most common housing problem.** Two-thirds (67%) of households with incomes under 80% of the Area Median Income (AMI) have a cost burden (i.e., spend over 30% of their income on housing).
- ❖ **Cost burdened households are more likely to be renters.** Low and moderate income cost burdened renters outnumber cost burdened owners by nearly two to one (6,919 renter households versus 3,667 owner households).
- ❖ **There is existing demand for additional subsidized housing units.** The City of High Point Housing Authority administers 1,132 public housing units (with a wait list of 634 households) and 1,484 housing choice vouchers (with a wait list of 967 households).
- ❖ **There were 897 homeless persons in Guilford County** as of the 2014 point in time count. An estimated 89% of homeless persons were sheltered and 11% were unsheltered. Twelve percent (12%) reported being chronically homeless. Homeless service providers identified a day center as a top need.
- ❖ **Other special needs populations in High Point** include elderly and disabled residents (who make up 6.3% and 13.3% of High Point population, respectively), and victims of domestic violence.

- ❖ **Community development needs** identified through public input include: youth and senior services, transportation assistance, employment services, health/mental health services, services for the limited English proficiency population, parks/recreation facilities, street and sidewalk improvements, and rehab or demolition of blighted properties.

## Housing Market Analysis

The Housing Market Analysis characterized the existing supply of housing in High Point, along with subsidized housing, homeless and special needs facilities and services, and non-housing community development assets. Major findings include:

- ❖ **Over half of High Point's rental housing and 43% of its owned housing was built before 1980.** Older units may be at increased risk of falling into poor condition due to age. Units built before 1978 with children present (2,247 owned units and 1,670 rental units) are at elevated risk of lead-based paint hazards.
- ❖ **Homeless facilities in High Point offer 229 beds for its homeless population.** The majority of these are emergency shelter beds (68%). There are 47 units dedicated to providing permanent supportive housing, and homeless housing providers indicate permanent supportive housing as a key need in the City.
- ❖ **Manufacturing and Education and Health Services are the top employment sectors** in High Point, each making up 18% of jobs. Stakeholder input indicates that recent technological advances in the manufacturing field require advanced technical training and/or an associate's degree, potentially leading to the displacement of existing workers who lack these skills.
- ❖ **A statewide Skills Gap Analysis identified the need for employment skills training** in the following areas: attendance, communication, customer service, problem solving, writing, critical and analytical thinking, following directions, and teamwork.

## 2015-2019 Consolidated Plan Priorities

The City of High Point identified the following priority needs based on community input, rate of cost burdening, age of housing, other findings from the needs assessment and market analysis, and findings from prior research and plans, including the City's Analysis of Impediments to Fair Housing Choice, the Core City Master Plan, and Guilford County's 10-Year Strategy to End Homelessness.

1. Affordable Rental Housing Construction	
<b>Description/Activities</b>	Expand the supply of affordable housing Promote the development of affordable rental units in high opportunity areas Develop public-private partnerships to support construction of rental units
2. Expand Homeownership Opportunities	
<b>Description/Activities</b>	Partner with CHDO for development of affordable owned housing Continue Homeowner Assistance program Promote infill housing development opportunities in Core City
3. Decrease Homelessness	

<b>Description/Activities</b>	Support development of permanent supportive housing Support continued coordination with regional service providers
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4. Code Enforcement and Neighborhood Clean-Up	
<b>Description/Activities</b>	Rehabilitation of existing units Neighborhood enhancement and revitalization Address abandoned properties
5. Core City Revitalization/NRSA	
<b>Description/Activities</b>	Continue Community Based Initiatives Program Assess feasibility of a land bank Leverage city-owned properties
6. Job Training & Employment Assistance	
<b>Description/Activities</b>	Continue and expand support of job training programs
7. Public Services	
<b>Description/Activities</b>	Provide a range of services for low/mod income residents such as tax prep assistance, medical/health programs, youth activities, senior activities, transportation assistance, and others
8. Fair Housing Education & Awareness	
<b>Description/Activities</b>	Fair housing training through a certified fair housing agency Outreach to population with limited English proficiency Testing Restrict subrecipients with history of discriminatory behavior

## 2015-2016 Expected Resources

The following table outlines High Point's anticipated resources including CDBG, HOME, and other funding sources that the City anticipates having available during the 2015-2016 fiscal year.

<b>CDBG Funds</b>	HUD Allocation: \$808,831 Anticipated program income: \$135,000 Prior year resources: \$240,393 <b>Total anticipated 2015-2016 funding: \$1,280,396</b>
<b>HOME Funds</b>	HUD Allocation: \$320,099 Anticipated program income: \$458,000 <b>Total anticipated 2015-2016 funding: \$778,699</b>
<b>Section 108 Loan</b>	Original loan of \$3,907,000 with remaining balance of \$2,557,000
<b>Other Resources</b>	City of High Point General Fund Continuum of Care Permanent Supportive Housing Grant Department of Justice Grant Internal Revenue Service Grant North Carolina Housing Finance Agency Grant Neighborhood Stabilization Program Program Income HUD Lead-Based Paint Hazard Control Grant

## 2015-2016 Annual Action Plan Projects

The City of High Point will undertake the following activities to address priority needs and objectives established in the Consolidated Plan and Annual Action Plan. Projects will also address the priorities identified in the City's "Analysis of Impediments/Assessment of Fair Housing Summary."

### Community Capacity Building Program

- Develop, implement, and coordinate community capacity building services to increase neighborhood stability and vitality
- Educational programs, training, workshops, technical assistance, and youth development

**Projected Funding** \$231,513 from CDBG

**Goals** Facilitate 10 activities

### Community Based Initiatives Grant Program

- Fund public service activities by neighborhoods and/or local community-based organizations for low/moderate income residents
- Potential uses include supplies, materials, and goods and services for project implementation

**Projected Funding** \$5,000 from CDBG

**Goals** Fund activities by 5 neighborhoods/community-based organizations

### Public Services Grant Program

- Fund public service activities by nonprofits and community-based organizations for low/moderate income residents
- Applicants include the following organizations and programs:
  - ❖ Caring Services, Inc. Family Program
  - ❖ Communities in Schools of High Point Healthy Fit Challenge Workshops
  - ❖ Fairview Family Resource Center Garden and Community Resource Outreach Program
  - ❖ Housing Authority of City of High Point Self-Sufficiency Occupational Training Project
  - ❖ Macedonia Family Resource Center Punch4Pounds Program
  - ❖ Reading Connections, Inc. Adult Literacy Services
  - ❖ The M.I.N.D. (Moving In a New Direction) Fans View Sports, Music and Video Project
  - ❖ Food Assistance, Inc. Groceries on Wheels (GoW)
  - ❖ New Beginnings Full Gospel Ministries Project Refocus
  - ❖ Salvation Army of High Point PART Bus Pass Program
  - ❖ YWCA of High Point Making Proud Choices Pregnancy Prevention Program

**Projected Funding** \$65,000 from CDBG

**Goals** Assist up to 11 public service applicants; Specific goals determined by project

### Core City Activities

- Acquire and demolish blighted properties
- Public improvements for neighborhood safety (sidewalks, traffic calming, etc.)
- Develop community gardens

**Projected Funding** \$260,786 from CDBG

**Goals** Acquire 10 lots and complete 5 public improvement projects

### Emergency Repair

- Provide quick action to low and moderate income homeowners with a housing failure (or imminent failure) that endangers health or safety

**Projected Funding** \$130,809 from CDBG (plus \$110,000 from NCHFA)

**Goals** Assist 24 eligible households

### Kirkwood Crossing and Addington Ridge

- Support development of affordable multifamily housing built using Low Income Housing Tax Credits (LIHTC)

**Projected Funding** \$2,000,000 in Section 108 Loan funds for Kirkwood Crossing  
\$38,000 in CDBG funds for Section 108 Loan repayment for Addington Ridge

**Goals** Develop 84 affordable units at Kirkwood Crossing  
Develop 58 affordable units at Addington Ridge

### Habitat for Humanity Affordable Housing Construction

- Support development of affordable, owner-occupied housing by a Community Housing Development Organization (CHDO) in Southside and Washington Terrace

**Projected Funding** \$107,720 in HOME funds for home construction  
\$15,000 in HOME funds for operating support

**Goals** Construct 6 homes

### Homebuyer Assistance and Individual Development Accounts

- Down payment and closing cost assistance of up to \$5,000 (with additional incentives in Macedonia, Southside, and West End)
- Program participants must complete HUD-approved homebuyer education and counseling

**Projected Funding** \$100,000 in HOME funds for down payment assistance  
\$51,000 in CDBG funds for homebuyer and individual development account training

**Goals** Homebuyer education for up to 300 households  
Mortgage-readiness for up to 50 households

### Activities Funded through Other Resources

- Family Service of the Piedmont Harmony House Supervised Visitation and Exchange Program
- City of High Point Volunteer Income Tax Assistance (VITA) Program
- City of High Point Continuum of Care Permanent Supportive Housing Program
- City of High Point Neighborhood Stabilization Program
- City of High Point Infill Housing Development
- City of High Point Construction Training Partnership (CTP) Program
- City of High Point Core City Homebuyer Assistance Program
- City of High Point Lead-Based Paint Hazard Remediation Program