



**SPECIAL SOCIAL SERVICES
COMMITTEE AGENDA
June 14, 2011
3:00 P.M., Council Chambers**

Members:

Myers – Chair

Henson – Vice Chair

Steve Kay

Chris Ford

Diane Lawless

Kevin Stinnett

Jay McChord

1. Presentation: Community Development Block Grant and its Consolidated Plan, pp.1-112
 - Irene Gooding, Division of Community Development
2. Nationwide Best Practices
 - Paul Schoninger



LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT'S

OVERVIEW OF

CONSOLIDATED PLAN PROCESS

PRESENTED TO

SOCIAL SERVICES COMMITTEE

URBAN COUNTY COUNCIL

BY

DIVISION OF COMMUNITY DEVELOPMENT

JUNE 14, 2011

TABLE OF CONTENTS

PROPOSED 2012 CONSOLIDATED PLAN SCHEDULE.....	1
INTRODUCTION	2
FUNDS AVAILABLE.....	3
FEDERAL REGULATIONS-24 CFR PART 91.....	4
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM	26
HOME INVESTMENT PARTNERSHIPS PROGRAM	30
EMERGENCY SHELTER GRANTS PROGRAM.....	33
FAITH-BASED ORGANIZATIONS	34
RELOCATION ASSISTANCE	35
PREVIOUS USE OF PROGRAM FUNDS.....	38
STRATEGIC PLAN	46
CITIZEN PARTICIPATION PLAN.....	62
LOW- AND MODERATE- INCOME LIMITS	70
MAP	71
CDBG APPLICATION--2011 CONPLAN	72
ESG APPLICATION--2011 CONPLAN.....	84
HOME APPLICATION--2011 CONPLAN.....	97

**For Word fillable forms and a complete copy of this document, go to
www.LexingtonKY.gov/communitydevelopment .
For questions, call Irene Gooding at (859) 258-3070.**

PROPOSED 2012 CONSOLIDATED PLAN SCHEDULE

Announcement that 2012 Consolidated Plan process has begun	August 29, 2011
First Public Hearing	September 12, 2011 6:00 P.M. LFUCG Council Chambers Government Center 200 East Main Street
Deadline for applications requesting funding and citizen comments	November 18, 2011, 5:00 P.M. Division of Community Development Government Center, 6 th Floor 200 East Main Street
Staff review of applications and interviews with applicants (if necessary)	Completed by December 29, 2011
Publication of draft 2012 Consolidated Plan One-Year Action Plan and Five-Year Strategic Plan	March 1, 2012
Second Public Hearing	March 12, 2012, 6:00 P.M. LFUCG Council Chambers Government Center 200 East Main Street
Deadline for citizen comments	April 2, 2012 Division of Community Development Government Center, 6 th Floor 200 East Main Street
Council meetings to review 2012 Consolidated Plan	April 2012, dates to be announced
Submission of Final 2012 Consolidated Plan to the U.S. Department of Housing and Urban Development	May 15, 2012

Dates, times, and locations of meetings are subject to change.

INTRODUCTION

In accordance with the federal regulations governing the consolidated submission for Community Planning and Development Programs and the Citizens Participation Plan which has been approved by the Lexington-Fayette Urban County Council, a first public hearing is being conducted for the purpose of obtaining citizens' views. This public hearing is designed to address housing and community development needs, development of proposed activities, and a review of program performance. **Federal regulations are codified at 24 CFR Part 91.**

Federal regulations require that the Lexington-Fayette Urban County Government prepare one document in which it states how it will pursue goals for all community planning and development programs, as well as for housing programs. The overall goal of the community planning and development programs to be covered by the single planning document is the development of viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons.

- Decent housing includes assisting homeless persons to obtain appropriate housing and assisting persons at risk of becoming homeless; retention of the affordable housing stock; and increasing the availability of permanent housing in standard condition and at a cost affordable to low-income and moderate-income families, particularly to members of disadvantaged minorities, without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability. Decent housing also includes increasing the supply of supportive housing which combines structural features and services needed to enable persons with special needs, including persons with HIV/AIDS and their families, to live with dignity and independence; and providing housing affordable to low-income persons accessible to job opportunities.
- A suitable living environment includes improving the safety and livability of neighborhoods, increasing access to quality public and private facilities and services; reducing the isolation of income groups within a community or geographical area through the spatial deconcentration of housing opportunities for persons of lower income and the revitalization of deteriorating or deteriorated neighborhoods; restoring and preserving properties of special historic, architectural, or aesthetic value, and conservation of energy resources.
- Expanded economic opportunities includes job creation and retention; establishment, stabilization and expansion of small businesses (including microbusinesses); the provision of public services concerned with employment; the provision of jobs involved in carrying out activities under programs covered by this plan to low-income persons living in areas affected by those programs and activities; availability of mortgage financing for low-income persons at reasonable rates using nondiscriminatory lending practices; access to capital and credit for development

activities that promote the long-term economic and social viability of the community; and empowerment and self-sufficiency opportunities for low-income persons to reduce generational poverty in federally assisted and public housing.

The consolidated plan serves the following functions:

- a planning document for Lexington-Fayette County , which builds on a participatory process at the grassroots level;
- an application for federal funds under HUD's formula grant programs: Community Development Block Grant Program (CDBG), the Emergency Shelter Grants Program (ESG), and the HOME Investment Partnerships Program (HOME);
- a strategy to be followed in carrying out HUD programs; and
- an action plan that provides a basis for assessing performance.

FUNDS AVAILABLE

The Lexington-Fayette Urban County Government expects to receive the following amounts from the three formula grant programs in Fiscal Year 2013 (Consolidated Plan 2012). These amounts are based upon amounts awarded for the 2011 year from the U.S. Department of Housing and Urban Development. **These amounts are subject to change.**

PROGRAM	FEDERAL AWARD	ANTICIPATED PROGRAM INCOME Fiscal Year 2011	CASH MATCH	TOTAL AVAILABLE FOR EXPENDITURE
CDBG	\$1,904,438	\$200,000	0	\$2,104,438.00
ESG	\$92,314	0	0	\$92,314
HOME	\$1,321,739	\$200,000	\$287,391	\$1,809,130.00
TOTAL	\$3,318,491.00	\$400,000.00	\$287,391.00	\$4,005,882.00

The federal funds awarded for Consolidated Plan Year 2011 were \$552,675 less than awarded for Consolidated Plan Year 2010.

Office of the Secretary, HUD

§91.1

PART 91—CONSOLIDATED SUBMISSIONS FOR COMMUNITY PLANNING AND DEVELOPMENT PROGRAMS**Subpart A—General**

- Sec.
 91.1 Purpose.
 91.2 Applicability.
 91.5 Definitions.
 91.10 Consolidated program year.
 91.15 Submission date.
 91.20 Exceptions.

Subpart B—Citizen Participation and Consultation

- 91.100 Consultation; local governments.
 91.105 Citizen participation plan; local governments.
 91.110 Consultation; States.
 91.115 Citizen participation plan; States.

Subpart C—Local Governments; Contents of Consolidated Plan

- 91.200 General.
 91.205 Housing and homeless needs assessment.
 91.210 Housing market analysis.
 91.215 Strategic plan.
 91.220 Action plan.
 91.225 Certifications.
 91.230 Monitoring.
 91.235 Special case; abbreviated consolidated plan.
 91.236 Special case; District of Columbia.

Subpart D—State Governments; Contents of Consolidated Plan

- 91.300 General.
 91.305 Housing and homeless needs assessment.
 91.310 Housing market analysis.
 91.315 Strategic plan.
 91.320 Action plan.
 91.325 Certifications.
 91.330 Monitoring.

Subpart E—Consortia; Contents of Consolidated Plan

- 91.400 Applicability.
 91.401 Citizen participation plan.
 91.402 Consolidated program year.
 91.405 Housing and homeless needs assessment.
 91.410 Housing market analysis.
 91.415 Strategic plan.
 91.420 Action plan.
 91.425 Certifications.
 91.430 Monitoring.

Subpart F—Other General Requirements

- 91.500 HUD approval action.
 91.505 Amendments to the consolidated plan.
 91.510 Consistency determinations.
 91.515 Funding determinations by HUD.
 91.520 Performance reports.
 91.525 Performance review by HUD.
 91.600 Waiver authority.

AUTHORITY: 42 U.S.C. 3535(d), 3601-3619, 5301-5315, 11331-11388, 12701-12711, 12741-12756, and 12901-12912.

SOURCE: 60 FR 1896, Jan. 5, 1995, unless otherwise noted.

Subpart A—General**§91.1 Purpose.**

(a) *Overall goals.* (1) The overall goal of the community planning and development programs covered by this part is to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons. The primary means towards this end is to extend and strengthen partnerships among all levels of government and the private sector, including for-profit and non-profit organizations, in the production and operation of affordable housing.

(i) Decent housing includes assisting homeless persons to obtain appropriate housing and assisting persons at risk of becoming homeless; retention of the affordable housing stock; and increasing the availability of permanent housing in standard condition and affordable cost to low-income and moderate-income families, particularly to members of disadvantaged minorities, without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability. Decent housing also includes increasing the supply of supportive housing, which combines structural features and services needed to enable persons with special needs, including persons with HIV/AIDS and their families, to live with dignity and independence; and providing housing affordable to low-income persons accessible to job opportunities.

§ 91.2

(ii) A suitable living environment includes improving the safety and livability of neighborhoods; increasing access to quality public and private facilities and services; reducing the isolation of income groups within a community or geographical area through the spatial deconcentration of housing opportunities for persons of lower income and the revitalization of deteriorating or deteriorated neighborhoods; restoring and preserving properties of special historic, architectural, or aesthetic value; and conservation of energy resources.

(iii) Expanded economic opportunities includes job creation and retention; establishment, stabilization and expansion of small businesses (including microbusinesses); the provision of public services concerned with employment; the provision of jobs involved in carrying out activities under programs covered by this plan to low-income persons living in areas affected by those programs and activities; availability of mortgage financing for low-income persons at reasonable rates using non-discriminatory lending practices; access to capital and credit for development activities that promote the long-term economic and social viability of the community; and empowerment and self-sufficiency opportunities for low-income persons to reduce generational poverty in federally assisted and public housing.

(2) The consolidated submission described in this part 91 requires the jurisdiction to state in one document its plan to pursue these goals for all the community planning and development programs, as well as for housing programs. It is these goals against which the plan and the jurisdiction's performance under the plan will be evaluated by HUD.

(b) *Functions of plan.* The consolidated plan serves the following functions:

(1) A planning document for the jurisdiction, which builds on a participatory process at the lowest levels;

(2) An application for federal funds under HUD's formula grant programs;

(3) A strategy to be followed in carrying out HUD programs; and

24 CFR Subtitle A (4-1-03 Edition)

(4) An action plan that provides a basis for assessing performance.

§ 91.2 Applicability.

(a) The following formula grant programs are covered by the consolidated plan:

(1) The Community Development Block Grant (CDBG) programs (see 24 CFR part 570, subparts D and I);

(2) The Emergency Shelter Grants (ESG) program (see 24 CFR part 576);

(3) The HOME Investment Partnerships (HOME) program (see 24 CFR part 92); and

(4) The Housing Opportunities for Persons With AIDS (HOPWA) program (see 24 CFR part 574).

(b) The following programs require either that the jurisdiction receiving funds directly from HUD have a consolidated plan that is approved by HUD or that the application for HUD funds contain a certification that the application is consistent with a HUD-approved consolidated plan:

(1) The HOPE I Public Housing Homeownership (HOPE I) program (see 24 CFR Subtitle A, Appendix A);

(2) The HOPE II Homeownership of Multifamily Units (HOPE II) program (see 24 CFR Subtitle A, Appendix B);

(3) The HOPE III Homeownership of Single Family Homes (HOPE III) program (see 24 CFR part 572);

(4) The Low-Income Housing Preservation (prepayment avoidance incentives) program, when administered by a State agency (see 24 CFR 248.177);

(5) The Supportive Housing for the Elderly (Section 202) program (see 24 CFR part 889);

(6) The Supportive Housing for Persons with Disabilities program (see 24 CFR part 890);

(7) The Supportive Housing program (see 24 CFR part 583);

(8) The Single Room Occupancy Housing (SRO) program (see 24 CFR part 882, subpart H);

(9) The Shelter Plus Care program (see 24 CFR part 582);

(10) The Community Development Block Grant program—Small Cities (see 24 CFR part 570, subpart F);

(11) HOME program reallocations;

(12) Revitalization of Severely Distressed Public Housing (section 24 of

Office of the Secretary, HUD

§91.5

the United States Housing Act of 1937, (42 U.S.C. 1437 *et seq.*);

(13) Hope for Youth: Youthbuild (see 24 CFR part 585);

(14) The John Heinz Neighborhood Development program (see 24 CFR part 594);

(15) The "Lead-Based Paint Hazard Reduction Program (see 42 U.S.C. 4852(o));"

(16) Grants for Regulatory Barrier Removal Strategies and Implementation (section 1204, Housing and Community Development Act of 1992 (42 U.S.C. 12705c)); and

(17) Competitive grants under the Housing Opportunities for Persons With AIDS (HOPWA) program (see 24 CFR part 574).

(c) Other programs do not require consistency with an approved consolidated plan. However, HUD funding allocations for the Section 8 Certificate and Voucher Programs are to be made in a way that enables participating jurisdictions to carry out their consolidated plans.

[60 FR 1896, Jan. 5, 1995, as amended at 60 FR 16379, Mar. 30, 1995; 64 FR 50223, Sept. 15, 1999]

§91.5 Definitions.

The terms *Elderly person* and *HUD* are defined in 24 CFR part 5.

Certification. A written assertion, based on supporting evidence, that must be kept available for inspection by HUD, by the Inspector General of HUD, and by the public. The assertion shall be deemed to be accurate unless HUD determines otherwise, after inspecting the evidence and providing due notice and opportunity for comment.

Consolidated plan (or "the plan"). The document that is submitted to HUD that serves as the planning document (comprehensive housing affordability strategy and community development plan) of the jurisdiction and an application for funding under any of the Community Planning and Development formula grant programs (CDBG, ESG, HOME, or HOPWA), which is prepared in accordance with the process prescribed in this part.

Consortium. An organization of geographically contiguous units of general local government that are acting as a single unit of general local government

for purposes of the HOME program (see 24 CFR part 92).

Cost burden. The extent to which gross housing costs, including utility costs, exceed 30 percent of gross income, based on data available from the U.S. Census Bureau.

Emergency shelter. Any facility with overnight sleeping accommodations, the primary purpose of which is to provide temporary shelter for the homeless in general or for specific populations of the homeless.

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

Homeless family with children. A family composed of the following types of homeless persons: at least one parent or guardian and one child under the age of 18; a pregnant woman; or a person in the process of securing legal custody of a person under the age of 18.

Homeless person. A youth (17 years or younger) not accompanied by an adult (18 years or older) or an adult without children, who is homeless (not imprisoned or otherwise detained pursuant to an Act of Congress or a State law), including the following:

(1) An individual who lacks a fixed, regular, and adequate nighttime residence; and

(2) An individual who has a primary nighttime residence that is:

(i) A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);

(ii) An institution that provides a temporary residence for individuals intended to be institutionalized; or

(iii) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

§91.5

Homeless subpopulations. Include but are not limited to the following categories of homeless persons: severely mentally ill only, alcohol/drug addicted only, severely mentally ill and alcohol/drug addicted, fleeing domestic violence, youth, and persons with HIV/AIDS.

Jurisdiction. A State or unit of general local government.

Large family. Family of five or more persons.

Lead-based paint hazards means lead-based paint hazards as defined in part 35, subpart B of this title.

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

Middle-income family. Family whose income is between 80 percent and 95 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 95 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. (This corresponds to the term "moderate income family" under the CHAS statute, 42 U.S.C. 12705.)

Moderate-income family. Family whose income does not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Overcrowding. For purposes of describing relative housing needs, a hous-

24 CFR Subtitle A (4-1-03 Edition)

ing unit containing more than one person per room, as defined by the U.S. Census Bureau, for which data are made available by the Census Bureau. (See 24 CFR 791.402(b).)

Person with a disability. A person who is determined to:

(1) Have a physical, mental or emotional impairment that:

(i) Is expected to be of long-continued and indefinite duration;

(ii) Substantially impedes his or her ability to live independently; and

(iii) Is of such a nature that the ability could be improved by more suitable housing conditions; or

(2) Have a developmental disability, as defined in section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6007); or

(3) Be the surviving member or members of any family that had been living in an assisted unit with the deceased member of the family who had a disability at the time of his or her death.

Poverty level family. Family with an income below the poverty line, as defined by the Office of Management and Budget and revised annually.

Severe cost burden. The extent to which gross housing costs, including utility costs, exceed 50 percent of gross income, based on data available from the U.S. Census Bureau.

State. Any State of the United States and the Commonwealth of Puerto Rico.

Transitional housing. A project that is designed to provide housing and appropriate supportive services to homeless persons to facilitate movement to independent living within 24 months, or a longer period approved by HUD. For purposes of the HOME program, there is no HUD-approved time period for moving to independent living.

Unit of general local government. A city, town, township, county, parish, village, or other general purpose political subdivision of a State; an urban county; and a consortium of such political subdivisions recognized by HUD in accordance with the HOME program (24 CFR part 92) or the CDBG program (24 CFR part 570).

Office of the Secretary, HUD

\$91.100

Urban county. See definition in 24 CFR 570.3.

[60 FR 1896, Jan. 5, 1995; 60 FR 4861, Jan. 25, 1995, as amended at 61 FR 5205, Feb. 9, 1996; 64 FR 50223, Sept. 15, 1999]

\$91.10 Consolidated program year.

(a) Each of the following programs shall be administered by a jurisdiction on a single consolidated program year, established by the jurisdiction: CDBG, ESG, HOME, and HOPWA. Except as provided in paragraph (b) of this section, the program year shall run for a twelve month period and begin on the first calendar day of a month.

(b) Once a program year is established, the jurisdiction may either shorten or lengthen its program year to change the beginning date of the following program year, provided that it notifies HUD in writing at least two months before the date the program year would have ended if it had not been lengthened or at least two months before the end of a proposed shortened program year.

(c) See subpart E of this part for requirements concerning program year for units of general local government that are part of a consortium.

\$91.15 Submission date.

(a) *General.* (1) In order to facilitate continuity in its program and to provide accountability to citizens, each jurisdiction should submit its consolidated plan to HUD at least 45 days before the start of its program year. (But see §92.52(b) of this subtitle with respect to newly eligible jurisdictions under the HOME program.) With the exception of the August 16 date noted in paragraph (a)(2) of this section, HUD may grant a jurisdiction an extension of the submission deadline for good cause.

(2) In no event will HUD accept a submission earlier than November 15 or later than August 16 of the Federal fiscal year for which the grant funds are appropriated, except for Fiscal Year 1995 in which HUD will accept a submission no later than September 30, 1995. (Failure to submit the plan by August 16 will automatically result in a loss of the CDBG funds to which the jurisdiction would otherwise be entitled, except for Fiscal Year 1995).

(3) A jurisdiction may have a program year that coincides with the Federal fiscal year (e.g., October 1, 1995 through September 30, 1996 for Federal fiscal year 1996 funds. However, the consolidated plan may not be submitted earlier than November 15 of the Federal fiscal year and HUD has the period specified in §91.500 to review the consolidated plan.

(4) See §91.20 for HUD field office authorization to grant exceptions to these provisions.

(b) *Frequency of submission.* (1) The action plan and the certifications must be submitted on an annual basis.

(2) The complete submission must be submitted less frequently, in accordance with a period to be specified by the jurisdiction; however, in no event shall the complete submission be submitted less frequently than every five years.

[60 FR 1896, Jan. 5, 1995, as amended at 60 FR 45043, Aug. 30, 1995]

\$91.20 Exceptions.

The HUD field office may grant a jurisdiction an exception from submitting all or part of the consolidated plan in FY 1995, from the submission deadline, or from a requirement in the implementation guidelines for good cause, as determined by the field office, and reported in writing to HUD Headquarters—to the extent the requirement is not required by statute or regulation.

Subpart B—Citizen Participation and Consultation

\$91.100 Consultation; local governments.

(a) *General.* (1) When preparing the consolidated plan, the jurisdiction shall consult with other public and private agencies that provide assisted housing, health services, and social services (including those focusing on services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, homeless persons) during preparation of the consolidated plan.

(2) When preparing the portion of its consolidated plan concerning lead-based paint hazards, the jurisdiction

Office of the Secretary, HUD

§91.105

shall consult with State or local health and child welfare agencies and examine existing data related to lead-based paint hazards and poisonings, including health department data on the addresses of housing units in which children have been identified as lead poisoned.

(3) When preparing the description of priority nonhousing community development needs, a unit of general local government must notify adjacent units of general local government, to the extent practicable. The nonhousing community development plan must be submitted to the state, and, if the jurisdiction is a CDBG entitlement grantee other than an urban county, to the county.

(4) The jurisdiction also should consult with adjacent units of general local government, including local government agencies with metropolitan-wide planning responsibilities where they exist, particularly for problems and solutions that go beyond a single jurisdiction.

(b) *HOPWA*. The largest city in each eligible metropolitan statistical area (EMSA) that is eligible to receive a HOPWA formula allocation must consult broadly to develop a metropolitan-wide strategy for addressing the needs of persons with HIV/AIDS and their families living throughout the EMSA. All jurisdictions within the EMSA must assist the jurisdiction that is applying for a HOPWA allocation in the preparation of the HOPWA submission.

(c) *Public housing*. The jurisdiction shall consult with the local public housing agency participating in an approved Comprehensive Grant program concerning consideration of public housing needs and planned Comprehensive Grant program activities. This consultation will help provide a better basis for the certification by the local Chief Executive Officer that the Comprehensive Grant Plan/annual statement is consistent with the local government's assessment of low-income housing needs (as evidenced in the consolidated plan) and that the local government will cooperate in providing resident programs and services (as required by §968.320(d) of this title for the Comprehensive Grant program). It will also help ensure that activities with regard to local drug elimination, neigh-

borhood improvement programs, and resident programs and services, funded under the public housing program and those funded under a program covered by the consolidated plan are fully coordinated to achieve comprehensive community development goals.

§91.105 Citizen participation plan; local governments.

(a) *Applicability and adoption of the citizen participation plan*. (i) The jurisdiction is required to adopt a citizen participation plan that sets forth the jurisdiction's policies and procedures for citizen participation. (Where a jurisdiction, before February 6, 1995, adopted a citizen participation plan that complies with section 104(a)(3) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(A)(3)) but will need to amend the citizen participation plan to comply with provisions of this section, the citizen participation plan shall be amended by the first day of the jurisdiction's program year that begins on or after 180 days following February 6, 1995.)

(2) *Encouragement of citizen participation*. (i) The citizen participation plan must provide for and encourage citizens to participate in the development of the consolidated plan, any substantial amendments to the consolidated plan, and the performance report.

(ii) These requirements are designed especially to encourage participation by low- and moderate-income persons, particularly those living in slum and blighted areas and in areas where CDBG funds are proposed to be used, and by residents of predominantly low- and moderate-income neighborhoods, as defined by the jurisdiction. A jurisdiction also is expected to take whatever actions are appropriate to encourage the participation of all its citizens, including minorities and non-English speaking persons, as well as persons with disabilities.

(iii) The jurisdiction shall encourage, in conjunction with consultation with public housing authorities, the participation of residents of public and assisted housing developments, in the process of developing and implementing the consolidated plan, along with other low-income residents of targeted revitalization areas in which the

Office of the Secretary, HUD

plan, with the level and type of assistance determined by the jurisdiction. The assistance need not include the provision of funds to the groups.

(j) *Complaints.* The citizen participation plan shall describe the jurisdiction's appropriate and practicable procedures to handle complaints from citizens related to the consolidated plan, amendments, and performance report. At a minimum, the citizen participation plan shall require that the jurisdiction must provide a timely, substantive written response to every written citizen complaint, within an established period of time (within 15 working days, where practicable, if the jurisdiction is a CDBG grant recipient).

(k) *Use of citizen participation plan.* The jurisdiction must follow its citizen participation plan.

(l) *Jurisdiction responsibility.* The requirements for citizen participation do not restrict the responsibility or authority of the jurisdiction for the development and execution of its consolidated plan.

(Approved by the Office of Management and Budget under control number 2506-0117)

[60 FR 1896, Jan. 5, 1995; 60 FR 10427, Feb. 24, 1995]

§91.110 Consultation; States.

When preparing the consolidated plan, the State shall consult with other public and private agencies that provide assisted housing (including any State housing agency administering public housing), health services, and social services (including those focusing on services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, homeless persons) during preparation of the consolidated plan. When preparing the portion of its consolidated plan concerning lead-based paint hazards, the State shall consult with State or local health and child welfare agencies and examine existing data related to lead-based paint hazards and poisonings, including health department data on the addresses of housing units in which children have been identified as lead poisoned. When preparing its method of distribution of assistance under the CDBG program, a State must

§91.115

consult with local governments in non-entitlement areas of the State.

(Approved by the Office of Management and Budget under control number 2506-0117)

§91.115 Citizen participation plan; States.

(a) *Applicability and adoption of the citizen participation plan.* (1) The State is required to adopt a citizen participation plan that sets forth the State's policies and procedures for citizen participation. (Where a State, before March 6, 1995, adopted a citizen participation plan that complies with section 104(a)(3) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(A)(3)) but will need to amend the citizen participation plan to comply with provisions of this section, the citizen participation plan shall be amended by the first day of the State's program year that begins on or after 180 days following March 6, 1995.)

(2) *Encouragement of citizen participation.* The citizen participation plan must provide for and encourage citizens to participate in the development of the consolidated plan, any substantial amendments to the consolidated plan, and the performance report. These requirements are designed especially to encourage participation by low- and moderate-income persons, particularly those living in slum and blighted areas and in areas where CDBG funds are proposed to be used and by residents of predominantly low- and moderate-income neighborhoods, as defined by the State. A State also is expected to take whatever actions are appropriate to encourage the participation of all its citizens, including minorities and non-English speaking persons, as well as persons with disabilities.

(3) *Citizen and local government comment on the citizen participation plan and amendments.* The State must provide citizens and units of general local government a reasonable opportunity to comment on the original citizen participation plan and on substantial amendments to the citizen participation plan, and must make the citizen participation plan public. The citizen participation plan must be in a format accessible to persons with disabilities, upon request.

§91.115

24 CFR Subtitle A (4-1-03 Edition)

(b) *Development of the consolidated plan.* The citizen participation plan must include the following minimum requirements for the development of the consolidated plan.

(1) The citizen participation plan must require that, before the State adopts a consolidated plan, the State will make available to citizens, public agencies, and other interested parties information that includes the amount of assistance the State expects to receive and the range of activities that may be undertaken, including the estimated amount that will benefit persons of low- and moderate-income and the plans to minimize displacement of persons and to assist any persons displaced. The citizen participation plan must state when and how the State will make this information available.

(2) The citizen participation plan must require the State to publish the proposed consolidated plan in a manner that affords citizens, units of general local governments, public agencies, and other interested parties a reasonable opportunity to examine its contents and to submit comments. The citizen participation plan must set forth how the State will publish the proposed consolidated plan and give reasonable opportunity to examine the contents of the proposed consolidated plan. The requirement for publishing may be met by publishing a summary of the proposed consolidated plan in one or more newspapers of general circulation, and by making copies of the proposed consolidated plan available at libraries, government offices, and public places. The summary must describe the contents and purpose of the consolidated plan, and must include a list of the locations where copies of the entire proposed consolidated plan may be examined. In addition, the State must provide a reasonable number of free copies of the plan to citizens and groups that request it.

(3) The citizen participation plan must provide for at least one public hearing on housing and community development needs before the proposed consolidated plan is published for comment.

(i) The citizen participation plan must state how and when adequate advance notice will be given to citizens of

the hearing, with sufficient information published about the subject of the hearing to permit informed comment. (Publishing small print notices in the newspaper a few days before the hearing does not constitute adequate notice. Although HUD is not specifying the length of notice required, it would consider two weeks adequate.)

(ii) The citizen participation plan must provide that the hearing be held at a time and location convenient to potential and actual beneficiaries, and with accommodation for persons with disabilities. The citizen participation plan must specify how it will meet these requirements.

(iii) The citizen participation plan must identify how the needs of non-English speaking residents will be met in the case of a public hearing where a significant number of non-English speaking residents can be reasonably expected to participate.

(4) The citizen participation plan must provide a period, not less than 30 days, to receive comments from citizens and units of general local government on the consolidated plan.

(5) The citizen participation plan shall require the State to consider any comments or views of citizens and units of general received in writing, or orally at the public hearings, in preparing the final consolidated plan. A summary of these comments or views, and a summary of any comments or views not accepted and the reasons therefore, shall be attached to the final consolidated plan.

(c) *Amendments—(1) Criteria for amendment to consolidated plan.* The citizen participation plan must specify the criteria the State will use for determining what changes in the State's planned or actual activities constitute a substantial amendment to the consolidated plan. (See §91.505.) It must include among the criteria for a substantial amendment changes in the method of distribution of such funds.

(2) The citizen participation plan must provide citizens and units of general local government with reasonable notice and an opportunity to comment on substantial amendments. The citizen participation plan must state how reasonable notice and an opportunity to comment will be given. The citizen

Office of the Secretary, HUD**§91.200**

participation plan must provide a period, not less than 30 days, to receive comments on the substantial amendment before the amendment is implemented.

(3) The citizen participation plan shall require the State to consider any comments or views of citizens and units of general local government received in writing, or orally at public hearings, if any, in preparing the substantial amendment of the consolidated plan. A summary of these comments or views, and a summary of any comments or views not accepted and the reasons therefore, shall be attached to the substantial amendment of the consolidated plan.

(d) *Performance Reports.* (1) The citizen participation plan must provide citizens with reasonable notice and an opportunity to comment on performance reports. The citizen participation plan must state how reasonable notice and an opportunity to comment will be given. The citizen participation plan must provide a period, not less than 15 days, to receive comments on the performance report that is to be submitted to HUD before its submission.

(2) The citizen participation plan shall require the state to consider any comments or views of citizens received in writing, or orally at public hearings in preparing the performance report. A summary of these comments or views shall be attached to the performance report.

(e) *Citizen participation requirements for local governments.* The citizen participation plan must describe the citizen participation requirements for units of general local government receiving CDBG funds from the State in 24 CFR 570.486. The citizen participation plan must explain how the requirements will be met.

(f) *Availability to the public.* The citizen participation plan must provide that the consolidated plan as adopted, substantial amendments, and the performance report will be available to the public, including the availability of materials in a form accessible to persons with disabilities, upon request. The citizen participation plan must state how these documents will be available to the public.

(g) *Access to records.* The citizen participation plan must require the state to provide citizens, public agencies, and other interested parties with reasonable and timely access to information and records relating to the state's consolidated plan and the state's use of assistance under the programs covered by this part during the preceding five years.

(h) *Complaints.* The citizen participation plan shall describe the State's appropriate and practicable procedures to handle complaints from citizens related to the consolidated plan, amendments, and performance report. At a minimum, the citizen participation plan shall require that the State must provide a timely, substantive written response to every written citizen complaint, within an established period of time (within 15 working days, where practicable, if the State is a CDBG grant recipient).

(i) *Use of citizen participation plan.* The State must follow its citizen participation plan.

(Approved by the Office of Management and Budget under control number 2506-0117)

Subpart C—Local Governments; Contents of Consolidated Plan

§91.200 General.

(a) A complete consolidated plan consists of the information required in §§91.205 through 91.230, submitted in accordance with instructions prescribed by HUD (including tables and narratives), or in such other format as jointly agreed upon by HUD and the jurisdiction.

(b) The jurisdiction shall describe the lead agency or entity responsible for overseeing the development of the plan and the significant aspects of the process by which the consolidated plan was developed, the identity of the agencies, groups, organizations, and others who participated in the process, and a description of the jurisdiction's consultations with social service agencies and other entities. It also shall include a summary of the citizen participation process, public comments, and efforts made to broaden public participation

§ 91.205

in the development of the consolidated plan.

(Approved by the Office of Management and Budget under control number 2506-0117)

§ 91.205 Housing and homeless needs assessment.

(a) *General.* The consolidated plan must describe the jurisdiction's estimated housing needs projected for the ensuing five-year period. Housing data included in this portion of the plan shall be based on U.S. Census data, as provided by HUD, as updated by any properly conducted local study, or any other reliable source that the jurisdiction clearly identifies and should reflect the consultation with social service agencies and other entities conducted in accordance with § 91.100 and the citizen participation process conducted in accordance with § 91.105. For a jurisdiction seeking funding on behalf of an eligible metropolitan statistical area under the HOPWA program, the needs described for housing and supportive services must address the needs of persons with HIV/AIDS and their families throughout the eligible metropolitan statistical area.

(b) *Categories of persons affected.* (1) The plan shall estimate the number and type of families in need of housing assistance for extremely low-income, low-income, moderate-income, and middle-income families, for renters and owners, for elderly persons, for single persons, for large families, for persons with HIV/AIDS and their families, and for persons with disabilities. The description of housing needs shall include a discussion of the cost burden and severe cost burden, overcrowding (especially for large families), and substandard housing conditions being experienced by extremely low-income, low-income, moderate-income, and middle-income renters and owners compared to the jurisdiction as a whole. (The jurisdiction must define in its consolidated plan the terms "standard condition" and "substandard condition but suitable for rehabilitation.")

(2) For any of the income categories enumerated in paragraph (b)(1) of this section, to the extent that any racial or ethnic group has disproportionately greater need in comparison to the

24 CFR Subtitle A (4-1-03 Edition)

needs of that category as a whole, assessment of that specific need shall be included. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in the category as a whole.

(c) *Homeless needs.* The plan must describe the nature and extent of homelessness (including rural homelessness), addressing separately the need for facilities and services for homeless individuals and homeless families with children, both sheltered and unsheltered, and homeless subpopulations, in accordance with a table prescribed by HUD. This description must include the characteristics and needs of low-income individuals and families with children (especially extremely low-income) who are currently housed but threatened with homelessness. The plan also must contain a narrative description of the nature and extent of homelessness by racial and ethnic group, to the extent information is available.

(d) *Other special needs.* (1) The jurisdiction shall estimate, to the extent practicable, the number of persons who are not homeless but require supportive housing, including the elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, public housing residents, and any other categories the jurisdiction may specify, and describe their supportive housing needs.

(2) With respect to a jurisdiction seeking funding on behalf of an eligible metropolitan statistical area under the HOPWA program, the plan must identify the size and characteristics of the population with HIV/AIDS and their families within the eligible metropolitan statistical area it will serve.

(e) *Lead-based paint hazards.* The plan must estimate the number of housing units within the jurisdiction that are occupied by low-income families or moderate-income families that contain

Office of the Secretary, HUD

§91.215

lead-based paint hazards, as defined in this part.

(Approved by the Office of Management and Budget under control number 2506-0117)

[60 FR 1896, Jan. 5, 1995, as amended at 61 FR 51760, Oct. 3, 1996]

§91.210 Housing market analysis.

(a) *General characteristics.* Based on information available to the jurisdiction, the plan must describe the significant characteristics of the jurisdiction's housing market, including the supply, demand, and condition and cost of housing and the housing stock available to serve persons with disabilities and to serve persons with HIV/AIDS and their families. The jurisdiction must identify and describe any areas within the jurisdiction with concentrations of racial/ethnic minorities and/or low-income families, stating how it defines the terms "area of low-income concentration" and "area of minority concentration" for this purpose. The locations and degree of these concentrations must be identified, either in a narrative or on one or more maps.

(b) *Public and assisted housing.* (1) The plan must describe the number of public housing units in the jurisdiction, the physical condition of such units, the restoration and revitalization needs, results from the Section 504 needs assessment (i.e., assessment of needs of tenants and applicants on waiting list for accessible units, as required by 24 CFR 8.25), and the public housing agency's strategy for improving the management and operation of such public housing and for improving the living environment of low- and moderate-income families residing in public housing. The consolidated plan must identify the public housing developments in the jurisdictions that are participating in an approved HUD Comprehensive Grant program. Activities covered by the consolidated plan that are being coordinated or jointly funded with the public housing Comprehensive Grant program must be identified by project and referenced to the approved Comprehensive Grant program. Examples of supportive activities for Comprehensive Grant program activities are efforts to revitalize neighborhoods surrounding public housing projects (either current or proposed); coopera-

tion in provision of resident programs and services; coordination of local drug elimination or anti-crime strategies; upgrading of police, fire, schools, and other services; and economic development projects in or near public housing projects to tie in with self-sufficiency efforts for residents.

(2) The jurisdiction shall include a description of the number and targeting (income level and type of family served) of units currently assisted by local, state, or federally funded programs, and an assessment of whether any such units are expected to be lost from the assisted housing inventory for any reason.

(c) *Homeless facilities.* The plan must include a brief inventory of facilities and services that meet the emergency shelter, transitional housing, permanent supportive housing, and permanent housing needs of homeless persons within the jurisdiction.

(d) *Special need facilities and services.* The plan must describe, to the extent information is available, the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing.

(e) *Barriers to affordable housing.* The plan must explain whether the cost of housing or the incentives to develop, maintain, or improve affordable housing in the jurisdiction are affected by public policies, particularly by policies of the jurisdiction, including tax policies affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment.

(Approved by the Office of Management and Budget under control number 2506-0117)

§91.215 Strategic plan.

(a) *General.* For the categories described in paragraphs (b), (c), (d), and (e) of this section, the consolidated plan must do the following:

(1) Indicate the general priorities for allocating investment geographically within the jurisdiction (or within the EMSA for the HOPWA program) and among priority needs, as identified in

§91.215

the priority needs table prescribed by HUD;

(2) Describe the basis for assigning the priority (including the relative priority, where required) given to each category of priority needs;

(3) Identify any obstacles to meeting underserved needs;

(4) Summarize the priorities and specific objectives, describing how funds that are reasonably expected to be made available will be used to address identified needs; and

(5) For each specific objective, identify proposed accomplishments the jurisdiction hopes to achieve in quantitative terms over a specified time period (i.e., one, two, three or more years), or in other measurable terms as identified and defined by the jurisdiction.

(b) *Affordable housing.* With respect to affordable housing, the consolidated plan must include the priority housing needs table prescribed by HUD and must do the following:

(1) The description of the basis for assigning relative priority to each category of priority need shall state how the analysis of the housing market and the severity of housing problems and needs of extremely low-income, low-income, and moderate-income renters and owners identified in accordance with §91.205 provided the basis for assigning the relative priority given to each priority need category in the priority housing needs table prescribed by HUD. Family and income types may be grouped together for discussion where the analysis would apply to more than one of them;

(2) The statement of specific objectives must indicate how the characteristics of the housing market will influence the use of funds made available for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units; and

(3) The description of proposed accomplishments shall specify the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined in 24 CFR 92.252 for rental housing and 24 CFR 92.254 for homeownership over a specific time period.

24 CFR Subtitle A (4-1-03 Edition)

(c) *Homelessness.* With respect to homelessness, the consolidated plan must include the priority homeless needs table prescribed by HUD and must describe the jurisdiction's strategy for the following:

(1) Helping low-income families avoid becoming homeless;

(2) Reaching out to homeless persons and assessing their individual needs;

(3) Addressing the emergency shelter and transitional housing needs of homeless persons; and

(4) Helping homeless persons make the transition to permanent housing and independent living.

(d) *Other special needs.* With respect to supportive needs of the non-homeless, the consolidated plan must describe the priority housing and supportive service needs of persons who are not homeless but require supportive housing (i.e., elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents).

(e) *Nonhousing community development plan.* (1) If the jurisdiction seeks assistance under the Community Development Block Grant program, the consolidated plan must describe the jurisdiction's priority non-housing community development needs eligible for assistance under HUD's community development programs by CDBG eligibility category, reflecting the needs of families for each type of activity, as appropriate, in terms of dollar amounts estimated to meet the priority need for the type of activity, in accordance with a table prescribed by HUD. This community development component of the plan must state the jurisdiction's specific long-term and short-term community development objectives (including economic development activities that create jobs), which must be developed in accordance with the statutory goals described in §91.1 and the primary objective of the CDBG program to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for low-income and moderate-income persons.

Office of the Secretary, HUD

§ 91.220

(2) A jurisdiction that elects to carry out a neighborhood revitalization strategy that includes the economic empowerment of low-income residents with respect to one or more of their areas may submit this strategy as part of its community development plan. If HUD approves such a strategy, the jurisdiction can obtain greater flexibility in the use of the CDBG funds in the revitalization area(s). The additional flexibility that the jurisdiction would be entitled to for this purpose will be described in 24 CFR part 570, subpart C, at a future date. The criteria for approval of the strategy will not be established by regulation, but jurisdictions will be notified of these criteria.

(f) *Barriers to affordable housing.* The consolidated plan must describe the jurisdiction's strategy to remove or ameliorate negative effects of public policies that serve as barriers to affordable housing, as identified in accordance with § 91.210(d), except that, if a State requires a unit of general local government to submit a regulatory barrier assessment that is substantially equivalent to the information required under this paragraph (f), as determined by HUD, the unit of general local government may submit its assessment submitted to the State to HUD and shall be considered to have complied with this requirement.

(g) *Lead-based paint hazards.* The consolidated plan must outline the actions proposed or being taken to evaluate and reduce lead-based paint hazards, and describe how the lead-based paint hazard reduction will be integrated into housing policies and programs.

(h) *Anti-poverty strategy.* The consolidated plan must describe the jurisdiction's goals, programs, and policies for reducing the number of poverty level families and how the jurisdiction's goals, programs, and policies for producing and preserving affordable housing, set forth in the housing component of the consolidated plan, will be coordinated with other programs and services for which the jurisdiction is responsible and the extent to which they will reduce (or assist in reducing) the number of poverty level families, taking into consideration factors over which the jurisdiction has control.

(i) *Institutional structure.* (1) The consolidated plan must explain the institutional structure, including private industry, nonprofit organizations, and public institutions, through which the jurisdiction will carry out its housing and community development plan, assessing the strengths and gaps in that delivery system.

(2) The jurisdiction shall describe the organizational relationship between the jurisdiction and the public housing agency, including the appointing authority for the commissioners or board of the housing agency; relationships regarding hiring, contracting and procurement; provision of services funded by the jurisdiction; and review by the jurisdiction of proposed development sites, of the comprehensive plan of the public housing agency, and of any proposed demolition or disposition of public housing developments.

(3) The plan must describe what the jurisdiction will do to overcome gaps in the institutional structure for carrying out its strategy for addressing its priority needs. If the public housing agency is designated as "troubled" by HUD, or otherwise is performing poorly, the jurisdiction shall describe any actions it is taking to assist the public housing agency in addressing these problems.

(j) *Coordination.* The consolidated plan must describe the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health, and service agencies. With respect to the public entities involved, the plan must describe the means of cooperation and coordination among the State and any units of general local government in the metropolitan area in the implementation of its consolidated plan.

(k) *Public housing resident initiatives.* The consolidated plan must describe the jurisdiction's activities to encourage public housing residents to become more involved in management and participate in homeownership.

§ 91.220 Action plan.

The action plan must include the following:

(a) *Form application.* Standard Form 424;

§91.220

24 CFR Subtitle A (4-1-03 Edition)

(b) *Resources.* (1) *Federal resources.* The consolidated plan must describe the Federal resources expected to be available to address the priority needs and specific objectives identified in the strategic plan, in accordance with §91.215. These resources include grant funds and program income.

(2) *Other resources.* The consolidated plan must indicate resources from private and non-Federal public sources that are reasonably expected to be made available to address the needs identified in the plan. The plan must explain how Federal funds will leverage those additional resources, including a description of how matching requirements of the HUD programs will be satisfied. Where the jurisdiction deems it appropriate, it may indicate publicly owned land or property located within the jurisdiction that may be used to carry out the purposes stated in §91.1;

(c) *Activities to be undertaken.* A description of the activities the jurisdiction will undertake during the next year to address priority needs in terms of local objectives that were identified in §91.215. This description of activities shall estimate the number and type of families that will benefit from the proposed activities, the specific local objectives and priority needs (identified in accordance with §91.215) that will be addressed by the activities using formula grant funds and program income the jurisdiction expects to receive during the program year, proposed accomplishments, and a target date for completion of the activity. This information is to be presented in the form of a table prescribed by HUD;

(d) *Geographic distribution.* A description of the geographic areas of the jurisdiction (including areas of minority concentration) in which it will direct assistance during the ensuing program year, giving the rationale for the priorities for allocating investment geographically;

(e) *Homeless and other special needs activities.* Activities it plans to undertake during the next year to address emergency shelter and transitional housing needs of homeless individuals and families (including subpopulations), to prevent low-income individuals and families with children (especially those with incomes below 30 percent of me-

dian) from becoming homeless, to help homeless persons make the transition to permanent housing and independent living, and to address the special needs of persons who are not homeless identified in accordance with §91.215(d);

(f) *Other actions*—(1) *General.* Actions it plans to take during the next year to address obstacles to meeting underserved needs, foster and maintain affordable housing, remove barriers to affordable housing, evaluate and reduce lead-based paint hazards, reduce the number of poverty level families, develop institutional structure, and enhance coordination between public and private housing and social service agencies and foster public housing improvements and resident initiatives (see §91.215 (a), (b), (f), (g), (h), (i), (j), and (k)).

(2) *Public housing.* Appropriate reference to the annual revisions of the action plan prepared for the Comprehensive Grant program. If the public housing agency is designated as "troubled" by HUD, or otherwise is performing poorly, the jurisdiction's plan, if any, to assist the public housing agency in addressing these problems; and

(g) *Program-specific requirements*—(1) *CDBG.* (i) A jurisdiction must describe activities planned with respect to all CDBG funds expected to be available during the program year (including program income that will have been received before the start of the next program year), except that an amount generally not to exceed ten percent of such total available CDBG funds may be excluded from the funds for which eligible activities are described if it has been identified for the contingency of cost overruns.

(ii) CDBG funds expected to be available during the program year includes the following:

(A) Any program income that will have been received before the start of the next program year and that has not yet been programmed;

(B) Surplus from urban renewal settlements;

(C) Grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan; and

Office of the Secretary, HUD

§ 91.225

(D) *Income from float-funded activities.* The full amount of income expected to be generated by a float-funded activity must be shown, whether or not some or all of the income is expected to be received in a future program year. To assure that citizens understand the risks inherent in undertaking float-funded activities, the recipient must specify the total amount of program income expected to be received and the month(s) and year(s) that it expects the float-funded activity to generate such program income.

(iii) An "urgent needs" activity (one that is expected to qualify under § 570.208(c) of this title) may be included only if the jurisdiction identifies the activity in the action plan and certifies that the activity is designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available.

(iv) This information about activities shall be in sufficient detail, including location, to allow citizens to determine the degree to which they are affected.

(2) *HOME.* (i) For HOME funds, a participating jurisdiction shall describe other forms of investment that are not described in § 92.205(b) of this title.

(ii) If the participating jurisdiction intends to use HOME funds for homebuyers, it must state the guidelines for resale or recapture, as required in § 92.254 of this subtitle.

(iii) If the participating jurisdiction intends to use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under 24 CFR 92.206(b). The guidelines shall describe the conditions under which the participating jurisdictions will refinance existing debt. At minimum, the guidelines must:

(A) Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.

(B) Require a review of management practices to demonstrate that dis-

investment in the property has not occurred; that the long term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.

(C) State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.

(D) Specify the required period of affordability, whether it is the minimum 15 years or longer.

(E) Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2) or a Federally designated Empowerment Zone or Enterprise Community.

(F) State that HOME funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG.

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[60 FR 1896, Jan. 5, 1995; 60 FR 4861, Jan. 25, 1995, as amended at 61 FR 48750, Sept. 16, 1996]

§ 91.225 *Certifications.*

(a) *General.* The following certifications, satisfactory to HUD, must be included in the annual submission to HUD. (See definition of "certification" in § 91.5.)

(1) *Affirmatively furthering fair housing.* Each jurisdiction is required to submit a certification that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(2) *Anti-displacement and relocation plan.* Each jurisdiction is required to submit a certification that it has in effect and is following a residential antidisplacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG or HOME programs.

(3) *Drug-free workplace.* The jurisdiction must submit a certification with

§ 91.225

regard to drug-free workplace required by 24 CFR part 24, subpart F.

(4) *Anti-lobbying.* The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(5) *Authority of jurisdiction.* The jurisdiction must submit a certification that the consolidated plan is authorized under State and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

(6) *Consistency with plan.* The jurisdiction must submit a certification that the housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan. Where the HOPWA funds are to be received by a city that is the most populous unit of general local government in an EMSA, it must obtain and keep on file certifications of consistency from the authorized public officials for each other locality in the EMSA in which housing assistance is provided.

(7) *Acquisition and relocation.* The jurisdiction must submit a certification that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24.

(8) *Section 3.* The jurisdiction must submit a certification that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(b) *Community Development Block Grant program.* For jurisdictions that seek funding under CDBG, the following certifications are required:

(1) *Citizen participation.* Each jurisdiction must certify that it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of § 91.105.

(2) *Community development plan.* A certification that this consolidated housing and community development plan identifies community develop-

24 CFR Subtitle A (4-1-03 Edition)

ment and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the statute authorizing the CDBG program, as described in 24 CFR 570.2, and requirements of this part and 24 CFR part 570.

(3) *Following a plan.* A certification that the jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

(4) *Use of funds.* A certification that the jurisdiction has complied with the following criteria:

(i) With respect to activities expected to be assisted with CDBG funds, the Action Plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The plan may also include CDBG-assisted activities that are certified to be designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs;

(ii) The aggregate use of CDBG funds, including section 108 guaranteed loans, during a period specified by the jurisdiction, consisting of one, two, or three specific consecutive program years, shall principally benefit low- and moderate-income families in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period (see 24 CFR 570.3 for definition of "CDBG funds"); and

(iii) The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if CDBG funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted

Office of the Secretary, HUD

§91.225

in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

(5) *Excessive force.* A certification that the jurisdiction has adopted and is enforcing:

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

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

(6) *Compliance with anti-discrimination laws.* The jurisdiction must submit a certification that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(7) *Compliance with lead-based paint procedures.* The jurisdiction must submit a certification that its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(8) *Compliance with laws.* A certification that the jurisdiction will comply with applicable laws.

(c) *Emergency Shelter Grant program.* For jurisdictions that seek funding under the Emergency Shelter Grant program, the following certifications are required:

(1) In the case of assistance involving major rehabilitation or conversion, the applicant will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a 10-year period;

(2) In the case of assistance involving rehabilitation less than that covered under paragraph (d)(1) of this section, the applicant will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a three-year period;

(3) In the case of assistance involving essential services (including but not limited to employment, health, drug abuse, or education) or maintenance, operation, insurance, utilities and furnishings, the applicant will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served;

(4) Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary;

(5) It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal, State, local, and private assistance available for such individuals;

(6) It will obtain matching amounts required under §576.71 of this title;

(7) It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter;

(8) To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this program, in providing services assisted under the program, and in providing services for occupants of facilities assisted under the program; and

(9) It is following a current HUD-approved consolidated plan (or CHAS).

§ 91.230

(d) *HOME program.* Each participating jurisdiction must provide the following certifications:

(1) If it plans to use HOME funds for tenant-based rental assistance, a certification that rental-based assistance is an essential element of its consolidated plan;

(2) A certification that it is using and will use HOME funds for eligible activities and costs, as described in §§ 92.205 through 92.209 of this subtitle and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214 of this subtitle; and

(3) A certification that before committing funds to a project, the participating jurisdiction will evaluate the project in accordance with guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other federal assistance than is necessary to provide affordable housing.

(e) *Housing Opportunities for Persons With AIDS.* For jurisdictions that seek funding under the Housing Opportunities for Persons With AIDS program, a certification is required by the jurisdiction that:

(1) Activities funded under the program will meet urgent needs that are not being met by available public and private sources; and

(2) Any building or structure assisted under that program shall be operated for the purpose specified in the plan:

(i) For a period of not less than 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility; or

(ii) For a period of not less than three years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

(Approved by the Office of Management and Budget under control number 2506-0117)

[60 FR 1896, Jan. 5, 1995; 60 FR 4861, Jan. 25, 1995, as amended at 64 FR 50224, Sept. 15, 1999]

§ 91.230 Monitoring.

The plan must describe the standards and procedures that the jurisdiction will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs in-

24 CFR Subtitle A (4-1-03 Edition)

involved, including minority business outreach and the comprehensive planning requirements.

(Approved by the Office of Management and Budget under control number 2506-0117)

[60 FR 1896, Jan. 5, 1995; 60 FR 4861, Jan. 25, 1995]

§ 91.235 Special case; abbreviated consolidated plan.

(a) *Who may submit an abbreviated plan?* A jurisdiction that is not a CDBG entitlement community under 24 CFR part 570, subpart D, and is not expected to be a participating jurisdiction in the HOME program under 24 CFR part 92, may submit an abbreviated consolidated plan that is appropriate to the types and amounts of assistance sought from HUD instead of a full consolidated plan.

(b) *When is an abbreviated plan necessary?*—(1) *Jurisdiction.* When a jurisdiction that is permitted to use an abbreviated plan applies to HUD for funds under a program that requires an approved consolidated plan (see § 91.2(b)), it must obtain approval of an abbreviated plan (or full consolidated plan) and submit a certification that the housing activities are consistent with the plan.

(2) *Other applicants.* When an eligible applicant other than a jurisdiction (e.g., a public housing agency or non-profit organization) seeks to apply for funding under a program requiring certification of consistency with an approved consolidated plan, the jurisdiction—if it is permitted to use an abbreviated plan—may prepare an abbreviated plan appropriate to the project. See § 91.510.

(3) *Limitation.* For the HOME program, an abbreviated consolidated plan is only permitted with respect to re-allocations to other than participating jurisdictions (see 24 CFR part 92, subpart J). For the CDBG program, an abbreviated plan may be submitted for the HUD-administered Small Cities program, except an abbreviated plan may not be submitted for the HUD-administered Small Cities program in the State of Hawaii.

(c) *What is an abbreviated plan?*—(1) *Assessment of needs, resources, planned activities.* An abbreviated plan must contain sufficient information about

Office of the Secretary, HUD**§ 91.300**

needs, resources, and planned activities to address the needs to cover the type and amount of assistance anticipated to be funded by HUD.

(2) *Nonhousing community development plan.* If the jurisdiction seeks assistance under the Community Development Block Grant program, it must describe the jurisdiction's priority non-housing community development needs eligible for assistance under HUD's community development programs by CDBG eligibility category, reflecting the needs of families for each type of activity, as appropriate, in terms of dollar amounts estimated to meet the priority need for the type of activity, in accordance with a table prescribed by HUD. This community development component of the plan must state the jurisdiction's specific long-term and short-term community development objectives (including economic development activities that create jobs), which must be developed in accordance with the statutory goals described in § 91.1 and the primary objective of the Housing and Community Development Act of 1974, 42 U.S.C. 5301(c), of the development of viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for low-income and moderate-income persons.

(3) *Separate application for funding.* In addition to submission of the abbreviated consolidated plan, an application must be submitted for funding is sought under a competitive program. The applicable program requirements are found in the regulations for the program and in the Notice of Funding Availability published for the applicable fiscal year. For the CDBG Small Cities program, the applicable regulations are found at 24 CFR part 570, subpart F.

(d) *What consultation is applicable?* The jurisdiction must make reasonable efforts to consult with appropriate public and private social service agencies regarding the needs to be served with the funding sought from HUD. The jurisdiction must attempt some consultation with the State. (Section 91.100 does not apply.)

(e) *What citizen participation process is applicable?* If the jurisdiction is seeking

CDBG funds under the CDBG Small Cities program, before submitting the abbreviated consolidated plan and application to HUD for funding, the jurisdiction must comply with the citizen participation requirements of 24 CFR 570.431. If it is not seeking such funding, the jurisdiction must conduct a citizen participation process as provided in section 107 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12707). (Section 91.105 does not apply.)

(Approved by the Office of Management and Budget under control number 2506-0117)

[60 FR 1896, Jan. 5, 1995; 60 FR 4861, Jan. 25, 1995]

§ 91.236 Special case; District of Columbia.

For consolidated planning purposes, the District of Columbia must follow the requirements applicable to local jurisdictions (§§ 91.100, 91.105, and 91.200 through 91.230). In addition, it must submit the component of the State requirements dealing with the use of Low Income Housing Tax Credits (§ 91.315(j)).

(Approved by the Office of Management and Budget under control number 2506-0117)

**Subpart D—State Governments;
Contents of Consolidated Plan****§ 91.300 General.**

(a) A complete consolidated plan consists of the information required in §§ 91.305 through 91.330, submitted in accordance with instructions prescribed by HUD (including tables and narratives), or in such other format as jointly agreed upon by HUD and the State.

(b) The State shall describe the lead agency or entity responsible for overseeing the development of the plan and the significant aspects of the process by which the consolidated plan was developed, the identity of the agencies, groups, organizations, and others who participated in the process, and a description of the State's consultations with social service agencies and other entities. It also shall include a summary of the citizen participation process, public comments, and efforts made

Office of the Secretary, HUD

§91.505

§91.430 Monitoring.

The consolidated plan must describe the standards and procedures that the consortium will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements.

(Approved by the Office of Management and Budget under control number 2506-0117)

[60 FR 1896, Jan. 5, 1995; 60 FR 4861, Jan. 25, 1995]

Subpart F—Other General Requirements

§91.500 HUD approval action.

(a) *General.* HUD will review the plan upon receipt. The plan will be deemed approved 45 days after HUD receives the plan, unless before that date HUD has notified the jurisdiction that the plan is disapproved.

(b) *Standard of review.* HUD may disapprove a plan or a portion of a plan if it is inconsistent with the purposes of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12703), if it is substantially incomplete, or, in the case of certifications applicable to the CDBG program under §§91.225 (a) and (b) or 91.325 (a) and (b), if it is not satisfactory to the Secretary in accordance with §§570.304, 570.429(g), or 570.485(c) of this title, as applicable. The following are examples of consolidated plans that are substantially incomplete:

(1) A plan that was developed without the required citizen participation or the required consultation;

(2) A plan that fails to satisfy all the required elements in this part; and

(3) A plan for which a certification is rejected by HUD as inaccurate, after HUD has inspected the evidence and provided due notice and opportunity to the jurisdiction for comment.

(c) *Written notice of disapproval.* Within 15 days after HUD notifies a jurisdiction that it is disapproving its plan, it must inform the jurisdiction in writing of the reasons for disapproval and actions that the jurisdiction could take to meet the criteria for approval. Disapproval of a plan with respect to one program does not affect assistance dis-

tributed on the basis of a formula under other programs.

(d) *Revisions and resubmission.* The jurisdiction may revise or resubmit a plan within 45 days after the first notification of disapproval. HUD must respond to approve or disapprove the plan within 30 days of receiving the revisions or resubmission.

(Approved by the Office of Management and Budget under control number 2506-0117)

[60 FR 1896, Jan. 5, 1995, as amended at 60 FR 56909, Nov. 9, 1995; 61 FR 54920, Oct. 22, 1996]

§91.505 Amendments to the consolidated plan.

(a) *Amendments to the plan.* The jurisdiction shall amend its approved plan whenever it makes one of the following decisions:

(1) To make a change in its allocation priorities or a change in the method of distribution of funds;

(2) To carry out an activity, using funds from any program covered by the consolidated plan (including program income), not previously described in the action plan; or

(3) To change the purpose, scope, location, or beneficiaries of an activity.

(b) *Criteria for substantial amendment.* The jurisdiction shall identify in its citizen participation plan the criteria it will use for determining what constitutes a substantial amendment. It is these substantial amendments that are subject to a citizen participation process, in accordance with the jurisdiction's citizen participation plan. (See §§91.105 and 91.115.)

(c) *Submission to HUD.* (1) Upon completion, the jurisdiction must make the amendment public and must notify HUD that an amendment has been made. The jurisdiction may submit a copy of each amendment to HUD as it occurs, or at the end of the program year. Letters transmitting copies of amendments must be signed by the official representative of the jurisdiction authorized to take such action.

(2) See subpart B of this part for the public notice procedures applicable to substantial amendments. For any amendment affecting the HOPWA program that would involve acquisition, rehabilitation, conversion, lease, repair or construction of properties to provide housing, an environmental review of

§91.510

the revised proposed use of funds must be completed by HUD in accordance with 24 CFR 574.510.

(Approved by the Office of Management and Budget under control number 2506-0117)

§91.510 Consistency determinations.

(a) *Applicability.* For competitive programs, a certification of consistency of the application with the approved consolidated plan for the jurisdiction may be required, whether the applicant is the jurisdiction or another applicant.

(b) *Certifying authority.* (1) The certification must be obtained from the unit of general local government if the project will be located in a unit of general local government that: is required to have a consolidated plan, is authorized to use an abbreviated consolidated plan but elects to prepare and has submitted a full consolidated plan, or is authorized to use an abbreviated consolidated plan and is applying for the same program as the applicant pursuant to the same Notice of Funding Availability (and therefore has or will have an abbreviated consolidated plan for the fiscal year for that program).

(2) If the project will not be located in a unit of general local government, the certification may be obtained from the State or, if the project will be located in a unit of general local government authorized to use an abbreviated consolidated plan, from the unit of general local government if it is willing to prepare such a plan.

(3) Where the recipient of a HOPWA grant is a city that is the most populous unit of general local government in an EMSA, it also must obtain and keep on file certifications of consistency from such public officials for each other locality in the EMSA in which housing assistance is provided.

(c) *Meaning.* A jurisdiction's certification that an application is consistent with its consolidated plan means the jurisdiction's plan shows need, the proposed activities are consistent with the jurisdiction's strategic plan, and the location of the proposed activities is consistent with the geographic areas specified in the plan. The jurisdiction shall provide the reasons for the denial

24 CFR Subtitle A (4-1-05 Edition)

when it fails to provide a certification of consistency.

(Approved by the Office of Management and Budget under control number 2506-0117)

§91.515 Funding determinations by HUD.

(a) *Formula funding.* The action plan submitted by the jurisdiction will be considered as the application for the CDBG, HOME, ESC, and HOPWA formula grant programs. The Department will make its funding award determination after reviewing the plan submission in accordance with §91.500.

(b) *Other funding.* For other funding, the jurisdiction must still respond to Notices of Funding Availability for the individual programs in order to receive funding.

(Approved by the Office of Management and Budget under control number 2506-0117)

§91.520 Performance reports.

(a) *General.* Each jurisdiction that has an approved consolidated plan shall annually review and report, in a form prescribed by HUD, on the progress it has made in carrying out its strategic plan and its action plan. The performance report must include a description of the resources made available, the investment of available resources, the geographic distribution and location of investments, the families and persons assisted (including the racial and ethnic status of persons assisted), actions taken to affirmatively further fair housing, and other actions indicated in the strategic plan and the action plan. This performance report shall be submitted to HUD within 90 days after the close of the jurisdiction's program year.

(b) *Affordable housing.* The report shall include an evaluation of the jurisdiction's progress in meeting its specific objective of providing affordable housing, including the number and types of families served. This element of the report must include the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

(c) *CDBG.* For CDBG recipients, the report shall include a description of the use of CDBG funds during the program

Office of the Secretary, HUD

Pt. 92

year and an assessment by the jurisdiction of the relationship of that use to the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities that were identified. This element of the report must specify the nature of and reasons for any changes in its program objectives and indications of how the jurisdiction would change its programs as a result of its experiences. This element of the report also must 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.

(d) *HOME*. For HOME participating jurisdictions, the report shall 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, an assessment of the jurisdiction's affirmative marketing actions and outreach to minority-owned and women-owned businesses, and data on the amount and use of program income for projects, including the number of projects and owner and tenant characteristics.

(e) *HOPWA*. For jurisdictions receiving funding under the Housing Opportunities for Persons With AIDS program, the report must include the number of individuals assisted and the types of assistance provided.

(f) *Evaluation by HUD*. HUD shall review the performance report and determine whether it is satisfactory. If a satisfactory report is not submitted in a timely manner, HUD may suspend funding until a satisfactory report is submitted, or may withdraw and reallocate funding if HUD determines, after notice and opportunity for a hearing, that the jurisdiction will not submit a satisfactory report.

(Approved by the Office of Management and Budget under control number 2506-0117)

§ 91.525 Performance review by HUD.

(a) *General*. HUD shall review the performance of each jurisdiction covered by this part at least annually, including site visits by employees—insofar as practicable, assessing the following:

(1) Management of funds made available under programs administered by HUD;

(2) Compliance with the consolidated plan;

(3) Accuracy of performance reports;

(4) Extent to which the jurisdiction made progress towards the statutory goals identified in § 91.1; and

(5) Efforts to ensure that housing assisted under programs administered by HUD is in compliance with contractual agreements and the requirements of law.

(b) *Report by HUD*. HUD shall report on the performance review in writing, stating the length of time the jurisdiction has to review and comment on the report, which will be at least 30 days. HUD may revise the report after considering the jurisdiction's views, and shall make the report, the jurisdiction's comments, and any revisions available to the public within 30 days after receipt of the jurisdiction's comments.

§ 91.600 Waiver authority.

Upon determination of good cause, HUD may, subject to statutory limitations, waive any provision of this part. Each such waiver must be in writing and must be supported by documentation of the pertinent facts and grounds.

[60 FR 50802, Sept. 29, 1995]

PART 92—HOME INVESTMENT PARTNERSHIPS PROGRAM

Subpart A—General

Sec.

92.1 Overview.

92.2 Definitions.

92.4 Waivers and suspension of requirements for disaster areas.

Subpart B—Allocation Formula

92.50 Formula allocation.

INSULAR AREAS PROGRAM

92.60 Allocation amounts for insular areas.

92.61 Program description.

92.62 Review of program description and certifications.

92.63 Amendments to program description.

92.64 Applicability of requirements to insular areas.

92.65 Funding sanctions.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

This program is authorized under Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383, as amended, and provides grants to entitlement community grantees to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services. **Complete regulations for the CDBG program are at 24 CFR Part 570.**

USES OF CDBG FUNDS

Community Development Block Grant (CDBG) entitlement grants may be used to carry out any of a very wide range of community and economic development activities specifically authorized in the CDBG law and regulations. All CDBG projects must address one of the three national objectives of the program: benefit low and moderate income people; eliminate or prevent slums and blight; or, when no other financial resources are available, meet other community development needs which are particularly urgent because existing conditions pose a serious and immediate threat to the health and welfare of the community.

The Lexington-Fayette Urban County Government is an entitlement city for Community Development Block Grant funds. This means that annually, based upon federal appropriations and a formula, the LFUCG is eligible to receive from the U.S. Department of Housing and Urban Development (HUD) an allocation of funds for eligible activities, upon approval by HUD of a Consolidated Plan. The LFUCG may use these funds for eligible facilities/programs/services or may subgrant funds to other eligible public or private nonprofit agencies for eligible facilities/programs/services. The LFUCG only makes awards of CDBG funds to other public entities and to private, nonprofit organizations that are in compliance with Kentucky state law.

Eligible CDBG activities include:

Acquisition in whole or in part by purchase, long-term lease, donation, or otherwise of real property for a public purpose.

Public facilities and improvements. Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements. Public facilities include parks, playgrounds, sidewalks, stormwater facilities, water and sewer lines, shelters for the homeless, senior centers, convalescent homes, hospitals, nursing homes, battered spouse shelters, halfway houses for run-away children, drug offenders or parolees, group homes for mentally retarded persons and temporary housing for disaster victims. When such facilities are owned by nonprofit entities, they shall be operated so as to be open for use by the general public during all normal hours of operation.

Clearance activities. Clearance, demolition, and removal of buildings and improvements.

Public Services. Provision of public services (including labor, supplies, and materials) including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, welfare (excludes income payments), homebuyer downpayment assistance, or recreational needs. To be eligible for CDBG assistance, a public service must be either a new service or a quantifiable increase in the level of an existing service above that which has been provided by or on behalf of the unit of general local government in the 12 calendar months before the submission of the action plan. The amount of funds expended for public services shall not exceed 15 percent of the federal award to the LFUCG plus 15 percent of the program income received by the LFUCG during the previous year.

Relocation. Relocation payments and other assistance for permanently and temporarily relocated individuals, families, businesses, nonprofit organizations, and farm operations where the assistance is required.

Economic Development. Provision of assistance to facilitate economic development by providing grants, loans, loan guarantees, and other forms of financial support, for the establishment, stabilization, and expansion of microenterprises; providing technical assistance, advice, and business support services to owners of microenterprises; providing general support, including peer support programs, counseling, child care, transportation, and other similar services, to owners of microenterprises.

Special Economic Development Activities. including the acquisition, construction, rehabilitation, or installation of commercial or industrial buildings and facilities, capital equipment, and railroad spurs and similar extensions.

Rehabilitation and Preservation Activities. CDBG funds may be used to finance the rehabilitation of privately owned buildings and improvements for residential purposes; low-income public housing and other publicly owned residential buildings and improvements; publicly or privately owned commercial or industrial buildings, except that the rehabilitation of such buildings owned by a private for-profit business is limited to improvements to the exterior of the building and the correction of code violations; and nonprofit owned nonresidential buildings and improvements that are not eligible as public facilities. Types of assistance include grants, loans, loan guarantees, and interest supplements. Rehabilitation activities include improvements to increase the efficient use of energy and water, connection of residential structures to water distribution lines or local sewer collection lines, lead-based paint inspection and abatement, rehabilitation services such as preparation of work specifications, loan processing, and inspections, improvements designed to remove material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons, code enforcement costs, and historic preservation activities.

Planning and Administration activities. This category provides for funds to be expended upon data gathering, studies, analysis, and preparation of plans to include comprehensive

plans, community development plans, functional plans, small area and neighborhood plans, capacity building activities, evaluations, program administrative costs, public information, fair housing activities, and preparation of applications for federal programs where such activities are necessary to achieve its community development objectives. A maximum of 20 percent of total CDBG funds may be spent on planning and administration.

INELIGIBLE ACTIVITIES

The following activities may not be assisted with CDBG funds:

- Buildings or portions thereof, used for the general conduct of government, except for the removal of architectural barriers.
- General government expenses
- Political activities

Unless carried out by an eligible Community-Based Development Organization, the following activities are generally ineligible for CDBG funding:

- Purchase of equipment
- Operating and maintenance expenses, except for those associated with public service activities
- New housing construction
- Income payments

NATIONAL OBJECTIVES

Entitlement communities develop their own programs and funding priorities; however, grantees must give maximum priority to activities which benefit low- and moderate-income persons. Over a one-to-three year period (specified by grantee), at least 70 percent of the grantee's CDBG expenditures (after excluding certain planning and administrative costs) must be devoted to activities benefiting low- and moderate-income persons (80 percent or less of area median income). This is the primary national objective. A grantee may also carry out activities which aid in the prevention or elimination of slums or blight. Additionally, grantees may fund activities when the grantee certifies that the activities meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs. CDBG funds may not be used for activities which do not meet one of these three national objectives.

Projects that serve a geographic area are eligible for CDBG funding, meeting the national objective to serve low-income persons, when at least 51 percent of the population in the area are low- and moderate-income. The area served must be primarily residential in character. The LFUCG uses census tract data to determine eligible areas.

Projects that serve a limited clientele must meet one of the following tests: a) benefit a clientele who are generally presumed to be principally low- and moderate-income persons. Activities that exclusively serve a group of persons in any one or a combination of the following categories may be presumed to meet the low-income benefit requirement: abused children, battered spouses, elderly persons, adults who are severely disabled, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers; b) require information on family size and income so that it is evident that at least 51 percent of the clientele are low- and moderate-income; c) have income eligibility requirements which limit the activity exclusively to low- and moderate-income persons, d) be of such nature and be in such location that it may be concluded that the activity's clientele will primarily be low- and moderate-income persons.

Reasonable fees may be charged for use of CDBG-assisted facilities, but they may not be of a nature to exclude low and moderate income people.

Special assessments on real estate to recover the capital cost of public improvements wholly funded with CDBG funds are not allowed. Where CDBG funds are used to pay only a portion of the costs of a public improvement, special assessments may be used to recover the non-CDBG portion of the cost, but the community must use its CDBG funds to pay the portion of the assessment that would be otherwise levied against properties owned and occupied by low and moderate income people.

Grantees may not change the use of any facility assisted with CDBG funds unless: a) the new use is CDBG-eligible and the grantee holds a public hearing on the proposed change in use; or b) reimburses the CDBG account for all CDBG funds expended for the facility.

All activities that are CDBG-financed in whole or in part (as well as all CDBG program income) are subject to CDBG rules and limitations.

OTHER PROGRAM REQUIREMENTS

- Title VI of the Civil Rights Act of 1964 (Public Law 88-352)
- Fair Housing Act (Public Law 90-284)
- Section 109 of the Housing and Community Development Act of 1974, as amended, requiring that no person in the United States shall on the ground of race, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole in part with community development funds. Section 109 further prohibits discrimination on the basis of age or disability.
- Federal prevailing wage law and the Contract Work Hours and Safety Standards Act
- Environmental standards that further the purpose of the National Environmental Policy Act of 1969
- National Flood Insurance Program
- Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970,
- Employment and Contracting Opportunities

- Lead-based Paint Poisoning Prevention Act and Residential Lead-Based Paint Hazard Reduction Act of 1992
- Uniform administrative requirements and cost principles

HOME INVESTMENT PARTNERSHIPS ACT

This program is authorized under Title II of the of the Cranston-Gonzalez National Affordable Housing Act, as amended, the purpose of which is to expand the supply of decent, safe, sanitary, and affordable housing, with primary attention to rental housing, for very low-income and low-income families. Based upon federal appropriations and a formula, the Lexington-Fayette Urban County Government is allocated federal funds under this program. Formula cities under HOME are called participating jurisdictions. Participating jurisdictions must provide a match equal to 25% of the federal program funds awarded. **The complete regulations are found at 24 CFR Part 92.**

USES OF HOME FUNDS

HOME funds may be used by a participating jurisdiction to provide incentives to develop and support affordable rental housing and homeownership affordability through the acquisition of real property (including assistance to homebuyers), new construction, reconstruction, or moderate or substantial rehabilitation of non-luxury housing with suitable amenities, including real property acquisition, site improvements, conversion, demolition, and other expenses, including financing costs, relocation expenses of any displaced persons, families, businesses, or organizations, to provide tenant-based rental assistance, including security deposits; to provide payment of reasonable administrative and planning costs; and to provide for the payment of operating expenses of community housing development organizations. The housing must be permanent or transitional housing, and includes permanent housing for disabled homeless persons, and single-room occupancy housing.

A participating jurisdiction may invest HOME funds as equity investments, interest-bearing loans or advances, noninterest-bearing loans or advances, interest subsidies, deferred payment loans, grants, or other forms of assistance that HUD determines to be consistent with the regulations. Each participating jurisdiction has the right to establish the terms of assistance subject to federal regulations.

HOME funds may be used to pay the following eligible project costs:

- Development hard costs of new construction to meet the applicable new construction standards of the jurisdiction and the Model Energy Code.
- Development hard costs of rehabilitation to meet the applicable rehabilitation standards of the participating jurisdiction and the Section 8 Housing Quality Standards, to make essential improvements, including energy-related repairs or improvements, improvements necessary to permit use by handicapped persons, the abatement of lead-based paint hazards, and to repair or replace major housing systems in danger of failure.

- For both new construction and rehabilitation, eligible costs include the demolishing of existing structures, utility connections, and to make improvements to the project site that are in keeping with improvements of surrounding, standard projects.
- Costs of acquiring improved or unimproved real property, including acquisition by homebuyers.
- Soft costs associated with the financing or development of new construction, rehabilitation or acquisition of housing assisted with HOME funds. These soft costs include: architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups; costs to process and settle the financing for a project (private lender origination fees, credit reports, fees for title evidence, fees for recordation and filing of legal documents, building permits, attorney fees, appraisal fees); project audit costs, costs to provide information services such as affirmative marketing and fair housing information to prospective homeowners and tenants; for new construction and substantial rehabilitation, the cost of funding an initial operating deficit reserve to meet shortfall in project income during the period of project rent-up which may be used only to pay project operating expenses, reserve for replacement payments, and debt service; and staff and overhead cost directly related to carrying out the project.
- Project specific assistance to Community Housing Development Organizations.
- Relocation costs to persons displaced by the project.
- Reasonable costs which the participating jurisdiction incurs on the administration and planning of the HOME program. A jurisdiction may not exceed ten percent of the fiscal year HOME basic formula allocation for planning and administration.
- Costs related to the operation of a tenant-based rental assistance program which include rental assistance and security deposit payments.

Qualification as Affordable Housing and Income Targeting for Rental Housing:

- A rental housing project qualifies as affordable housing only if the project bears rents not greater than the lesser of the fair market rent for existing housing for comparable units in the area as established by HUD, or a rent that does not exceed 30 percent of the adjusted income of a family whose gross income equals 65 percent of the median income for the area, as determined by HUD, and
- In the case of projects with five or more rental units, not less than 20 percent of the rental units shall be occupied by very low-income families and bearing rents not greater than 30 percent of the gross income of a family whose income equals 50 percent of the median income for the area.

- At initial rent-up and for all new tenants, 90% of all HOME-assisted rental units shall be occupied by households whose incomes do not exceed 60 percent of the area median income, adjusted for family size; however all units shall be rented to households whose incomes are at or below 80 percent of the area median income, adjusted for family size.
- Housing shall remain affordable for periods of five to twenty years depending on the level of HOME funds invested and whether the activity was rehabilitation or new construction.

Qualification as affordable housing: Homeownership:

- Housing is deemed affordable if it has an initial purchase price that does not exceed 95% of the median purchase price for the jurisdiction as determined by HUD and is supported by an appraisal; for Fayette County the maximum purchase price is \$150,000.
- Property must be principal residence of an owner whose family qualified as a low-income family at the time of purchase.

COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS:

The participating jurisdiction must allocate at least 15 percent of its annual formula allocation for investment only in housing to be developed, sponsored, or owned by community housing development organizations (CHDOs). A CHDO is an organization which is organized under state law, is operated as a nonprofit organization, has a tax exemption ruling from the Internal Revenue Service under Section 501(c)(3) or (4), has among its purposes the provision of decent housing that is affordable to low- and moderate-income people, has a demonstrated capacity for carrying out activities assisted with HOME funds, has a history of serving the community within which housing is to be assisted, and maintains on its governing board a membership which is at least one-third low-income or representative of low-income neighborhoods.

OTHER PROGRAM REQUIREMENTS

- Nondiscrimination and equal opportunity
- Affirmative marketing and minority outreach
- Environmental review
- Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970
- Federal prevailing wage law and the Contract Work Hours and Safety Standards Act
- Lead-based Paint Poisoning Prevention Act and Residential Lead-Based Paint Hazard Reduction Act of 1992

EMERGENCY SHELTER GRANTS PROGRAM

The Emergency Shelter Grant Program, authorized by the Stewart B. McKinney Homeless Assistance Act of 1987, is designed to help improve the quality of existing emergency shelters for the homeless, to help make available additional emergency shelters, to help meet the costs of operating emergency shelters and to provide certain essential social services to homeless individuals so that these persons have access not only to safe and sanitary shelter, but also to the supportive services and other kinds of assistance they need to improve their situations. The program is also intended to restrict the increase of homelessness through the funding of preventive programs and activities. Based upon federal appropriations and a formula, the Lexington-Fayette Urban County Government is allocated federal funds under this program. **Regulations may be found at 24 CFR Part 576.**

Please note that Emergency Shelter Grants Program is subject to change during Program Year 2011. On May 20, 2009, President Obama signed the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act of 2009. The HEARTH Act amends and reauthorizes the McKinney-Vento Homeless Assistance Act with substantial changes, including:

- **A consolidation of HUD's competitive grant programs;**
- **The creation of a Rural Housing Stability Program;**
- **A change in HUD's definition of homelessness and chronic homelessness;**
- **A simplified match requirement;**
- **An increase in prevention resources; and,**
- **An increase in the emphasis on performance.**

Under the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act of 2009, the Emergency Shelter Grants Program will be renamed the Emergency Solutions Grants Program. LFUCG anticipates the implementation of HEARTH during the planning year for the 2012 Consolidated Plan.

USES OF ESG FUNDS

Eligible activities include the following: renovation, major rehabilitation, or conversion of buildings for use as emergency shelters for the homeless; provision of essential services to the homeless; payment of maintenance, operation, rent, repair, security, fuels, equipment, insurance, utilities, and furnishings; and, the development and implementation of homeless prevention activities. Essential services are defined as services which are concerned with employment, health, drug abuse, and education. Homeless prevention means activities or programs designed to prevent the incidence of homelessness and includes short-term subsidies to defray rent and utility arrearage, security deposits, mediation programs for landlord-tenant disputes, legal services programs for representation of indigent tenants, and payments to prevent foreclosure.

PROGRAM RESTRICTIONS:

- No more than 30 percent of a government's annual allocation may be used for essential services.
- No more than 30 percent of a government's annual allocation may be used for homelessness prevention activities.
- Only governments and nonprofit organizations may carry out activities under this program.
- Each grantee must match the ESG funding provided by HUD with an equal amount of funds from sources other than the Emergency Shelter Grants program. Match may be in-kind.
- Any building for which emergency shelter grant amounts are used for renovation, major rehabilitation, or conversion of building for use as an emergency shelter, must be maintained as a shelter for the homeless for not less than a three-year period , or if the grant amounts are used for major rehabilitation or conversion, for not less than a 10-year period.

FAITH-BASED ORGANIZATIONS

The U.S. Department of Housing and Urban Development (HUD) has issued a final rule on September 30, 2003 (Federal Register Volume 68, page 56396), requiring equal treatment of faith-based organizations participating in HOME, CDBG, and ESG programs. This rule provides for the following:

1. Organizations are eligible to participate in HUD-funded programs without regard to their religious character or affiliation.
2. HUD funds may not be used for acquisition, construction, or rehabilitation of sanctuaries, chapels, or any other rooms that a religious congregation uses as a principle place of worship.
3. Faith-based organizations that participate in HUD programs will retain their independence and may continue to carry out their missions, including the practice and expression of its religious beliefs, provided that they do not use direct HUD funds to support any inherently religious activities, such as worship; religious instruction, or proselytization.
4. Faith-based organizations in providing services funded in whole or in part by HUD, may not discriminate against current or prospective program beneficiaries on the basis of religion or religious beliefs.

5. Executive Order 11246 as amended by Executive Order 13279 applies to all HUD grantees. Executive Order 11246 provides for nondiscrimination against any employee or applicant for employment because of race, color, religion, sex, or national origin. E.O. 13279 allows a faith-based government contractor or subcontractor to take religion into consideration in the employment of individuals to perform work connected with the carrying on by the organization of its activities.

RELOCATION ASSISTANCE

In the event that residents are displaced by any activities undertaken by the LFUCG in its CDBG, HOME, or ESG programs, dislocated residents will receive relocation assistance required by the Uniform Relocation Act and Section 104 of the Housing and Community Development Act of 1974, to include:

- a) Actual moving expenses or a fixed amount of up to \$1,050 for an 8-room house;
- b) Advisory services;
- c) Where applicable, reimbursement for security deposits and credit check costs (104(d));
- d) Replacement housing assistance down payment, or:
 1. Rental assistance of up to \$5,250 (Uniform Relocation Act) (tenants and homeowners - less than 180 days);
 2. Replacement housing payment of up to \$22,500 for homeowners of 180 days or more (Uniform Relocation Act);
 3. Section 8 Voucher/Certificate or cash assistance to reduce rent and utility costs to 30% of income for 60 months (104(d)).
- e) Last resort housing replacement - special payments to owners or tenants to provide comparable replacement housing due to problems of affordability and availability.

**Residential Anti-Displacement and
Relocation Assistance Plan
Under Section 104 (d) of the
Housing and Community Development Act of 1974, as Amended**

The Lexington-Fayette Urban County Government will replace all occupied and vacant occupiable low-moderate income dwelling units demolished or converted to a use other than as low-moderate income housing as a direct result of activities assisted with funds provided in 24 CFR 570.606(b) (1).

All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the Lexington-Fayette Urban County Government will make public and submit to the HUD field office the following information in writing.

1. A description of the proposed assisted activity;
2. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low-moderate income dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement units; and
6. The basis for concluding that each replacement dwelling unit will remain in a low-moderate income dwelling unit for at least 10 years from the date of initial occupancy.

The Lexington-Fayette Urban County Government will provide relocation assistance as described in 570.606(b) (2), to each low-moderate income household displaced by the demolition of housing or by the conversion of a low-moderate income dwelling to another use as a direct result of assisted activities.

Consistent with the goals and objectives of activities under the Act, the Lexington-Fayette Urban County Government will take the following steps to minimize the displacement of persons from their homes:

1. Giving lower priority for Community Development Block Grant funding to projects which will result in displacement.
2. Implementation of design alternative to avoid displacement.
3. Use of undeveloped land for construction sites whenever possible.
4. Minimizing acquisition of right-of-way for public improvements projects.
5. Proceeding with demolition of structures under Code Enforcement Activities only as a last resort due to a threat to health and safety.
6. Use of temporary relocation in substantial rehabilitation whenever possible.

PREVIOUS USE OF PROGRAM FUNDS

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Lexington-Fayette Urban County Government has been a formula grantee for Community Development Block Grant funds from the U.S. Department of Housing and Urban Development since fiscal year 1976. Over the period of almost 35 years, approximately one-third of the funds have been spent on public improvements, approximately 10% has been spent on the acquisition and improvement of parks, and approximately one-third has been spent on housing rehabilitation resulting in the rehabilitation of over 2,000 units. The following five pages represent the use of funds for the seventeen-year period from FY 1993-FY 2010.

ACTIVITY	FY 2010 Expended	FY 2009 Expended	FY 2008 Expended
CDBG ADMINISTRATION PLANNING	LFUCG—\$122,784	LFUCG—\$83,182	LFUCG—\$96,951
PUBLIC FACILITIES	Florence Crittenton Home - \$53,652	Florence Crittenton Home - \$59,345	
PARK IMPROVEMENTS	Carver Center - \$47,580 Valley Park - \$55,827 Coolavin Park - \$66,217	Carver Center - \$99,494 Valley Park - \$4540 Coolavin Park - \$1,400	Coolavin Park - \$8,033.13
PUBLIC IMPROVEMENTS (Includes new construction or reconstruction of sidewalks, curb and gutter, pavement, detention basins.)	Meadows-Northland-Arlington—\$825,505	Meadows-Northland-Arlington—\$1,440,087	Meadows-Northland-Arlington—\$933,141
HOUSING	Handicap Ramps/Repair Affair—\$48,730 Single Family Housing Rehabilitation—\$586,978 Housing Rehabilitation Operations—\$277,504 Community Action Council Weatherization Enhancement—\$7,880	Assistance for Lateral Sewers - \$23,490 Handicap Ramps/Repair Affair—\$24,840 Single Family Housing Rehabilitation— \$356,745 Housing Rehabilitation Operations—\$292,592 Community Action Council Weatherization Enhancement—\$23,355 Habitat for Humanity—\$46,400	Assistance for Lateral Sewers - \$10,900 Handicap Ramps/Repair Affair—\$38,382 Single Family Housing Rehabilitation—\$513,135 Housing Rehabilitation Operations—\$298,594 Community Action Council Weatherization Enhancement—\$16,645 Habitat for Humanity—\$63,600
SERVICES	Volunteers of America—Housing for the Homeless—\$61,804 Police Activities League—\$20,273 Hope Center Transitional Housing—\$53,000 Hope Center for Women—\$44,000 Bluegrass Reg Mental Health— \$30,627 Salvation Army—\$75,000 Bluegrass Domestic Violence-Permanent Housing—\$30,680 Repairs of the Breach—\$35,670 Ruby E. Bailey Family Services Center—\$10,420 Manchester Center—\$14,371 M.A.S.H. Services of the Bluegrass—\$29,502	Volunteers of America—Housing for the Homeless—\$55,413 Police Activities League—\$131 Hope Center Permanent Housing—\$53,000 Hope Center for Women—\$44,000 Bluegrass Reg Mental Health— \$23,658 Bluegrass Domestic Violence-Permanent Housing—\$30,676 Repairs of the Breach—\$18,879 Ruby E. Bailey Family Services Center—\$3,580 Manchester Center—\$6,069 M.A.S.H. Services of the Bluegrass—\$37,569	Volunteers of America—Housing for the Homeless—\$63,232 Police Activities League—\$22,987 Hope Center Transitional Housing—\$53,000 Hope Center for Women—\$44,000 Bluegrass Regional Mental Health— \$27,066 Bluegrass Domestic Violence-Permanent Housing—\$31,336 Repairs of the Breach—\$795 M.A.S.H. Services of the Bluegrass—\$23,206 Salvation Army—\$85,000
ECONOMIC DEVELOPMENT			

ACTIVITY	FY 2007 Expended	FY 2006 Expended	FY 2005 Expended	FY 2004 Expended
CDBG ADMINISTRATION	LFUCG—\$112,744 Lexington Human Rights Commission, Fair Housing—\$30,310	LFUCG—\$89,054 Lexington Human Rights Commission, Fair Housing—\$11,467	LFUCG—\$101,986 Lexington Human Rights Commission, Fair Housing—\$41,707	LFUCG—106,056 Lexington Human Rights Commission, Fair Housing—58,942
PLANNING	Rural Settlement Study—\$15,416 Russell School—\$50,000 Winburn—\$21,752	Rural Settlement Study—\$8,835	Rural Settlement Study—\$25,000 Aging in Place—\$20,000	Habitat - Single Family Plans—16,713 Rural Settlement Study—24,858
PUBLIC FACILITIES	Shepherd's House—\$20,790	Shepherd's House—\$1,105 Family Care Center—\$92,618	Florence Crittenton Home—\$70,000 Metro Group Homes—\$45,000 Family Care Center—\$304,262 REACH —\$80,000 Shepherd's House—\$19,899 Rosenwald School—\$20,208 Chrysalis House Family Program—\$110,000	Robert H. Williams—90,878 Community Ventures Corporation - Homeownership Center—25,803 Family Care Center—2,062 Central Adult Wellness Garden—14,000 Rosenwald School—1,266
PARK IMPROVEMENTS	Colavin Park Shelter—\$13,724		Charles Young Park—\$2,911	Charles Young Park—38,038
PUBLIC IMPROVEMENTS (includes new construction or reconstruction of sidewalks, curb and gutter, pavement, detention basins.)	Meadows-Northland-Arlington—\$341,335	Meadows-Northland-Arlington—\$727,612	Brown Avenue—\$282,444.08 Warfield/Shelby—\$85,793.86 Meadows-Northland-Arlington—\$361,024	Brown Avenue—401,671 Warfield/Shelby—669,757 Meadows-Northland-Arlington—63,053
HOUSING	Handicap Ramps/Repair Affair—\$53,991 Single Family Housing Rehabilitation—\$572,417 Housing Rehabilitation Operations—\$366,826 Community Action Council Weatherization Enhancement—\$28,248	Handicap Ramps/Repair Affair—\$52,247 Single Family Housing Rehabilitation—\$615,670 Housing Rehabilitation Operations—\$247,110 Community Action Council Weatherization Enhancement—\$15,176	Handicap Ramps/Repair Affair—\$52,762 Single Family Housing Rehabilitation—\$381,799 Housing Rehabilitation Operations—\$189,679 Community Action Council Weatherization Enhancement—\$14,205	Handicap Ramps/Repair Affair—39,575 Single Family Housing Rehabilitation—366,474 Housing Rehabilitation Operations—243,893 Community Action Council Weatherization Enhancement—16,225
SERVICES	Volunteers of America-Housing for the Homeless—\$32,499 Police Activities League—\$26,762 Hope Center Permanent Housing—\$52,200 Hope Center for Women—\$43,500 Bluegrass Reg Mental Health—\$27,892 Salvation Army—\$34,800 Youthbuilders Challenge—\$24,004 Community Ventures Hispanic Homeownership Counseling—\$3,994 Bluegrass Domestic Violence-Permanent Housing—\$26,678 Repairs of the Breach—\$26,025 Central KY Radio Eye—\$2,100	Volunteers of America-Housing for the Homeless—\$44,533 Community Reinvestment Alliance Housing Counseling—\$13,936 Police Activities League—\$21,983 Hope Center Permanent Housing—\$57,000 Hope Center for Women—\$47,500 Positive Link—\$1,000 Bluegrass Reg Mental Health—\$16,571 Salvation Army—\$76,000 Youthbuilders Challenge—\$81,498 Community Ventures Hispanic Homeownership Counseling—\$43,506	Volunteers of America-Housing for the Homeless—\$51,225 Community Reinvestment Alliance Housing Counseling—\$46,589 Police Activities League—\$21,666 Hope Center Permanent Housing—\$57,000 Hope Center for Women—\$49,317 Positive Link—\$10,193 Bluegrass Regional Mental Health—\$25,826 Youthbuilders Challenge—\$75,961 Community Ventures Microenterprise Training & Assistance—\$24,197	Volunteers of America-Housing for the Homeless—51,621 Community Reinvestment Alliance Housing Counseling—46,655 Police Activities League—19,303 Hope Center Permanent Housing—60,000 Hope Center for Women—48,183 Salvation Army—40,000 Positive Link—12,314 LexLinc Community Development Federal Credit Union- 3,688 Bluegrass Regional Mental Health—24,052 Youthbuilders Challenge—83,901
ECONOMIC DEVELOPMENT				

ACTIVITY	FY 2003 Expended	FY 2002 Expended	FY 2001 Expended	FY 2000 Expended
CDBG ADMINISTRATION	LFUCG—139,893 Lexington Human Rights Commission, Fair Housing—18,421	LFUCG—145,568 Lexington Human Rights Commission, Fair Housing—12,046	LFUCG—139,113 Lexington Human Rights Commission, Fair Housing—28,827 Lexington Fair Housing Council—Minority Realtors Program—14,891	LFUCG Administration—166,088 Fair Housing Marketing—5,233
PLANNING	Habitat – Single Family Plans—13,287			
PUBLIC FACILITIES	Robert H. Williams—80,000 Community Ventures Corporation – Homeownership Ctr—100,000 Chrysalis House Community Ctr—149,304 Family Care Center—236,915 Rosenwald School—\$137,909	Fayette County Local Development Corporation—67,577 Family Care Center—12,678	Florence Crittenton—150,172 Shepherd's House Addition—2,019 Fayette County Local Development Corporation—63,000 Arc of the Bluegrass—25,000	Florence Crittenton—99,760 Shepherd's House—27,481 Beacon Station Rehab—41,395
PARK IMPROVEMENTS			Douglass Park—13,000 Burley Park—2,553 Whitney Young Park—374 Southend Park—55,110	Charles Young Center—13,000 Kenwick Center—8,050 Burley Park—29,766 Green Acres Park—7,916 Highlands Park—14,720 Whitney Young Park—28,868 Southend Park—15,198
PUBLIC IMPROVEMENTS (includes new construction or reconstruction of sidewalks, curb and gutter, pavement, detention basins.)	Brown Avenue—722,135 Warfield/Shelby—748,066 Meadows-Northland-Arlington—1,058,417	Brown Avenue—30,947 Meadows-Northland-Arlington, Edgelawn—389,914	Lima Court—22,054 St. Martin's Village—504 Meadows-Northland-Arlington, Phase I— 132,612 Meadows-Northland-Arlington, Phase II, Bryan Avenue—55,656 Chestnut Pemberton—215,751 Brown Avenue—32,515	Rose-DeWeese Street—2,388 Meadows-Northland-Arlington— 1,163,848 Warfield Design—77,067 Chestnut Street—1,950 Brown Avenue—5,445
HOUSING	Handicap Ramps—30,997 Repair Affair—23,470 Single Family Housing Rehabilitation— 1,220,667 Housing Rehabilitation Operations— 331,180	Handicap Ramps—14,044 Repair Affair—31,880 Single Family Housing Rehabilitation— 701,630 Housing Rehabilitation Operations— 305,926	Handicap Ramps—21,274 Repair Affair—2,638 Single Family Housing Rehabilitation— 685,109 Housing Rehabilitation Operations— 258,230	Single Family Housing Rehab— 1,487,138 Handicap Ramps & Repair Affair— 25,328 Housing Rehab Operations—334,812
SERVICES	Volunteers of America-Housing for the Homeless—50,393 Hispanic Services—49,399 Community Reinvestment Alliance Housing Counseling—23,470 Police Activities League—19,810 Hope Center Permanent Housing—60,000 Hope Center for Women—50,000 Salvation Army—33,000 Metro Group Homes—39,443 Positive Link—2,916 Social Services Network—2,189	Volunteers of America-Housing for the Homeless—47,515 Hispanic Services—49,119 Community Reinvestment Alliance Housing Counseling—23,341 Youthbuild—9,676 Police Activities League—30,357 Hope Center Permanent Housing—120,000 Salvation Army—30,000 Metro Group Homes—10,557 Ruby E. Bailey—2,785 Positive Link—8,770	Social Services Network—26,573 Police Activities League—17,299 Community Reinvestment Alliance Housing Counseling—10,159 Hispanic Services—51,482 Volunteers of America Homeless Program— 61,070	Social Services Network—11,452 Chrysalis House First Step—8,596 Volunteers of America—Homeless— 38,930 Police Activities League—31,715 Community Reinvestment Alliance— 12,121 Hope Center Permanent Housing— 30,000
ECONOMIC DEVELOPMENT	Economic Development—22,500			

ACTIVITY	FY 99 Expended	FY 98 Expended	FY 97 Expended
CDBG ADMINISTRATION	LFUCG - 165,943 Fair Housing Activities - 24,980	LFUCG - 136,490	LFUCG - 92,330 Homeownership Counseling - 10,792
PLANNING	Fair Housing Study - 1,095 Robert H. Williams Cultural Center - 1,361		Florence Crittenton Home Master Plan-19,995 Robert H. Williams Cultural Center Master Plan-51,000
PUBLIC FACILITIES	Florence Crittenton - 73	Presbyterian Child Welfare Facility for Homeless Youth-50,000 Rehab of Metro Group Home - 79,985	Copeland Home - 1,048 Lexington Rape Crisis Center- Rehabilitation-7,316
PARK IMPROVEMENTS	Kenwick Center - 29,350 Highland Park Community Center - 131,400 Burley Park - 9,057	Duncan Park - 9,654 Douglass Park - 21,003 Valley Park - 43,720 Martin Luther King Park-9,661	Masterson Station Park-6,274 Lou Johnson Park - 2,504 Dunbar Community Center - 7,528 Addison Park - 23,525 Oakwood Park - 205
PUBLIC IMPROVEMENTS (includes new construction or reconstruction of sidewalks, curb and gutter, pavement, detention basins.	Meadows-Northland-Arlington - 131,633 St. Martin's Village, Phase III, IV and V - 562,230 Liberty Heights, Phase IV-14,000 Chestnut Street, 300 Block-11,050 Rose-Deweese Alley Construction - 97,119	Meadows-Northland-Arlington-71,094 St Martin's Village, Phase III, IV, & V-1,977 Liberty Heights, Phase IV - 63,093 Rose-Deweese Alley Construction - 1,776 Jefferson-Delcamp, Phase IV-500 Seventh Street, Phase IV-500 Montgomery Avenue Design-300 American-Burley Engineering Study-9,894 Lima Court-151,822 Warfield-Shelby Design-47,250 Brown Avenue Engineering Study-43,430	Meadows-Northland-Arlington Engineering Study - 75,000 St. Martin's Village, Phase III, IV & V- 47,588 Liberty Heights, Phase III-325,000 Liberty Heights, Phase IV-202,996 Rose-DeWeese Alley Construction- 3,500 Jefferson-Delcamp Phase V, VI, VII-263,909 Seventh Street Phase III-8,522 Seventh Street Phase IV-240,433 Montgomery Avenue Design - 29,700 American Burley Engineering Study-23,087 Lima Court - 23,371 Warfield-Shelby Design - 9,450
HOUSING	Handicap Ramps for Elderly - 3,632 Repair Affair-8,060 Rehabilitation Administration-370,127 Single Family Housing Rehab - 1,136,480	Handicap Ramps for Elderly - 2,147 Rehabilitation Administration-341,646 Single Family Housing Rehab - 1,283,863 Canaan House Rehab-3,095	Rehabilitation Administration - 347,704 Single Family Housing Rehab - 1,136,705 Canaan House Rehab - 8,935 Housing for Persons with AIDS - 50,000
SERVICES	Hope Center-3,208 TDD Device-1,892 Center for Employment & Training-33,161 Police Activities League-53,917 CRAL-Homeownership Counseling Services-7,408 Chrysalis House-Housing for the Homeless-36,404 Volunteers of America-Housing for the Homeless-25,000 Social Services Network-1,810	Police Activities League - 50,000 Youth Sports Facility - 100,000 CRAL Housing Counseling - 15,000	Hope Center-Operating Costs-3,893 Hope Center-Job training for the homeless-3,893 Maintenance of single-family units for the homeless-368 Micro Enterprise Program-35,971 Center for Employment and Training-116,071 Police Activities League-39,880 Youth Services-Partners for Youth-26,524 Health Department Transportation-21,532

ACTIVITY		FY 96 Expended	FY 95 Expended	FY 94 Expended	FY 93 Expended
CDBG ADMINISTRATION PLANNING		LFUCG - 118,514 Homeownership Counseling-16,710	LFUCG - 149,945	LFUCG - 115,332	LFUCG - 101,568
		Robert H. Williams Cultural Center Master Plan- 139 Youthbuild Planning Grant Match- 7,500		Fair Housing Study - 5,520	Greenspace planning - 15,000
PUBLIC FACILITIES		Copeland Home-1,952 Lexington Rape Crisis Center Rehabilitation - 27,681 YWCA Spouse Abuse Shelter- Rehabilitation - 12,435		Children's Advocacy Center - 179,486 Crisis Nursery - 21,952	Hope Center kitchen equip - 99,974
PARK IMPROVEMENTS		Masterson Station Park-3,836 Carver Center-18,608 Pyramid Park-21,001 Oakwood Park-2,422 Castlewood Park-5,330 Southend Park-11,770 Gainesway Park-40,000	Douglass Park - 4,907 Castlewood Park - 5,330 Southend Park - 24,768 Dunbar Center Playground - 15,000 Speigle Heights Park - 6,000	Douglass Park - 2,295 Dunbar Playground - 12,000 Addison Park - 6,151 Oakwood Park - 20,000 Bluegrass Park - 34,624 Masterson Station Park - 8,114	Coolavin Park - 12,550 Martin Luther King Park - 11,356 Landscaping for Addison and Metrose-Oakpark - 18,315
PUBLIC IMPROVEMENTS (includes new construction or reconstruction of sidewalks, curb and gutter, pavement, detention basins.		Meadows-Northland-Arlington Engineering Study-75,000 St. Martin's Village, Phase I and II- 331,889 Liberty Heights, Phase II-102,699 Liberty Heights, Phase III-98 Liberty Heights, Phase IV-28,431 Rose-Dewesse Public Improvements- 65,885 Jefferson-Delcamp Phase III-158,884 Jefferson-Delcamp Phase IV-30,000 Jefferson-Delcamp Phase V, VI, and VII- 148,854 Seventh Street Phase III-291,086 Seventh Street Phase IV-9,300 Lima Court-20,214	Meadows-Northland - 150,000 Seventh Street - 281,757 Liberty Heights - 368,248 St. Martin's Village - 331,889	Jefferson-Delcamp - 210,224 Seventh Street - 333,091 Liberty Heights - 312,075 St. Martin's Village - 60,000 Lima Drive - 3200 Hope Center Stormwater - 100,000	Rose-Dewesse - 339,819 Jefferson-Delcamp - 277,621 Seventh Street - 257,815 Liberty Heights - 227,870 Lima Drive - 5,100
HOUSING		Rehabilitation Administration -242,370 Single Family Housing Rehab - 1,415,472 Canaan House Rehab - 14,622 Housing for Persons with AIDS-140,000 Hope Center-Operating Costs-54,199 Hope Center-Job training for the homeless-40,124 Maintenance of single-family units for the homeless-29,860 Employment Training for Ex-Offenders- 6,052 Police Activities League-35,522 Youth Services-Partners for Youth- 18,850 Health Department Transportation-510	Rehabilitation Administration -305,743 Single Family Housing Rehab - 1,487,684 Housing for the Homeless - 50,920	Rehabilitation Administration -287,741 Single Family Housing Rehab - 1,421,659	Rehabilitation Admin. -262,057 Single Family Housing Rehab - 1,382,895 Virginia Place Rehab - 100,067 Housing for the Homeless - 66,153
SERVICES			Police Activities League - 26,599 Hope Center - 49,088 Economic Development - 20,000 Hope Center Job Training - 78,415 Urban League Job Training - 50,000 Partners for Youth - 13,494	Police Activities League - 14,787 Homeownership Counseling - 35,000 Economic Development - 20,000	Police Activities League - 26,443 Drug Counseling/Defention Center - 18,750 Economic Development - 10,000

HOME INVESTMENT PARTNERSHIPS PROGRAM

June 30, 2010

Lexington-Fayette Urban County Government has been a Participating Jurisdiction under the HOME Investment Partnerships Program since 1993.

The following is an outline of all projects that have been supported with HOME funding or are currently budgeted:

ACTIVITY/PROJECT	HOME AMOUNT EXPENSED THROUGH 6/30/2010	NUMBER OF UNITS PRODUCED
Administration—LFUCG	\$2,235,127	
Operating—Fayette County Local Development Corporation	\$737,000	
Rental Rehabilitation Projects	\$252,492	47
St. James Place/SRO—New Construction	\$769,320	100
St. James Place/SRO—New Construction/Expansion	\$275,000	38
Virginia Place/One-Parent Family Facility—New Construction	\$1,000,000	56
Virginia Place/One-Parent Family Facility—New Construction /Expansion	\$250,000	24
Kanisa Apartments—Restoration and New Construction	\$400,000	59
Fayette County Local Development Corporation—CHDO activities	\$3,687,610	170
R.E.A.C.H.—First-time Homebuyers Program	\$6,978,402	469
REACH-CHDO activities	\$233,000	3
Employee Assistance Housing Program	0	0
Community Reinvestment Alliance-First-time Homebuyers Program	\$100,277	7
Derbytown Apartments—New Construction	\$602,183	64
Chrysalis House Rehabilitation	\$200,000	11
Chrysalis Village/Serenity House—New Construction	\$352,000	40
Housing for Persons with AIDS	\$103,704	1
Community Ventures Corporation—First-time Homebuyers	\$3,006,973	158
Canaan House—Acquisition	\$64,700	1
Canaan House II—Acquisition/Rehab	\$106,910	6
Single Family Housing Rehab	\$4,341,339	195
Elm Tree Lane Housing – New Construction	\$304,000	19
Shepherd's House – New Construction	\$280,000	40
Sugar Mill – New Construction	\$186,000	60
Arc of the Bluegrass – Acquisition/Rehabilitation	\$127,500	15
Twelfth Street – -Rehabilitation	\$481,000	40
Russell School***	0	0
Hope Center for Women – New Construction	\$299,100	35
Hope Center/ SRO—New Construction	\$500,000	34
New Beginnings-	200,000	4
Chrysalis Family Program-New Construction	\$140,000	1 unit
		9 bedrooms
Faith Community Housing Foundation	\$579,000	13
Sayre Christian Village	\$300,000	42
Falcon Crest**	\$270,000	
First Presbyterian Apartments	\$250,000	10
Parkside***	0	
Habitat	\$1,106,617	147
Tenant Based Rental Assistance		
Community Action Council	102,536	41
Bluegrass Regional Mental Health/Mental Retardation Board	\$124,906	43
AVOL/Housing for Persons with AIDS	30,526	14
TOTAL UNITS	\$30,977,222	2,015

**Projects are approved, but are still in the construction stage.

***Projects are approved, but have no expenses yet.

EMERGENCY SHELTER GRANTS PROGRAM

Since 1987, the Lexington-Fayette Urban County Government has received formula funding from the Emergency Shelter Grants Program. The following list provides information on the expenditure of these funds for the last eleven years.

ACTIVITY/ORGANIZATION	CON PLAN 2010	CON PLAN 2009	CON PLAN 2008	CON PLAN 2007	CON PLAN 2006	CON PLAN 2005	CON PLAN 2004	CON PLAN 2003	CON PLAN 2002	CON PLAN 2001	CON PLAN 2000
YWCA Spouse Abuse/operations								10,000	10,000	10,000	10,000
Tenant Services & Housing Counseling, Inc./Homeless Prevention ¹							14,540	13,000	14,000	14,250	10,000
LFUCG Division of Adult Services/Homeless Prevention	24,000	24,000	24,000	24,000	24,000	24,000	11,180	10,000	10,000	10,000	10,000
Salvation Army/operations	12,688	12,688	12,620	12,620	12,620	12,620	11,190	10,000	10,000	10,000	10,000
Hope Center, Inc./operations	24,400	24,720	24,720	24,720	44,720	55,000	57,502	50,000	50,000	50,750	55,000
Hope Center for Women/operations	20,000	20,000	20,000	20,000							
Bluegrass Domestic Violence Program	10,000	10,000	10,000	10,000	10,000						

¹ Tenant Services & Housing Counseling, Inc., merged with the LFUCG Division of Adult Services on July 1, 2005.

**2010 CONSOLIDATED PLAN
5-YEAR STRATEGIC PLAN
JULY 1, 2010-JUNE 30, 2015**

The following sections are excerpted from the 2010 Five-Year Consolidated Plan, describing the specific housing (including special needs housing) and non-housing objectives that the LFUCG expects to achieve using HOME, CDBG, ESG, and other resources during the 2010-2014 period. The community's strategy to eliminate homelessness is also included. For more details of these needs, see the 2010 Consolidated Plan.

Specific Housing Objectives

The Lexington-Fayette Urban County Government's goal for affordable housing is to ensure the provision of safe and affordable housing opportunities, both rental and homeownership, within the community for all low-income persons and to provide for maximum consumer choice in location of housing.

The specific priorities shall be the housing needs of persons who are extremely low-income ($\leq 30\%$ of AMI) and those who are very low-income (30.1% to 50% of AMI). There is also a priority for the development of homeownership opportunities for households who are 50.1% to 80% of median income.

Lexington-Fayette County hopes to achieve the following objectives over the five year period of July 1, 2010 through June 30, 2015.

Increase in Rental Housing Units

Decrease the number of very low-income renters ($\leq 50\%$ of AMI) who are extremely cost-burdened, or paying more than 50% of their income for housing costs, by 2 percentage points. The current CHAS data places the number of households within this income group at 22,400, with 48% (10,740) being severely cost-burdened. The five-year objective is to decrease the number of households who have below 50% of median income and who are severely cost-burdened by 2 percentage points, bringing the percentage of these households who are severely cost-burdened to 46%. The major obstacle to providing housing for this income group is the very large gap between the actual cost of decent, safe, and sanitary housing, and the ability of households below 50% of income to pay rent. For housing to be affordable, it can be subsidized very steeply on the acquisition/construction end, rents can be subsidized very steeply, or a combination of both. The jurisdiction will use a portion of its HOME allocation, if it is available, to provide gap financing for the development or rehabilitation or rental units for extremely low- and very low-income renter households. It is anticipated that a combination of funding sources will be used in these developments. Other sources of funds that will be used include: equity from Low-Income Housing Tax Credits, the Federal Home Loan Bank Board, the Commonwealth of Kentucky's Affordable Housing Trust Fund, below market interest rate loans, conventional financing, and private foundations. The Housing Choice Voucher Program and HOME Tenant Based Rental Assistance

program may also be used to help make housing affordable to these households.

Over a five-year period, for-profit and nonprofit entities in the jurisdiction will develop 60 new units for rent to persons who are at or below 30% of the AMI (extremely low-income).

Over a five year period, for-profit and nonprofit entities in the jurisdiction will develop 140 new units for rent to persons who are between 30 and 50% of AMI (very low-income).

Over a five-year period, the jurisdiction will use HOME Tenant-Based Rental Assistance and the Section 8 Housing Choice Voucher Program, if these are available, for approximately 50 additional units of housing for persons whose incomes are at or below 50% of AMI and who are severely cost-burdened.

Increase in homeownership rates

Increase the homeownership rates among the population that is >30% of AMI and <=50% of AMI by 1.0 percentage points. According to CHAS data, the homeownership rate in this income category is 36%. In five years, the jurisdiction plans to increase the rate to 37%. This is an increase of homeownership of approximately 140 units.

Increase the homeownership rates among the population that is >50% of AMI and <=80% of AMI by 2 percentage points. According to CHAS data, the homeownership rate in this income category is 46%. In five years, the jurisdiction plans to increase the rate to 48%. This is an increase of homeownership of 340 units.

This will be accomplished through the use of federal HOME funds, if available, for subsidies to one or more of the following programs operating in Lexington-Fayette County: Lexington Habitat for Humanity, Community Ventures Corporation's Homebuyer Subsidy Program, the R.E.A.C.H. Homebuyer Subsidy Program, Community Reinvestment Alliance of Lexington, Inc.'s Homebuyer Subsidy Program, and the Fayette County Local Development Corporation's (CHDO) Homebuyer Subsidy Program.

Other programs that will be used in this effort are Lexington-Fayette Urban County Housing Authority's Section 8 Homeownership program and Lexington-Fayette Urban County Housing Authority's Bluegrass-Aspendale Hope VI revitalization project.

Housing Counseling

The jurisdiction requires that all first-time homebuyer programs supported with federal funds provide a strong counseling component that includes assistance with credit problems, life skills training for budget, finance, and home purchasing, pre-purchase counseling, and follow-up after purchase to avoid defaults. Over the five-year period, the jurisdiction expects to use no more than 2% of its CDBG revenue for counseling activities; however, the use of CDBG funds for this activity is a service and is included in the Non-Housing Community Development section of the plan. Other funds that will be used to support housing programs include the Lexington-Fayette Urban County Government's general fund, revenue generated by the individual programs, and for HUD-certified counseling programs, the U.S. Department of Housing and Urban Development's Housing

Counseling Assistance Program.

Southend Park Urban Village

The Lexington-Fayette Urban County Government also expects to begin Phase I of the redevelopment of the Southend Park Urban Village (Lower Davistown). This development plan is the result of a major transportation project that will extend Newtown Pike from Main Street over to South Limestone Street. The purposes of the plan are to mitigate the social, economic and environmental impacts of this road improvement project on low-income residents living in the area. Phase I consists of the construction of 27 units of single family housing units along the western side of DeRoode Street at the northern edge of this neighborhood. This first phase is designed to meet the needs of those residents who plan to remain in the neighborhood, both owners and renters. To the extent possible, renters will be transitioned into homeownership. This redevelopment represents the demolition of 54 residential units (51 unsound units) along with the installation of new infrastructure, redevelopment of a neighborhood park, redevelopment of the existing Nathaniel United Methodist Mission, and the development of approximately 64,000 square feet of mixed-use development including retail, office and community facilities. When this redevelopment is completed (circa 2015), it is anticipated that in addition to the 27 units of single family housing in Phase I, 128 apartments, townhouses, and single family units will be constructed that are affordable to low- and moderate-income households, from both inside and outside the neighborhood. In order to provide affordable units and to ensure that these units remain affordable, the jurisdiction will organize a community land trust for perpetual ownership of the land as a means of protecting the land from a speculative market and maintaining the units for use by low- and moderate-income households. The development plan will strive for a minimum 35% assisted rental housing and has a goal of 50% homeowners. It is expected that funds for the purchase of the land, relocation benefits, and infrastructure improvements will come from the federal Department of Transportation. Construction Costs for housing are estimated at \$9 million. Financing for housing will come from the HOME Investment Partnerships program, if available, the Federal Home Loan Bank Board, Commonwealth of Kentucky's Affordable Housing Trust Fund, Low-Income Housing Tax Credits (rental units), and conventional financing.

Rehabilitation of existing units

For the purpose of providing existing low-income (at or below 80% of AMI) owner occupant households with the opportunity to bring their housing up to code, become more energy efficient, and to make modifications for handicap accessibility, the jurisdiction will continue to operate a single family housing rehabilitation program that provides eligible households who are at 50% or below AMI with deferred loans, and low-interest loans to those households who above 50% of AMI and at or below 80% of AMI. It is anticipated that for the five-year period, 160 units will be rehabilitated using the Community Development Block Grant program and the HOME Investment Partnerships program, if available. It is anticipated that 120 of these units will be owned and occupied by households who are at or below 50% of AMI, and that 40 of these units will be occupied by households that are between 50% and 80% of median income. It is expected that improvements to units will result in higher property values (using Property Valuation Administrator values), lower energy usage, greater comfort and safety to residents due to elimination of code violations, and improved accessibility by persons with disabilities. In addition to whole-house rehabilitation, the jurisdiction will use Community Development Block Grant funds to address emergency housing

repairs for households who are at or below 80% of AMI. It is anticipated that over the five-year period, approximately 100 households will be assisted.

The jurisdiction will continue to support with Community Development Block Grant funding, if available, the Bluegrass Realtors Community Housing Foundation, which operates a program providing financial assistance to low-income (80% or below) elderly and disabled homeowners who have exterior housing problems, emergency housing problems, accessibility problems, or roofing problems. This program can also provide assistance with accessibility problems for low-income renter households. It is anticipated that this program will provide assistance to 150 households over the five-year period. The assistance provided by this program enables low-income elderly and disabled residents to remain in their homes through the provision of minimal rehabilitation, help with emergencies, and accessibility alterations. In addition to federal CDBG funding, this organization also conducts private fundraising to support activities.

Neighborhood Stabilization Program

The Housing and Economic Recovery Act of 2008 established the Neighborhood Stabilization Program for purpose of stabilizing communities that have suffered from foreclosures and abandonment. A formula amount of \$37 million was awarded to the State of Kentucky for the purpose of making grants to local governments and private, non-profit organizations to purchase and redevelop foreclosed and abandoned homes and residential properties. In Fayette County, six projects were funded for a total of \$7,986,916. Approximately 119 rental and owner units will be produced.

Housing for Special Populations

It is expected that the increase in rental housing units for households who are at or below 50% of AMI will also serve some of the needs of special populations, including the chronic homeless, persons who have severe and persistent mental illnesses, persons with intellectual and developmental disabilities, persons with substance problems, persons with co-occurring disorders of severe and persistent mental illnesses and substance abuse problems, persons with HIV/AIDS and persons with HIV/AIDS and a co-occurring disorder of mental illness and/or substance abuse. It is the experience of the agencies that serve these populations that these populations tend to have incomes that are below 50% of median income, and they are most often found to be extremely low-income with incomes at or below 30% of median income. This population is not ready for homeownership and is usually not ready for independent living as renters. Most of this population needs permanent supportive housing with an intense level of support. To the extent possible, funds from the Community Development Block Grant program, if available, will be used to provide supportive services for this population, either in permanent supportive housing or in a transitional setting that is designed to move people into permanent housing. It is anticipated that the jurisdiction, during the five-year period, will use 10-12% of its revenue from the Community Development Block Grant program to support these services. As these activities are services, they are included as a non-housing community development priority.

Depending upon availability, the jurisdiction will use HOME Investment Partnerships Program funds to provide gap financing for service providers in the development of new supportive housing units for special populations, either through acquisition, rehabilitation, or new construction. The number

of units to be developed is included as part of the Increase in Rental Housing Units (see above).

Homeless Strategic Plan

The Central Kentucky Housing & Homeless Initiative (CKHHI) is a private, non-profit organization that provides local leadership in the planning and development of housing and services for the homeless population. This organization, in cooperation with the Lexington-Fayette Urban County Government, has completed a Ten-Year Plan to End Homelessness in Lexington-Fayette County, Kentucky. In this plan, the following are discussed as causes of homelessness:

1. Poverty and a lack of adequate, affordable housing:
2. Mental illness and/or substance abuse
3. Individuals “age out” into homelessness.
4. Women and children fleeing domestic violence experience episodic homelessness.
5. Individuals are released from incarceration into homelessness.
6. A significant number of veterans are homeless.

CKHHI determined that the creation of more affordable housing in Lexington should be the major focus of any recommendations to end homelessness. This decision was made in part because the comprehensive network of services now provided to assist homeless persons in Fayette County is increasingly burdened by the lack of affordable housing for persons seeking to exit emergency and transitional programs. In addition, increased affordable housing options in the community will reduce the number of people who are at-risk of homelessness and therefore reduce the demand on the existing network of homeless services. Finally, more affordable housing options locally will actually increase capacity in the local homeless service network, particularly in the availability of transitional housing. Local transitional housing providers are experiencing increasing delays with individuals and families successfully exiting their programs to permanent housing because residents simply cannot find affordable housing. Programs that once saw families successfully transitioning to permanent housing in as little as three months are now experiencing stays averaging 18 months. If these programs were able to reduce the delays now needed to successfully transition families into permanent housing (say to an average of 9 months) it could double the number of families who will benefit from the existing network of transitional programs. In short, more affordable housing options in the community not only increases the supply of decent housing that people can afford but it also increases the capacity of existing transitional housing without the expense of expanding the current inventory and it reduces demand on the current network of homeless services by reducing the number of people who fall into homelessness.

Central Kentucky Housing and Homeless Initiative has determined that the following are the unmet needs for facilities for the homeless population:

All Year-Round Beds/Units				Seasonal Beds	Overflow Beds
Beds for Households with Children	Units for Households with Children	Beds for Households without Children	Total Year-Round Beds	Total Seasonal Beds	Overflow Beds
Emergency Shelter					
40	20	50	90		
Transitional Housing					
60	30	100	160		
Safe Haven					
Permanent Supportive Housing					
250	125	200	450		

- 1) Authorize a Lexington Fayette Urban County Government Affordable Housing Trust Fund:
The Center for Community Change indicates that nearly 600 housing trust funds in cities, counties, and states generate more than \$1.6 billion a year in support for affordable housing. Both the City of Louisville and the Commonwealth of Kentucky recently passed legislation authorizing affordable housing trust funds. A 2008 report from the Mayor's AHTF Commission recommended the creation of an 11-member Board to oversee annual allocations of Trust Funds dollars to build more affordable housing in the county. An annual funding level of \$4 million dollars was recommended. This fund should be designated for developing and preserving rental housing for individuals and families in Fayette County with incomes not to exceed 30% of AMI (AMI). Also, recommend a requirement be added that property title for housing purchased with these funds be held in a community land trust so that its status as property for extremely low-income affordable housing can be maintained perpetually.
- 2) Modeled after the federal Housing Choice Voucher Program, recommend the local government provide funding for targeted subsidies to make existing housing rental units more affordable. Recommend this be allocated to very affordable housing (30% AMI or less). This rental assistance program would increase affordable housing choices for low-income households by allowing families to choose privately-owned rental housing. Such vouchers have been a critical form of rental assistance for low-income families with children, the elderly, and people with disabilities. A family with a voucher is generally required to contribute 30% of its income for rent and utilities. The voucher then pays the remaining rental costs, up to a limit set by the housing administrator (usually based on local market housing costs).

- 3) Target 10% of all affordable housing funding to providing permanent housing with wrap-around supportive services for special needs populations that will require these services to maintain themselves in permanent housing. Permanent supportive housing is defined as housing that is linked with a broad range of support services, including information and referral, health care, drug and alcohol treatment, mental health services, self-help groups, life skills and case management. This type of housing makes it possible for people with ongoing special needs to maintain housing stability and maximize their self-sufficiency.
- 4) Recommend that a Land Bank be established in Lexington to facilitate the assignment of properties dedicated to affordable housing development. Land banks are governmental or quasi-governmental entities dedicated to assembling properties – particularly vacant, abandoned, and tax-delinquent properties – and putting them to productive use. Land bank authorities acquire or facilitate the acquisition of properties, hold and manage properties as needed, and dispose of properties in coordination with city planners and in accordance with local priorities for land use.
- 5) Recommend the local government enact surplus property laws to allow public surplus property to be used for very affordable housing purposes. This property would also include federal surplus property when made available. Where appropriate, exercise the right of eminent domain to acquire abandoned private property that could be developed for very affordable housing.
- 6) Recommend the local government initiate preferential review procedures that expedite applications for construction of low-income housing projects. Delays during any stage in the development process add to the final costs of new housing. Reducing the costs incurred by developers during the development review process makes affordable housing projects more attractive. Expedited permitting is a cost-efficient and very effective way of reducing developer costs. Fast-tracking review and permitting of affordable housing projects would reduce developer costs at no cost to the city.
- 7) Develop a targeted multi-family structure assistance program. Older, multi-family structures are a good source of affordable rental housing. However, these buildings are also at greater risk of being lost due to aging structural problems and property neglect. Offer financial and technical assistance to property owners who cannot afford to upgrade their rental properties when owners agree to preserve some or all of the rental units for lower-income families. In addition, the local government should investigate creative ways of preserving multi-unit affordable housing that is expiring from federal obligations. Under contract with HUD, property owners provide reduced-rent units to very low-income households for a number of years. At the end of the contract period, owners of the rental properties have the option of converting the once subsidized units to market-rate rental housing. Preserving this housing as affordable must be a priority for the local government.
- 9) Develop innovative local options for adaptive reuse projects that create new housing in existing buildings once used for commercial, public or industrial purposes. Housing created through adaptive reuse projects can often be made more affordable than new, market-rate developments since infrastructure is generally already present at the site.
- 10) Recommend the local government pass inclusionary zoning laws requiring developers of rental housing to include a minimum of 10% affordable housing units in each new residential development of 10 or more rental units. Added costs of providing the affordable units should

be offset with a density bonus for each project. The affordability level of the designated units should be targeted to 30% of AMI or less.

The LFUCG places a high priority on development of facilities and services that would move persons from homelessness to permanent housing; however, it also recognizes that there is still a need for emergency housing to assist persons who are in crisis.

Community Development

The basis for assigning the priorities given to each category of needs is as follows: For needs that the jurisdiction plans to address with funding over the next five years, a high priority was assigned. For needs that the jurisdiction may address if funds are available over the next five years, a medium priority was assigned. Needs that the jurisdiction does not plan to address were given a low priority.

The major obstacles to meeting underserved needs are insufficient funding and limited capacity of the jurisdiction.

1. Public Improvements

The following public improvements are slated for the purpose of improving the environments of low-income persons living in low-income census tracts during the five year period of program years 2010-2014.

Improvements to the Meadows-Northland-Arlington area located in census tracts 13, 14, and 15 will continue. This is an older neighborhood whose drainage facilities are inadequately sized with too few catch basins and some streets constructed without curbs. Historically, the neighborhood has had numerous drainage problems. A Storm Sewer Assessment was completed in October 1997, for the purpose of serving as a guide to the drainage and street right-of-way improvements in this neighborhood. The proposed improvements included constructing new catch basins and pipes and replacing existing inlets and pipes, complete or partial reconstruction of the pavements, curb and gutters, and sidewalks and the construction of eight detention basins. Total cost of these public improvements has been estimated at \$30 million and will take approximately twenty years to complete. The Lexington-Fayette Urban County Government began work on this project in 1998.

For the five-year period 2010-2014, the Lexington Fayette Urban County Government using Community Development Block Grant funds, will reconstruct streets, curbs, gutters and sidewalks, and upgrading of the storm water collection and conveyance systems for the following streets at an estimate cost of \$5,055,000. Additional sanitary sewer improvements are estimated to cost \$1,981,000.

2010--Morgan Avenue, from Bryan Avenue to Oak Hill Drive, includes the 400 block of Morgan Avenue; includes construction of curbs, gutters and sidewalks, street reconstruction and storm sewer improvements.

[MNA 3D] *Estimated Cost: \$865,000*

2011—Construct storm sewer systems from Parkview Drive and Oak Hill Drive to near Morgan Avenue, to accommodate improvements in Phases 5 and 2; includes considerable work in the 400 blocks of Carlisle and Locust Avenues; may be accompanied by a sanitary sewer replacement project involving the 400 and 500 blocks of Park View Avenue, the 300 and 400 blocks of Carlisle Avenue, the 400 block of Locust Avenue and the 400 block of Morgan Avenue.

[MNA 5A] *Estimated Cost: \$450,000 + \$885,000 sanitary sewer*

2012—Oak Hill Drive, from Highland Park Drive to Shawnee Avenue, includes the 1000-1400 blocks of Oak Hill Drive; includes replacement of curbs, gutters and sidewalks, street reconstruction, storm sewer improvements and replacement of the sanitary sewer within public right of way.

[MNA 5B] *Estimated Cost: \$1,530,000 + \$448,000 sanitary sewer*

2013—Locust Avenue, from Bryan Avenue to Oak Hill Drive, includes the 400 block of Locust Avenue; includes replacement of curbs, gutters and sidewalks, street reconstruction, storm sewer improvements and replacement of the sanitary sewer within public right of way.

[MNA 5C] *Estimated Cost: \$1,025,000 + \$300,000 sanitary sewer*

2014—Carlisle Avenue, from Bryan Avenue to Oak Hill Drive, includes the 300 and 400 blocks of Carlisle Avenue; includes replacement of curbs, gutters and sidewalks, street reconstruction, storm sewer improvements and replacement of the sanitary sewer within public right of way.

[MNA 5D] *Estimated Cost: \$1,185,000 + \$348,000 sanitary sewer*

For purposes of speeding up the rate at which these public improvements are made, the Lexington-Fayette Urban County Government may apply for a Section 108 Loan Guarantee for the installation of these public facilities.

During the next five years, the Lexington Fayette Urban County Government will continue the construction of the Newtown Pike Extension through census tracts 9 and 10. This project has been part of street improvement discussions for the past fifty years. The project, originally envisioned as an expressway providing a north-south connection linking I-64 and I-75 with downtown area, has evolved into a boulevard-type project that takes into consideration the impact on surrounding neighborhoods. Construction began in 2009. The development plan for the project provides for comprehensive redevelopment of the area including new infrastructure and the upgrade of the existing Southend Park. The estimated cost for this 1.8 mile project is \$65 million. Funding for public improvements will come from the High Priority Projects Program of the U.S. Department of Transportation and the American Recovery and Reinvestment Act of 2009

2. Parks

During the five year period from 2010 through 2014, the Lexington Fayette Urban County Government's Division of Parks and Recreation plans to make improvements to parks located in low-income census tracts.

It is anticipated that these projects will be supported through the Community Development Block Grant Program, the Land and Water Conservation Fund (Department of the Interior), the Area Development Fund (state), and the local General Fund.

3. Public Facilities

Senior Center

During the five-year period covered by the 2010 Consolidated Plan, the Lexington-Fayette Urban County Government plans to begin construction of a new senior citizens center. The current facility is deemed inadequate to meet needs of a rapidly growing senior population. The new facility, to be renamed Center for Life Services, will have the mission of providing area citizens with information, resources, and activities that promote individual growth and vitality throughout their lifetimes and will provide an array of leading-edge services that embrace the concepts of dignity, respect, and compassion. The new facility will offer many of the services provided by the existing facility, including outreach, employment, transportation, recreation and wellness services, volunteer opportunities, nutrition, and adult day center; however, it will incorporate programs designed to serve a growing, changing, and more culturally diverse aging population. It is anticipated that the new center will be built on the existing property and will cost \$8 million. Funds for this center will come primarily from private fundraising. Limited amounts of Community Development Block Grant funds, if available, may be used for this new facility.

Other Public Facilities

Many private, nonprofit organizations in the community operate social services designed to address the needs of extremely low-income, very low-income and low-income persons. The services include childcare, education, economic development, health care, job training, housing, youth development, and life skills and parent education. These organizations have limited operating budgets that are stretched to the maximum in their attempts to provide needed services. These organizations tend to occupy older, somewhat deteriorated buildings and cannot afford the high cost of making the necessary repairs to make their facilities safe for public use and accessible to persons with disabilities. Many of these buildings are classified as historic and as such should be preserved for future generations to enjoy. It is expected that during the five-year period of this plan CDBG funds, if available, will be used to assist with gap financing in a maximum amount of \$250,000 for the five-year period for rehabilitation/restoration/expansion of buildings owned by nonprofit and public organizations and being used to provide necessary housing and social services to low-income persons. It is anticipated that most buildings will be located in low-income census tracts. It is expected that other funding for the rehabilitation/ renovation/expansion of these facilities will be obtained from private foundations and other local, state, and federal government resources.

4. Public Services

Special Populations

Special populations include frail elderly, the chronic homeless, persons who have severe and persistent mental illnesses, persons with substance problems, persons with co-occurring disorders of severe and persistent mental illnesses and substance abuse problems, persons with HIV/AIDS, persons with HIV/AIDS and a co-occurring disorder of mental illness and/or substance abuse, and

persons with intellectual and developmental disabilities. It is the experience of the agencies that serve these populations that these populations tend to have incomes that are below 50% of median income, and they are most often found to be extremely low-income with incomes at or below 30% of median income. Most of this population needs permanent supportive housing with an intense level of support. To the extent possible, funds from the Community Development Block Grant program, if available, will be used to provide supportive services for this population, either in permanent supportive housing or in a transitional setting that is designed to move people into permanent housing. It is anticipated that the jurisdiction, during the five-year period, will use 10-12% of its revenue from the Community Development Block Grant program to support these services. The supportive services that may be supported with CDBG funds include case management, job and skills training, life skills training, transportation, payee services, nutrition services, program operating costs, health care, substance abuse treatment, and child care. Other funding sources for these activities include LFUCG General Fund, HUD's Supportive Housing Program, HUD's Housing Opportunities for Persons with AIDS, the Emergency Shelter Grants Program, the Department of Health and Human Services' Substance Abuse and Mental Health Services Administration, the Mental Health Services Block Grant, Veterans Administration, Department of Labor, and the Medicare/Medicaid programs. The ultimate measure of performance shall be the extent to which these individuals/families can achieve stability in permanent housing.

Youth Programs

Youth crime, substance abuse, poor school performance, and other mental health issues are significant problems in Fayette County. Availability of positive youth activities and strong connections with caring adults are community factors that can help reduce the risk of delinquency and poor school performance and help ensure that all children are given the opportunity to develop into successful adults. If available, Community Development Block grant funds will be used to support structured after school and summer activities for low-income children. An estimated 2-5% of CDBG revenue will be expended upon youth programs. Activities that may be supported include mentoring, health education, computer instruction, homework assistance centers including tutoring, college awareness and preparation, activities linked to law enforcement, employment preparation or training, courses and enrichment in culture and the arts, volunteer and community service opportunities, drug and violence prevention curricula and counseling, alcohol/drug treatment, supervised recreation and athletic programs and events, and youth leadership activities. It is projected that 300 youth per year will be served. Other sources of funding for these activities include LFUCG general fund, Kentucky Department of Juvenile Justice, U.S. Department of Labor, U.S. Department of Education, Health and Human Services/Substance Abuse and Mental Health Services Administration, and U.S. Department of Justice/Office of Justice Assistance and Delinquency Prevention.

Housing Counseling for First-Time Homebuyers

The jurisdiction requires that all first-time homebuyer programs supported with federal funds provide a strong counseling component that includes assistance with credit problems, life skills training for budget, finance, and home purchasing, pre-purchase counseling, and follow-up after purchase to avoid defaults. Over the five-year period, the jurisdiction expects to use no more than 2% of its CDBG revenue for counseling activities for first-time homebuyers. Other funds that will be used to support housing programs include the Lexington-Fayette Urban County Government's general fund,

revenue generated by the individual programs, and for HUD-certified counseling programs, the U.S. Department of Housing and Urban Development's Housing Counseling Assistance Program.

Hispanic Population

The growth in the Hispanic population has been significant since 1990. 2008 American Community Survey estimates the Hispanic population at 16,474, or 5.8% of the total population. The 2000 census places the number of Hispanics at 8,677 (3.3%). While the economy of the community has become heavily dependent upon the labor provided by this population in the agricultural, construction, and services industries, this population is at great disadvantage in acquiring needed services, such as health care, public safety services, and employment. A major factor inhibiting the acquisition of services is the language barrier. During the five-year period of this plan, Community Development Block Grant funds may be used for projects that provide English as Second language training for this population. CDBG funds may also be used for Spanish translation of housing and social service documents, interpretation services, and other services that will assist the LFUCG with compliance with Title VI of the Civil Rights Act.

5. Economic Development

As 2008 American Community Survey data indicates and as consultations with human service organizations have revealed, a large number of households in Fayette County do not share in the benefits of a healthy local economy. While the overall poverty rate for individuals is 15.6% the poverty rate for unrelated individuals is 24.9%. The overall poverty rate for families is 10.8%, however the poverty rate among female-headed households with related children under the age of 18 is 42.7% and the poverty rate for female-headed households with children under the age of 5 years is 44.2%. During the five-year period of this plan, the jurisdiction may support educational and job training programs that will reach the poorest people and provide them with access to jobs that pay a living wage. The jurisdiction may support economic development projects that create full-time equivalent, permanent jobs for low-income persons. Activities that may be undertaken include:

- Job readiness and job skill enhancement with a priority given to tech-based programs or other programs for which there is evidence of a market
- Job placement activities
- Business loan programs
- Sheltered employment
- Neighborhood revitalization projects
- Community economic development projects
- Energy Conservation Programs

CDBG funds, if available may be used by the jurisdiction to support these activities. Other funding may include a Section 108 loan for revenue-producing activities, Economic Development Initiatives, and Brownfields Economic Development Initiatives. Other sources of funds include other local, state, and federal government resources, and private sector resources. The standards of performance shall be the extent to which the low-income beneficiaries of these projects are employed in jobs that pay a living wage.

5. Fair Housing

The Lexington-Fayette Urban County Government shall affirmatively further fair housing during the five-year period of this plan. It shall provide from local general fund dollars the financial means of supporting the Lexington-Fayette Urban County Human Rights Commission, an organization charged with the responsibility of enforcing the fair housing ordinance. During the five-year period of this plan, Community Development Block Grant funds shall be used to support the enforcement activities of this organization and to finance educational and outreach activities designed to increase public awareness of fair housing legislation. During the previous year, the LFUCG contracted with a consultant to conduct an analysis to identify impediments to fair housing choice within the jurisdiction. The “2009 Analysis of Impediments to Fair Housing Choice in Lexington-Fayette County, Kentucky” indicates that impediments to fair housing choice can result from any number of factors including lack of affordable housing, regulatory barriers associated with planning and zoning, the concentration of affordable housing in specific neighborhoods and/or communities, instances of NIMBYISM or “not in my back yard” due to myths and fears about neighborhood and/or community change, administrative law policies and procedures, etc.

Overall, the consultant found three (3) major impediments to fair housing choice affecting all neighborhoods and/or communities throughout Lexington-Fayette County, Kentucky. The three (3) major impediments are as follows:

- Individuals and/or households in the Lexington-Fayette County, Kentucky jurisdiction may not consider housing opportunities across a broad range of neighborhoods and communities that provide a desired quality of life and contain quality affordable housing.
- Lack of adequate funding for the Lexington-Fayette Urban County Human Rights Commission to support the commission’s comprehensive efforts to affirmatively further fair housing choice throughout the Lexington-Fayette County, Kentucky jurisdiction.
- Lack of adequate code enforcement as it pertains to the availability of decent and desirable private sector rental housing for all residents throughout the Lexington-Fayette County, Kentucky jurisdiction.

In response to a July 2008 report issued by the National Community Reinvestment Coalition, entitled “Income is No Shield Against Racial Differences in Lending,” the Mayor of Lexington-Fayette Urban County Government appointed the Commission on Mortgage Lending Practices in October 2008, as a mechanism to review findings on discriminatory lending practices and to propose appropriate redress. The report found that Lexington ranked 40th in the nation and first in the state of Kentucky in disparities between loans to low- and moderate income borrowers by race. Nearly half of all loans to African American low- and moderate-income borrowers were high cost loans and these borrowers were 2.23 times more likely to receive a high cost loan than whites with similar incomes. Borrowers in minority census tracts were 1.81 times more likely to receive a high cost loan than borrowers with similar incomes in other census tracts. Middle and upper income African American borrowers were 2.62 times as likely to receive a high cost loan as whites with similar incomes. Similarly, middle to

upper income borrowers in minority census tracts were 2.35 times more likely to receive a high cost loan than other borrowers with similar incomes in other census tracts.

The Mayors' Commission on Mortgage Lending Practices was charged with focusing on (1) an examination of financial literacy programs and ensure that they are adequate and accessible; and (2) encouraging ethical lenders to step forward and provide financial services to the broader community.

Among the Commission's recommendations are:

- Creation of an oversight agency to mount an anti-predatory lending campaign
- Identify a single point of contact for housing issues (Housing Commissioner)
- Creation of a fund from general fund contributions and other sources to be used for counseling clients at any income level.
- Explore possibility of selling HOME mortgage loans.
- Create alternatives to payday lending
- Provide training classes for realtors so that they can be more effective for their clients.
- Link banks with counseling programs
- Create a "Good Lender" rating scale and score card for lenders
- Demand full transparency of lenders

Specific Special Needs Objectives

Over the next five-year period, the Lexington-Fayette Urban County Government expects to achieve the following objects for special needs populations, given the availability of funds.

Persons with HIV/AIDS

For persons with HIV/AIDS, the Lexington-Fayette Urban County Government plans to continue additional permanent supportive housing resources for this population through the provision of tenant based rental assistance supported with HOME Investment partnership funds. Tenant Based Rental Assistance is needed in order to maintain housing for this population. It is expected that ten units will be supported over the five-year period.

Elderly and Frail Elderly

The development of affordable assisted living units for persons who need assistance with daily living activities. No number of units has been identified. Housing for this population may be supported with funding from the Low-Income Housing Tax Credit Program, the Kentucky Affordable Housing Trust Fund, the Federal Home Loan Bank Board, HUD's Section 202 program, and the HOME Investment Partnerships Program. Funding for services is an obstacle in that limited funding for services is available from the federal, state, and local government.

The continued provision of housing rehab services, emergency housing repairs, and accessibility improvements for mobility-impaired will continued to be supported with Community Development Block Grant Funds and HOME Investment Partnerships Program funds if these sources are available throughout the five-year period. With current levels of funding and current outputs, approximately 300 elderly households can be assisted over the next five years.

Persons with Severe and Persistent Mental Illnesses

For persons disabled with severe and persistent mental illnesses, the jurisdiction supports the continued development of permanent housing units in community-integrated settings with appropriate levels of supportive services. Over the next five years, the jurisdiction will continue support tenant-based rental assistance using HOME Investment partnership funds. It is expected that ten units will be supported over the five-year period. Tenant Based Rental Assistance is needed in order to maintain housing for this population. The jurisdiction will also support the development of additional site-based units through acquisition, rehabilitation and/or new construction. For the five-year period, if funds are available, the jurisdiction will support the development of approximately 50 new permanent housing units for this population. It is anticipated that another facility offering 24-hour supervision for five-six lower functioning individuals can be developed.

Housing for persons with severe mental illnesses may be supported with funding from the Low-Income Housing Tax Credit Program, the Kentucky Affordable Housing Trust Fund, the Federal Home Loan Bank Board, HUD's Section 811 program, and the HOME Investment Partnerships Program. Funding for services is an obstacle in that limited funding for services is available from the federal, state, and local government.

Persons with Dual Diagnosis

For persons with dual diagnosis of substance abuse and severe mental illness, HIV/AIDS and substance abuse and/or severe mental illnesses, the jurisdiction supports the development of appropriate treatment facilities and programs.

These facilities and services may be supported with funding from the U.S. Department of Health and Human Services, Community Development Block Grant program, if available, and other state and federal funds.

Persons with Intellectual and Developmental Disabilities

For persons with intellectual and developmental disabilities, the jurisdiction supports the continued development of permanent housing units in community-integrated settings with appropriate levels of supportive services. The greatest need has been exhibited for independent living units. If funds are available, the jurisdiction supports the development of 10-15 additional independent living units for this population over the next five years.

Housing for persons with intellectual and developmental disabilities may be supported with funding from the Low-Income Housing Tax Credit Program, the Kentucky Affordable Housing Trust Fund, the Federal Home Loan Bank Board, HUD's Section 811 program, and the HOME Investment Partnerships Program. Funding for services is an obstacle in that limited funding for services is available from the federal, state, and local government.

During the coming five-year period, the jurisdiction will support the development of an expanded payee service for persons with severe mental illnesses, persons with developmental disabilities/mental retardation, frail elderly, and persons who are otherwise disabled. It is anticipated that funds for this service will come from the Social Security Administration, from faith-based entities, and from other private resources.

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

CITIZEN PARTICIPATION PLAN

FOR

CONSOLIDATED SUBMISSION

FOR

COMMUNITY PLANNING AND DEVELOPMENT PROGRAMS

This plan has been developed to set forth the Lexington-Fayette Urban County Government's policies and procedures for citizen participation in the development of a consolidated plan for the Lexington-Fayette Urban County Government's participation in the U.S. Department of Housing and Urban Development's (HUD) Community Planning and Development Programs. The Lexington-Fayette Urban County Government will state in one document its plan to pursue housing, planning, and community development goals. The functions of the consolidated plan are: (1) to serve as a planning document for Lexington-Fayette Urban County Government which builds on a participatory process with individuals and community organizations; (2) to serve as an application for federal funds under HUD's formula grant programs which include the Community Development Block Grant (CDBG) program, the Emergency Shelter Grants (ESG) program, and the HOME Investment Partnerships (HOME) program; (3) to serve as a strategy to be followed in carrying out HUD programs; and, (4) to serve as an action plan that provides a basis for assessing performance.

Federal regulations require that the Lexington-Fayette Urban County Government adopt a citizen participation plan which will provide for and encourage citizens to participate in the development of the consolidated plan, any substantial amendments to the consolidated plan, and the annual performance report.

The citizen participation plan is designed to encourage participation by low- and moderate-income persons, particularly those living in slum and blighted areas and in areas where CDBG funds are proposed to be used, and by residents of predominantly low- and moderate-income neighborhoods. This plan also encourages the participation of all citizens, including minorities and non-English speaking persons, as well as persons with disabilities.

DEVELOPMENT OF THE CONSOLIDATED PLAN

The Lexington-Fayette Urban County Government's Commission on Housing and Support Services and its various subcommittees shall serve as the citizen body responsible for overseeing the development of the 5 year Plan. This Commission was authorized by the Urban County Council on June 17, 1999, for the purpose of providing leadership for community efforts, in both the public and private sectors, toward the improvement of housing and support services for the low-income population. Membership on this entity includes representatives from private nonprofit organizations, businesses, and state or local government agencies.

Staff members of the Division of Community Development will provide staff support in plan development. The Urban County Council is the entity with the legal authority to adopt the plan, submit it to the U.S. Department of Housing and Urban Development for approval, and to execute the applicable HUD programs. With respect to the Consolidated Plan, the purposes of the Commission include:

1. A review of the Lexington-Fayette Urban County's estimated housing needs projected for the ensuing five-year period of the planning process.
2. A review of how well the housing market meets the needs of the area population with particular emphasis on how well the housing supply meets the needs of low-income residents, persons with disabilities, and persons with HIV/AIDS and their families.
3. Development of recommendations on the specific objectives and the identification of proposed accomplishments with respect to affordable housing, homelessness, other special needs, non-housing community development needs, barriers to affordable housing, lead-based paint hazards, anti-poverty strategy, institutional structures for carrying out the plan, activities to enhance coordination between public and private resources and services.

FIRST PUBLIC HEARING

A public hearing will be held between September 1 and December 31, (and before the consolidated plan is published) of each year for the purpose of obtaining citizens' views. The public hearing will be scheduled when possible in the Council Chamber at 200 East Main Street during the early evening in order to maximize the opportunity for public participation. Adequate advance notice of the hearing will be published in the Lexington Herald-Leader at least two weeks before the public hearing. Letters announcing the public hearing will be sent to local public interest organizations, ministers of inner city churches, and chairpersons of all known neighborhood associations representing low-income neighborhoods.

The agenda for the public hearing will be designed to address housing and community development needs, development of proposed activities, review of program performance and distribution of applications for requests for funding. Information provided will include the amount of assistance which the Lexington-Fayette Urban County Government expects to receive from the CDBG, ESG, and HOME programs and the range of activities which may be undertaken through these programs, including the amount that will benefit persons of low- and moderate-income. Also provided will be information which sets forth the Lexington-Fayette Urban County Government's plans to minimize displacement of persons and to assist any persons displaced, specify the types and levels of assistance the Lexington-Fayette Urban County Government will make available (or require others to make available) to persons displaced. This information will be provided even if the Lexington-Fayette Urban County Government expects no displacement to occur.

The public notice and letters announcing the meeting will indicate that if persons with disabilities desire to participate in the meeting and the disability(ies) necessitates assistance to enable participation, the Lexington-Fayette Urban County Government will upon adequate notice make

arrangements to enable effective participation of the person(s) with disabilities.

If a significant number of non-English speaking persons can be reasonably expected to participate, a translator(s) will be provided.

All Citizens attending the public hearing will be provided with forms on which they may make written comments and complaints. Within 15 working days, the Lexington-Fayette Urban County Government shall provide a substantive written response to all written citizen complaints.

SECOND PUBLIC HEARING

Between January 1 and March 31, a second public hearing will be held for the purpose of obtaining citizens' views. The public hearing will be scheduled when possible in the Council Chamber at 200 East Main Street during the early evening in order to maximize the opportunity for public participation. Adequate advance notice of the hearing will be published in the Lexington Herald-Leader at least two weeks before the public hearing. Letters announcing the public hearing will be sent to local public interest organizations, ministers of inner city churches, and chairpersons of all known neighborhood associations representing low-income neighborhoods.

The agenda for the public hearing will be designed to address housing and community development needs, presentation of proposed activities, and review of program performance. Information provided will include the amount of assistance which the Lexington-Fayette Urban County Government expects to receive from the CDBG, ESG, and HOME programs and the range of activities which may be undertaken through these programs, including the amount that will benefit persons of low- and moderate-income. Also provided will be information which sets forth the Lexington-Fayette Urban County Government's plans to minimize displacement of persons and to assist any persons displaced, specify the types and levels of assistance the Lexington-Fayette Urban County Government will make available (or require others to make available) to persons displaced. This information will be provided even if the Lexington-Fayette Urban County Government expects no displacement to occur.

The public notice and letters announcing the meeting will indicate that if persons with disabilities desire to participate in the meeting and the disability(ies) necessitates assistance to enable participation, the Lexington-Fayette Urban County Government will upon adequate notice make arrangements to enable effective participation of the person(s) with disabilities.

If a significant number of non-English speaking persons can be reasonably expected to participate, a translator(s) will be provided.

All Citizens attending the public hearing will be provided with forms on which they may make written comments and complaints. Within 15 working days, the Lexington-Fayette Urban County Government shall provide a substantive written response to all written citizen complaints.

PUBLICATION OF THE PROPOSED CONSOLIDATED PLAN

No later than April 15 of each year the Lexington-Fayette Urban County Government will publish its proposed consolidated plan in a manner that affords citizens, public agencies, and other interested parties a reasonable opportunity to examine its contents and to submit comments. A summary of the proposed plan will be published in the Lexington Herald-Leader no later than April 15. The summary will describe the contents and purpose of the plan and will include a list of the locations where copies of the entire proposed plan may be examined. Locations will include Lexington Public Library and its branches as well as the office of LFUCG's Division of Community Development. The published summary will also include instructions on how citizens and groups may request a reasonable number of free copies. The published summary will also describe how citizens may express their written comments on the plan. Each copy of the proposed plan will also carry an explanation of the citizen comment process along with citizen comment forms.

Citizen comments on the consolidated plan will be accepted for a period of 30 days. In preparing the final consolidated plan, the Lexington-Fayette Urban County Government will consider any comments or views of citizens received in writing, or orally at the public hearings. A summary of these comments or views, and a summary of any comments or views not accepted and the reasons therefore, shall be attached to the final consolidated plan before its submitted to the U.S. Department of Housing and Urban Development. The Lexington-Fayette Urban County Council shall have sole authority of approval and submission of its final consolidated plan.

AMENDMENTS TO THE APPROVED PLAN

The Lexington-Fayette Urban County Government shall amend its approved plan whenever it makes one of the following decisions:

1. To make a change in its allocation priorities or a change in the method of distribution of funds;
2. To carry out an activity using funds from any program covered by the consolidated plan (including program income), not previously described in the action plan; or,
3. To change the purpose, scope, location, or beneficiaries of an activity.

If the amendment is substantial, the Lexington-Fayette Urban County Government shall provide citizens with the opportunity to comment. A substantial amendment is defined as: any change in the use of CDBG funds from one eligible activity to another. No changes in the activities or funding levels of HOME or ESG projects will constitute a substantial change requiring public review or comment. A summary of the proposed amendment shall be published in the Lexington Herald-Leader at least 30 days before implementation of the substantial amendment. Also, at least 30 days before the implementation of the substantial amendment, letters summarizing the proposed amendment shall be mailed to the members of the Commission on Housing and Support Services, members of its subcommittees, ministers of inner-city churches, chairpersons of low- and moderate-income neighborhood associations, and public interest groups. The newspaper notice and letters will

inform citizens of their right to comment and explain how written comments will be received. The newspaper notice and the letters will include a statement that a description of this amendment, upon request, will be in a form accessible to persons with disabilities. The LFUCG will consider any comments or views of citizens received in writing in preparing the substantial amendment to the consolidated plan. The LFUCG will provide a substantive written response to every written citizen complaint or comment within 15 working days of its receipt. The Lexington-Fayette Urban County Council shall have sole authority of approval of substantial amendments.

ANNUAL PERFORMANCE REPORTS

Citizens will be given an opportunity to comment on the annual performance report on CDBG, ESG, and HOME programs which is prepared for submission to the U.S. Department of Housing and Urban Development. Not less than 15 days before the annual performance reports are submitted to HUD, a notice will be published in the Lexington Herald-Leader announcing that the annual performance reports have been prepared and that copies for public inspection are available at the public library (main facility and branches) and in the office of LFUCG's Division of Community Development. Letters will be sent to the members of the Commission on Housing and Support Services, members of its subcommittee, ministers of inner-city churches, chairpersons of low- and moderate-income neighborhood associations, and public interest groups. The newspaper announcement and letters shall describe how citizens can gain access to the annual performance report and shall explain that citizens wishing to express a comment on the annual performance report may do so by submitting the comment(s) in writing to the Division of Community Development. The LFUCG shall provide a substantive written response to every written citizen comment about the Annual Performance Report within 15 working days. A summary of any comments or views of citizens received in writing concerning the annual performance report shall be attached to the report prior to its submission to HUD. The newspaper notice and the letters will include a statement that this document, upon request, will be in a form accessible to persons with disabilities.

ACCESS TO RECORDS

Upon request, citizens, public agencies, and other interested parties will be given reasonable and timely access to information and records relating to the Lexington-Fayette Urban County Government's consolidated plan and the use of assistance under the HOME, ESG, and CDBG programs during the preceding five years. Records are kept in the offices of the Division of Community Development which is open between 8:00 a.m. and 5:00 p.m., Monday through Friday, except holidays. Reasonable access is hereby defined as 24 hour advance notice for a request to access the herein described records during the regular office hours of the organization.

TECHNICAL ASSISTANCE

The staff of the Division of Community Development will provide technical assistance to groups representative of persons of low- and moderate-income that request such assistance under the ESG, CDBG, and HOME programs. Technical assistance will be given upon request and will consist of

consultation explaining the rules and regulations of the program, the eligible activities, and budget information. The Lexington-Fayette Urban County Government will not provide financial assistance to groups to develop proposals.

EXTENSIONS

In the event that the Lexington-Fayette Urban County Government finds it necessary to request from the U.S. Department of Housing and Urban Development an extension of the deadline for submission of its consolidated plan, all dates proposed above for public hearings and plan publication shall be moved forward by the same number of days as provided in the extension.

RELOCATION ASSISTANCE

The following information regarding displacement and relocation will be provided to citizens who attend the public hearings on the consolidated plan:

In the event that residents are displaced by any activities undertaken by the LFUCG in its CDBG, HOME, or ESG programs, dislocated residents will receive relocation assistance required by the Uniform Relocation Act and Section 104 of the Housing and Community Development Act of 1974, to include:

- a) Actual moving expenses or a fixed amount of up to \$1,050 for a 8-room house;
- b) Advisory services;
- c) Where applicable, reimbursement for security deposits and credit check costs (104(d)); d) Replacement housing assistance down payment, or:
 - 1. Rental assistance of up to \$5,250 (Uniform Relocation Act) (tenants and homeowners - less than 180 days);
 - 2. Replacement housing payment of up to \$22,500 for homeowners of 180 days or more (Uniform Relocation Act);
 - 3. Section 8 Voucher/Certificate or cash assistance to reduce rent and utility costs to 30% of income for 60 months (104(d)).
- e) Last resort housing replacement - special payments to owners or tenants to provide comparable replacement housing due to problems of affordability and availability.

Residential Anti-Displacement and

**Relocation Assistance Plan
Under Section 104 (d) of the
Housing and Community Development Act of 1974, as Amended**

The Lexington-Fayette Urban County Government will replace all occupied and vacant occupiable low-moderate income dwelling units demolished or converted to a use other than as low-moderate income housing as a direct result of activities assisted with funds provided in 24 CFR 570.606(b) (1).

All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the Lexington-Fayette Urban County Government will make public and submit to the HUD field office the following information in writing.

1. A description of the proposed assisted activity;
2. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low-moderate income dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement units; and
6. The basis for concluding that each replacement dwelling unit will remain in a low-moderate income dwelling unit for at least 10 years from the date of initial occupancy.

The Lexington-Fayette Urban County Government will provide relocation assistance as described in 570.606(b) (2), to each low-moderate income household displaced by the demolition of housing or by the conversion of a low-moderate income dwelling to another use as a direct result of assisted activities.

Consistent with the goals and objectives of activities under the Act, the Lexington-Fayette Urban County Government will take the following steps to minimize the displacement of persons from their homes:

1. Giving lower priority for Community Development Block Grant funding to projects which will result in displacement.
2. Implementation of design alternative to avoid displacement.

3. Use of undeveloped land for construction sites whenever possible.
4. Minimizing acquisition of right-of-way for public improvements projects.
5. Proceeding with demolition of structures under Code Enforcement Activities only as a last resort due to a threat to health and safety.
6. Use of temporary relocation in substantial rehabilitation whenever possible.

Approved February 23, 1995

Amended April 17, 1997

Amended November 4, 1999

Amended March 22, 2007

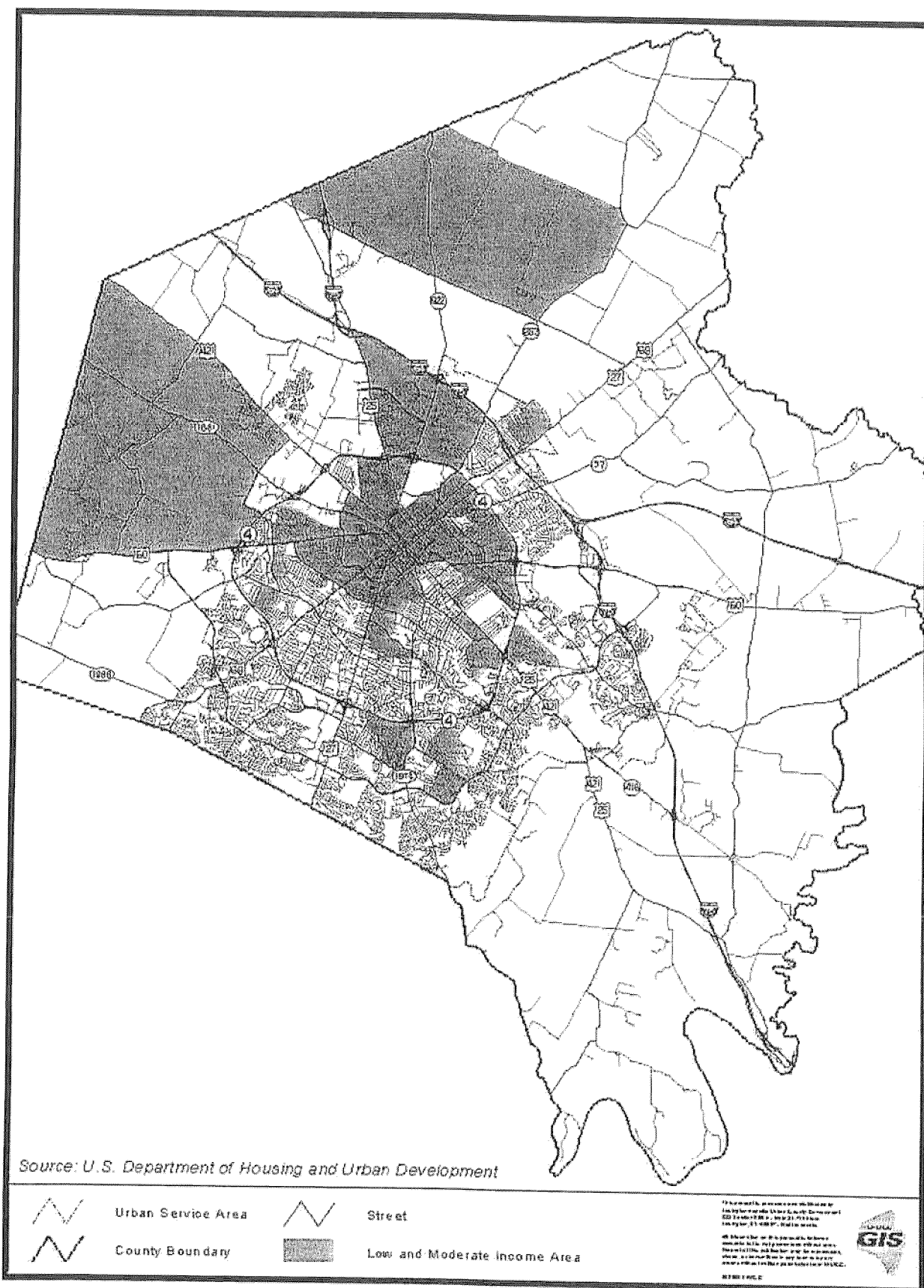
Amended July 5, 2007

LOW- AND MODERATE-INCOME

June 2010

FAMILY SIZE	30% OF MEDIAN INCOME	50% OF MEDIAN INCOME	60% OF MEDIAN INCOME	80% OF MEDIAN INCOME
1	\$13,800	\$22,950	\$27,540	\$36,700
2	\$15,750	\$26,200	\$31,440	\$41,950
3	\$17,700	\$29,500	\$35,400	\$47,200
4	\$19,650	\$32,750	\$39,300	\$52,400
5	\$21,250	\$35,400	\$42,480	\$56,600
6	\$22,800	\$38,000	\$45,600	\$60,800
7	\$24,400	\$40,650	\$48,780	\$65,000
8	\$25,950	\$43,250	\$51,900	\$69,200

Median Family Income for a family of four: 65,500



LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

COMMUNITY DEVELOPMENT BLOCK GRANT

APPLICATION DIRECTIONS

The attached application is required if your organization is requesting funding from the Community Development Block Grant Program for the period July 1, 2011 through June 30, 2012. **The application due date is Friday, December 10, 2010, 5:00 p.m., in the office of the Division of Community Development on the 6th floor of the Government Center at 200 East Main Street. Only one copy is required. This copy should be on 8 ½ x 11" white paper and clipped in the upper left hand corner.**

Applications will be reviewed by the staff of the Division of Community Development, Lexington-Fayette Urban County Government, and by other LFUCG staff as necessary. Staff may have additional questions and may want to interview a representative of your organization before making a recommendation on your application. LFUCG staff will make recommendations on funding for inclusion in the 2011 Consolidated Plan. Please check the LFUCG website (www.LexingtonKY.gov/CommunityDevelopment) for notices of the publication of the draft 2011 Consolidated Plan, the second public hearing, and Urban County Council meetings during which the 2011 Consolidated Plan is scheduled for discussion and/or action. Final funding decisions rest with the Urban County Council. Applicants are also advised that funds cannot be committed until after the federal government approves the Lexington-Fayette Urban County Government (LFUCG)'s Consolidated Plan and that individual applicant agencies may not commit funds until specifically authorized by the LFUCG. **Applicants may request a funding period that begins October 1, 2011 and extends through September 30, 2012.**

Funding from the Community Development Block Grant Program is very limited. Total CDBG funding for Consolidated Plan Year 2011 has been estimated at \$2,478,561. The Lexington-Fayette Urban County Government uses funds from this grant to support administrative costs, to support a housing rehabilitation program for low-income homeowners, and to fund public improvement projects in low-income neighborhoods. It is estimated that a minimum of \$1,900,000 will be committed to these ongoing activities. In addition, the federal government, by statute, limits the amount of funds that may be spent for services. The maximum amount a local government may spend on services is 15% of the total federal award plus 15% of the program income received by the local government during the previous program year. It is estimated that the maximum that can be allocated to services is \$370,000. Due to the increased number of requests and decrease in federal funding, the LFUCG may limit funding for services projects to a maximum of three years.

You may direct questions about the application to Irene Gooding, Grants Manager, at (859) 258-3070 or ireneg@lexingtonky.gov.

The following is the basis that will be used for the 2011 Plan Year for rating and ranking applications for funding under the Community Development Block Grant Program.

Applicant capacity. Up to 20 points will be awarded based on the extent to which the application demonstrates the capacity of the applicant agency. The application must demonstrate that the agency staff has adequate credentials and experience to carry out the proposed project. This means that the organization carrying out the project, its employees, or its partners, must have the necessary experience and qualifications to carry out the specific activities proposed. Factors to be considered will include: prior agency experience and results in the type of work being proposed; suitable agency fiscal capacity and organizational infrastructure to implement the project; and employee experience and

credentials in the area to be implemented. The LFUCG's monitoring records of previously funded projects will also be considered in determining applicant capacity.

Project quality. Up to 20 points will be awarded based on the extent to which the application demonstrates the quality of the project. The services proposed must be appropriate to the needs of the persons to be served. The application must demonstrate a clear understanding of the needs of the clients, the services to be offered, and the effectiveness of the services in meeting those client needs. A project may be considered to be of good quality if:

1. The type and scale of the housing and/or services proposed clearly fit the needs of the proposed participants.
2. The project is cost-effective and all costs are reasonable, and do not deviate substantially from the norm in Lexington;
3. The application shows evidence of collaboration with other existing programs and services; letters evidencing collaboration may be attached.
4. The building proposed for use meets local codes, health, or safety standards;

Need for Project. Up to 30 points may be awarded based on the extent to which the application demonstrates the need for the project. It must describe the need for the specific project vis-à-vis existing services. The project may be judged to adequately describe the need if it addresses the following points:

1. The need for the project is documented by use of waiting lists, references to similar programs, etc.
2. The project is consistent with the priorities described in the five-year Strategic Plan in the LFUCG'S 2010 Consolidated Plan;
3. The project does not unnecessarily duplicate existing programs and services for the same clients.

Operational Feasibility. Up to 30 points may be awarded based on the extent to which the application demonstrates the feasibility of the project. The application must include:

1. Clear and complete plans for implementing and completing the project;
2. Adequate committed funding to implement the project. Include letters of commitment.
3. An adequate strategy for securing additional support and commitment;
4. Adequate number of qualified staff to carry out the proposed project;
5. Indicators (site control, zoning) that demonstrate that the project is ready to be implemented;

The LFUCG reserves the right to adjust funding amounts. The Mayor and Council have final review and approval of projects.



PROPOSAL NO. _____
(For City Use Only)

**APPLICATION FOR FUNDS
LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
2011 Consolidated PLAN
July 1, 2011 through June 30, 2012**

1. Name of Agency Requesting Funding _____
2. CDBG Request (amount of \$) _____
3. Project Title _____
4. Project Address _____
5. IF THE REQUESTED PROJECT IS A SERVICE (including but not limited to employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, welfare, homebuyer downpayment assistance, or recreational needs), IT MUST BE EITHER A NEW SERVICE OR A QUANTIFIABLE INCREASE IN THE LEVEL OF AN EXISTING SERVICE ABOVE THAT WHICH IS ALREADY BEING PROVIDED. Please indicate if it is a new service, or if it is an increase in an existing service, describe how it qualifies as an increase in 200 words or less. NOTE: If your service project was funded by CDBG funds last year, and you are requesting continuation funding you do not need to prove that it is a new service or that it is an increase in an existing service. If you are requesting an increase in funding, however, you must justify the increase in funds with an increase in services.

AGENCY INFORMATION

LIMIT RESPONSES TO THE SPACE PROVIDED AND ATTACH ADDITIONAL INFORMATION WHERE REQUESTED

6. Describe the agency's mission.

7. Organizational Chart and Board of Directors Please include a copy of the organization's most recent audit report, articles of incorporation, bylaws, and your agency's IRS letter signifying your nonprofit status. **(attach to application, label as Attachment to Question 7)**

8. Mailing Address (include city and zip) _____

9. Project Contact Person _____ Phone No. _____
Fax _____ email address _____

10. Year Incorporated _____ 501c(3)? Yes ☐ No ☐ Taxpayer Identification No. _____
DUNS Number _____

11. Major Sources of Agency Funding (please list) _____

12. Agency's Authorized Signee (please print) _____

Signature _____ Title _____

PROJECT DESCRIPTION

LIMIT RESPONSES TO THE SPACE PROVIDED IN THE APPLICATION

13. MEETING A CDBG NATIONAL OBJECTIVE (Mandatory)

All proposals must address the national objective of benefiting low/moderate income persons. Please check the appropriate box that applies to your project.

You should check only one of the three and describe.

1. ☐ Client Based (means the clients you propose to serve have documentable incomes less than 80% of median)
2. ☐ Assumed to be low-income (appropriate when clients are abused children/adults, the elderly, homeless or persons with severe disabilities) .
3. ☐ Area Based (where 51% of residents in area served have low/moderate income.) For an area-benefit, you must use census tract data from the 2000 Census. Label as Attachment to Question 13.

Please describe how your project benefits low and moderate income persons. If your project is client-based or special needs, describe how you will identify/admit clients and how you will document their eligibility.

14. PROJECT OVERVIEW

Briefly, in 200 words or less, describe the proposed project:

15. PROJECT SERVICE DESCRIPTION

Describe the project services that will be offered if this application is funded.

16. NEED AND RELATIONSHIP TO STRATEGIC PLAN

Describe the need for this project and describe how this project addresses a priority need in the 2010 Strategic Plan:

17.PROJECT

OUTCOMES/PERFORMANCE

OBJECTIVES

Define the project in measurable outcomes and performance objectives. This should not be a description of services provided, but rather, the beneficial effect on those being served.

EXAMPLE: A job training program.

The project outcomes/performance objectives are NOT the number of persons being trained for a given number of hours, or the number of classes conducted, but should be the number of people who complete training and obtain full-time jobs that pay a living wage.

Goals and measurable objectives should be established.

EXAMPLE: 80% of the participants will complete training program and obtain jobs.

18. TARGET POPULATION

Describe the client target population for the project, and state the number of persons who will directly benefit from this project in a year's time. Provide a brief history of your agency's experience in serving this target population.

TRACK RECORD / CAPABILITY

19. History with federally funded projects

List the two (2) most recent federally funded projects sponsored by your agency that are similar to the project for which you are requesting funding. Please attach an additional page if necessary to explain your previous performance—label it as **Item #19, Track Record**. If your organization has not received any federal funds, please indicate that you have not.

PROJECT NAME	FISCAL YEAR & AMOUNT	DATE COMPLETED	TITLE OF PROJECT	NAME OF FEDERAL/STATE AGENCY	TRACK RECORD

20. ORGANIZATIONAL CAPACITY

Please describe the organization's experience (and the program staff qualifications) in designing and successfully implementing the project proposed in this application. Describe any state licensure requirements, facility locations, building permits, zoning, etc. Provide timeline with start date and end date. State barriers to be overcome in the implementation of the project.

21. OPERATING PLAN FOR THREE YEAR PERIOD

Describe budgetary plans for future needs (three years). Describe your operating plan if CDBG funds are not available. Please list your efforts to secure other funds. List the resources you have requested and the status of these requests. If this project is approved for funding only one year of funding can be guaranteed.

22. COLLABORATION WITH OTHER AGENCIES

Describe your agency's relationship and collaborative partnerships with other community partners. You may attach letters.

SCHEDULE A. – PROJECT BUDGET**PROJECT****TITLE:**

This schedule must be completed and attached to the application. List cost components (e.g. salaries, fringe, supplies, etc.) and their related costs in the appropriate columns below.

Cost Components	CDBG Funding Request	Other Cash Resources	In-Kind Contributions	Total Project Budget
Salaries	\$0.00	\$0.00	\$0.00	\$ 0.00
Fringe Benefits	\$0.00	\$0.00	\$0.00	\$ 0.00
Travel	\$0.00	\$0.00	\$0.00	\$ 0.00
Equipment (\$1,000 per item or more)	\$0.00	\$0.00	\$0.00	\$ 0.00
Supplies	\$0.00	\$0.00	\$0.00	\$ 0.00
Contractual	\$0.00	\$0.00	\$0.00	\$ 0.00
Construction/ Rehabilitation	\$0.00	\$0.00	\$0.00	\$ 0.00
Purchase of Land	\$0.00	\$0.00	\$0.00	\$ 0.00
Other	\$0.00	\$0.00	\$0.00	\$ 0.00
Administrative	NOT ELIGIBLE			
Indirect Costs	NOT ELIGIBLE			
TOTALS	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Administrative costs and indirect costs will not be supported with CDBG funding. Itemize "Other."

SCHEDULE B. – BUDGET NARRATIVE

Please itemize costs for each category indicated **on the budget**. For personnel costs, indicate the position title (s), the name of the staff member(s), hourly wage, and number of hours per week on the proposed activity . For Fringe Benefits, identify all benefits and how they were calculated. Supplies and Equipment should be itemized and need should be justified. For Contractual Services, identify all contractors by name of firm or individual, provide description of their services and provide hourly rate. Itemize and justify all travel. For Construction/Rehabilitation and/or Purchase of Land, provide address and proof of site control (deed, purchase contract, or option), legal description, present zoning, and written indication that proposed use is permitted. For Construction/Rehabilitation, provide complete description of work and estimates made by a contractor, engineer, or architect. Include job descriptions if you are requesting funding for Salaries. Attach pages as necessary and Label "SCHEDULE B--BUDGET NARRATIVE."

SCHEDULE C. – SOURCES OF OTHER PROJECT FUNDS

To complete the schedule, list all sources of project funds below. Indicate whether they are firmly committed or tentative. All non-CDBG project funds require written verification submitted with the proposal. Unverified sources will not be counted as committed.

The total CDBG funds and non-CDBG funds must be adequate, as determined by LFUCG staff to complete the project. Projects that are financially infeasible will not be considered for funding. Attach the letters of financial commitment to the proposal and label **Attachment(s) Schedule C. Sources of Project Funds.**

PROJECT FUNDING SOURCES					
Source	Cash Resources	Value In-Kind Contribution	Firm Commitments (please check)	Tentative Commitments (please check)	Date Available
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
TOTAL	\$ 0.00	\$ 0.00			
Community Development Block Grant funds represent % of the total project.					

Provide explanation of tentative commitments. EXAMPLE: You have made application for additional funds from an additional source, but have not been informed of approval of funds.

SCHEDULE D. – APPLICATION CHECKLIST

In addition to the narrative components on the preceding pages, the following items must be included in this application for funding.

ITEM	CHECKED BY APPLICANT	LFUCG STAFF
Organization's most recent financial audit If your organization is currently funded with CDBG funds, you do not have to submit this item.	☐	☐
Articles of Incorporation If your organization is currently funded with CDBG funds, you do not have to submit this item.	☐	☐
Bylaws If your organization is currently funded with CDBG funds, you do not have to submit this item.	☐	☐
IRS 501c (3) letter If your organization is currently funded with CDBG funds, you do not have to submit this item.	☐	☐
Letters evidencing collaboration	☐	☐
Letters of commitment of other funds	☐	☐
Has the application been signed by the appropriate Person?	☐	☐
Organizational Chart and Board of Directors	☐	☐
Are all attachments labeled with the number of the Question it references?	☐	☐
Schedule A PROJECT BUDGET	☐	☐
Schedule B BUDGET NARRATIVE	☐	☐
Schedule C OTHER PROJECT FUNDS	☐	☐
Schedule D THIS CHECKLIST	☐	☐

End of Application

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

EMERGENCY SHELTER GRANTS PROGRAM

APPLICATION DIRECTIONS

Please note that Emergency Shelter Grants Program is subject to change during Program Year 2011. On May 20, 2009, President Obama signed the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act of 2009. The HEARTH Act amends and reauthorizes the McKinney-Vento Homeless Assistance Act with substantial changes, including:

- **A consolidation of HUD's competitive grant programs;**
- **The creation of a Rural Housing Stability Program;**
- **A change in HUD's definition of homelessness and chronic homelessness;**
- **A simplified match requirement;**
- **An increase in prevention resources; and,**
- **An increase in the emphasis on performance.**

Under the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act of 2009, the Emergency Shelter Grants Program will be renamed the Emergency Solutions Grants Program. LFUCG does not anticipate the implementation of HEARTH during the planning year for the 2011 Consolidated Plan; however, if the U.S. Department of Housing and Urban Development does implement new regulations during this program year, LFUCG reserves the right to re-issue application directions.

The attached application is required if your organization is requesting funding from the Emergency Shelter Grants Program for the period July 1, 2011 through June 30, 2012. The application due date is Friday, December 10, 2010, 5:00 p.m., in the office of the Division of Community Development on the 6th floor of the Government Center at 200 East Main Street. Only one copy is required. This copy should on 8 ½ x 11" white paper and clipped in the upper left hand corner. Funding being requested is for a 12-month period.

Applications will be reviewed by the staff of the Division of Community Development, Lexington-Fayette Urban County Government, and by other LFUCG staff as necessary. Staff may have additional questions and may want to interview a representative of your organization before making a recommendation on your application. LFUCG staff will make recommendations on funding for inclusion in the 2011 Consolidated Plan. Please check the LFUCG website (www.LexingtonKY.gov/CommunityDevelopment) for notices of the publication of the draft 2011 Consolidated Plan, the second public hearing, and Urban County Council meetings during which the 2011 Consolidated Plan is scheduled for discussion and/or action. Final funding decisions rest with the Urban County Council. Applicants are also advised that funds cannot be committed until after the federal government approves the Lexington-Fayette Urban County Government (LFUCG)'s Consolidated Plan and that individual applicant agencies may not commit funds until specifically authorized by the LFUCG.

Funding from the Emergency Shelter Grants Program is very limited. Federal funding for Consolidated Plan Year 2011 for Emergency Shelter Grants Program has been estimated at \$91,513. This amount is based upon last year's award.

The purpose of the Emergency Shelter Grants Program is to help improve the quality of existing emergency shelters for the homeless, to help make available additional emergency shelters, to help meet the costs of operating emergency shelters and of providing certain essential social services to homeless individuals, so that these persons have access not only to safe and sanitary shelter, but also to the supportive services and other kinds of assistance they need to improve their situations. The program is also intended to restrict the increase of homelessness through the funding of preventive programs and activities.

You may direct questions about the application to Irene Gooding, Grants Manager, at (859) 258-3070, or email at ireneg@lexingtonky.gov.

The following is the basis that will be used for the 2011 Plan Year for rating and ranking applications for funding under the Emergency Shelter Grants Program.

Applicant capacity. Up to 20 points will be awarded based on the extent to which the application demonstrates the capacity of the applicant agency. The application must demonstrate that the agency staff has adequate credentials and experience to carry out the proposed project. This means that the organization carrying out the project, its employees, or its partners, must have the necessary experience and qualifications to carry out the specific activities proposed. Factors to be considered will include: prior agency experience and results in the type of work being proposed; suitable agency fiscal capacity and organizational infrastructure to implement the project; and employee experience and credentials in the area to be implemented. The LFUCG'S monitoring records of previously funded projects will also be considered in determining applicant capacity.

Project quality. Up to 20 points will be awarded based on the extent to which the application demonstrates the quality of the project. The services proposed must be appropriate to the needs of the persons to be served. The application must demonstrate a clear understanding of the needs of the clients, the services to be offered, and the effectiveness of the services in meeting those client needs. A project may be considered to be of good quality if:

1. The type and scale of the housing, shelter and/or services proposed clearly fit the needs of the proposed participants.
2. The project is cost-effective and all costs are reasonable, and do not deviate substantially from the norm in Lexington;
3. The application shows evidence of collaboration with other existing programs and services; letters evidencing collaboration may be attached.
4. The building proposed for use meets local codes, health, or safety standards;

Need for Project. Up to 30 points may be awarded based on the extent to which the application demonstrates the need for the project. It must describe the need for the specific project vis-à-vis existing services. The project may be judged to adequately describe the need if it addresses the following points:

1. The need for the project is documented by use of waiting lists, references to similar programs, etc.
2. The project is consistent with the priorities described in the five-year Strategic Plan in the LFUCG'S 2010 Consolidated Plan;
3. The project does not unnecessarily duplicate existing programs and services for the same clients.

Operational Feasibility. Up to 30 points may be awarded based on the extent to which the application demonstrates the feasibility of the project. The application must include:

1. Clear and complete plans for implementing and completing the project;
2. Adequate committed matching funding to implement the project. Include letters of commitment.

3. An adequate strategy for securing additional support and commitment;
4. Adequate number of well-trained staff to carry out the proposed project;
5. Indicators (site control, zoning) that demonstrate that the project is ready to be implemented;

The LFUCG reserves the right to adjust funding amounts. The Mayor and Council have final review and approval of projects.

ESG PROPOSAL NO.

(For City Use Only)

APPLICATION FOR FUNDS

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

EMERGENCY SHELTER GRANTS PROGRAM

2011 Consolidated Plan

July 1, 2011 through June 30, 2012

- ## 1. Agency Requesting Funding

Figure 1

2. ESG Request

#####

3. Project Title _____

[illegible]

4. Project Address _____

AGENCY INFORMATION

LIMIT RESPONSES TO THE SPACE PROVIDED AND ATTACH ADDITIONAL INFORMATION WHERE REQUESTED

5. Describe the agency's mission.

6. **Organizational Chart and Board of Directors** Please include a copy of the organization's most recent audit report, articles of incorporation, bylaws, and your agency's IRS letter signifying your nonprofit status. **(attach to application, label as Attachment to Question 6)**

7. Mailing Address (include city and zip) _____

8. Project Contact Person _____ Phone No. _____
Fax _____ email address _____

9. Year Incorporated _____ 501c(3)? Yes ☐ No ☐ Taxpayer Identification No. _____

10. DUNS number:

11. Major Sources of Agency Funding (please list) _____

12. Agency's Authorized Signee (please print) _____

Signature _____ Title _____

PROJECT DESCRIPTION

LIMIT RESPONSES TO THE SPACE PROVIDED IN THE APPLICATION

13. Check the eligible activity(ies) to be undertaken by this project:

- ☐ Renovation, major rehabilitation, or conversion of buildings for use as emergency shelters for the homeless.
- ☐ Provision of essential services to the homeless
- ☐ Payment of maintenance, operation, rent, repairs, security, fuels, equipment, insurance, utilities, and furnishings.
- ☐ Developing and implementing homeless prevention activities.

Please describe how your project is eligible for funding under the activity(ies) checked above. Describe how you will identify/admit clients and how you will document their eligibility.

14. PROJECT OVERVIEW

Briefly, in 200 words or less, describe the proposed project:

15. PROJECT SERVICE DESCRIPTION

Describe the project services that will be offered if this application is funded.

16. RELATIONSHIP TO STRATEGIC PLAN

Describe how this project addresses a priority need in the 2010 Strategic Plan:

17. PROJECT OUTCOMES/PERFORMANCE OBJECTIVES

Define the project in measurable outcomes and performance objectives. This should not be a description of services provided, but rather, the beneficial effect on those being served.

EXAMPLE: A job training program.

The project outcomes/performance objectives are NOT the number of persons being trained for a given number of hours, or the number of classes conducted, but should be the number of people who complete training and obtain full-time jobs that pay a living wage.

18. TARGET POPULATION

Describe the client target population for the project, and state the number of persons who will directly benefit from this project in a year's time. Describe your agency's history in serving the target population.

TRACK RECORD / CAPABILITY

19. History with federally funded projects. List the two (2) most recent federally funded projects sponsored by your agency. Please attach an additional page if necessary to explain your previous performance—label it as **Item #18, Track Record**. If your organization has not received any federal funds, please indicate that you have not.

FEDERALLY FUNDED PROJECT NAME	FISCAL YEAR & AMOUNT	DATE COMPLETED	TITLE OF PROJECT	NAME OF FEDERAL/STATE AGENCY

20. ORGANIZATIONAL CAPACITY

Please describe the organization's experience (and the program staff qualifications) in designing and successfully implementing the project proposed in this application. Describe any state licensure requirements, facility locations, building permits, zoning, etc. Provide timeline with start and completion date. State barriers to be overcome in the implementation of the project.

21. OPERATING PLAN FOR THREE YEAR PERIOD

Describe budgetary plans for future needs (three years). Describe your operating plan if ESG funds are not available. Please list your efforts to secure other funds. List the resources you have requested and the status of these requests.

22. COLLABORATION WITH OTHER AGENCIES

Describe your agency's relationship and collaborative partnerships with other community partners. You may attach letters.

SCHEDULE A. – PROJECT BUDGET**PROJECT****TITLE:**

This schedule must be completed and attached to the application. List cost components (e.g. salaries, fringe, supplies, etc.) and their related costs in the appropriate columns below.

Cost Components	ESG Funding Request	Cash Match	In-Kind Match	Total Project Budget
Salaries	\$0.00	\$0.00	\$0.00	\$ 0.00
Fringe Benefits	\$0.00	\$0.00	\$0.00	\$ 0.00
Travel	NOT ELIGIBLE			
Equipment (\$1,000 per item or more)	\$0.00	\$0.00	\$0.00	\$ 0.00
Supplies	\$0.00	\$0.00	\$0.00	\$ 0.00
Contractual	\$0.00	\$0.00	\$0.00	\$ 0.00
Rehabilitation	\$0.00	\$0.00	\$0.00	\$ 0.00
Purchase of Land	NOT ELIGIBLE			
Other	\$0.00	\$0.00	\$0.00	\$ 0.00
Administrative	NOT ELIGIBLE			
Indirect Costs	NOT ELIGIBLE			
TOTALS	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

Administrative costs and indirect costs will not be supported with ESG funding. Homeless Prevention Activities that consist of payment of rent, mortgage, utilities to avoid homelessness should be in the “Other” category.

ESG requires a 50% cash or in-kind match. A 50% match is the amount equal to the federal funding requested.

SCHEDULE B. – BUDGET NARRATIVE

Please itemize costs for each category indicated on the budget. For personnel costs, indicate the position title (s), the name of the staff member(s), hourly wage, and number of hours per week on the proposed activity . For Fringe Benefits, identify all benefits and how they were calculated. Supplies and Equipment should be itemized and need should be justified. For Contractual Services, identify all contractors by name of firm or individual, provide description of their services and provide hourly rate. For Rehabilitation, provide address and proof of site control (deed, purchase contract, or option), legal description, present zoning, and written indication that proposed use is permitted. For Rehabilitation, also provide complete description of work and estimates made by a contractor, engineer, or architect. Include job descriptions if you are requesting funding for Salaries. Attach pages as necessary and Label "SCHEDULE B--BUDGET NARRATIVE."

SCHEDULE C. – SOURCES OF MATCH

To complete the schedule, list all sources of project funds below. Indicate whether they are firmly committed or tentative. All non-ESG project funds require written verification submitted with the proposal. Unverified sources will not be counted as committed.

The total ESG funds and non-ESG funds must be adequate, as determined by LFUCG staff, to complete the project. Projects that are financially infeasible will not be considered for funding. Attach the letters of financial commitment to the proposal and label **Attachment(s) Schedule C. Sources of Project Funds.**

PROJECT FUNDING SOURCES

Source	Cash Match	In-Kind Match	Firm Commitments (please check)	Tentative Commitments (please check)	Date Available
	\$	\$	☐	☐	
	\$	\$	☐	☐	
	\$	\$	☐	☐	
	\$	\$	☐	☐	
	\$	\$	☐	☐	
	\$	\$	☐	☐	
	\$	\$	☐	☐	
	\$	\$	☐	☐	
	\$	\$	☐	☐	
	\$	\$	☐	☐	
	\$	\$	☐	☐	
TOTAL	\$	\$			

Emergency Shelter Grants Program funds represent % of the total project.

Provide explanation of tentative commitments. EXAMPLE: You have made application for additional funds from an additional source, but have not been informed of approval of funds.

SCHEDULE D. – APPLICATION CHECKLIST

In addition to the narrative components on the preceding pages, the following items must be included in this application for funding.

ITEM	CHECKED BY APPLICANT	LFUCG STAFF
Organization's most recent financial audit If your organization is currently funded with ESG funds and your are submitting annual audits, you do not have to submit this item.	☐	☐
Articles of Incorporation If your organization is currently funded with ESG funds, you do not have to submit this item.	☐	☐
Bylaws If your organization is currently funded with ESG funds, you do not have to submit this item.	☐	☐
IRS 501c (3) letter If your organization is currently funded with ESG funds, you do not have to submit this item.	☐	☐
Letters evidencing collaboration	☐	☐
Letters of commitment of other funds	☐	☐
Has the application been signed by the appropriate Person?	☐	☐
Organizational Chart and Board of Directors	☐	☐
Are all attachments labeled with the number of the Question it references?	☐	☐
Schedule A PROJECT BUDGET	☐	☐
Schedule B BUDGET NARRATIVE	☐	☐
Schedule C SOURCES OF MATCH	☐	☐
Schedule D THIS CHECKLIST	☐	☐

End of Application

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

HOME INVESTMENT PARTNERSHIPS PROGRAM

APPLICATION DIRECTIONS

The attached application is required if your organization is requesting funding from the HOME Investment Partnerships Program for the 2011 Consolidated Plan Year. **The application due date is Friday, December 10, 2010, 5:00 p.m., in the office of the Division of Community Development on the 6th floor of the Government Center at 200 East Main Street. Only one copy is required. This copy should on 8 ½ x 11" white paper and clipped in the upper left hand corner.**

Applications will be reviewed by the staff of the Division of Community Development, Lexington-Fayette Urban County Government, and by other LFUCG staff as necessary. Staff may have additional questions and may want to interview a representative of your organization before making a recommendation on your application. LFUCG staff will make recommendations on funding for inclusion in the 2011 Consolidated Plan. Please check the LFUCG website (www.LexingtonKY.gov/CommunityDevelopment) for notices of the publication of the draft 2011 Consolidated Plan, the second public hearing, and Urban County Council meetings during which the 2011 Consolidated Plan is scheduled for discussion and/or action. Final funding decisions rest with the Urban County Council. Applicants are also advised that funds cannot be committed until after the federal government approves the Lexington-Fayette Urban County Government (LFUCG)'s Consolidated Plan and that individual applicant agencies may not commit funds until specifically authorized by the LFUCG.

Funding for Consolidated Plan Year 2011 for HOME Investment Partnerships Program has been estimated at \$2,078,838. This includes federal award, local match, and anticipated program income.

The purpose of the HOME Investment Partnerships Program is to expand the supply of decent, safe, sanitary, and affordable housing for very low-income and low-income families. HOME may not be used to support operations or services.

You may direct questions about the application to Irene Gooding, Grants Manager, at (859) 258-3070 or ireneg@lexingtonky.gov.

The following is the basis that will be used for the 2011 Plan Year for rating and ranking applications for funding under the HOME Investment Partnerships Program.

Applicant capacity. Up to 20 points will be awarded based on the extent to which the application demonstrates the capacity of the applicant agency. The application must demonstrate that the agency has adequate credentials and experience to carry out the proposed project. This means that the organization carrying out the project, its employees, or its partners, must have the necessary experience and qualifications to carry out the specific activities proposed. Factors to be considered will include: prior agency experience and results in the development and operation of housing projects; suitable agency fiscal capacity and organizational infrastructure to implement the project; and employee experience and credentials in the area to be implemented. The LFUCG's monitoring records of previously funded projects will also be considered in determining applicant capacity. Applicant's prior performance on submission of required reports in a timely manner, certifications/re-certifications of tenants' incomes, and accurate completion of invoices will also be considered in the assessment of applicant capacity.

Project quality. Up to 20 points will be awarded based on the extent to which the application demonstrates the quality of the project. The services proposed must be appropriate to the needs of the persons to be served. The application must demonstrate a clear understanding of the needs of the clients, the services to be offered, and the effectiveness of the services in meeting those client needs. A project may be considered to be of good quality if:

1. The type and scale of the housing proposed clearly fit the needs of the proposed participants.
2. The project is cost-effective and all costs are reasonable, and do not deviate substantially from the norm in Lexington;
3. The application shows evidence of collaboration with other existing programs and services; letters evidencing collaboration may be attached.
4. The building proposed for use meets local codes, health, or safety standards;

Need for Project. Up to 30 points may be awarded based on the extent to which the application demonstrates the need for the project. It must describe the need for the specific project vis-à-vis existing services. The project may be judged to adequately describe the need if it addresses the following points:

1. The need for the project is documented by use of waiting lists, references to similar programs, etc.
2. The project is consistent with the priorities described in the five-year Strategic Plan in the LFUCG'S 2010 Consolidated Plan;
3. The project does not unnecessarily duplicate existing programs and services for the same clients.
4. If project is for rehabilitation of existing units, the application documents need. May include documentation of code violations, engineer's reports, etc.

Operational Feasibility. Up to 30 points may be awarded based on the extent to which the application demonstrates the feasibility of the project. The application must include:

1. Clear and complete plans for implementing and completing the project;
2. Adequate committed funding to implement the project. Include letters of commitment.
3. An adequate strategy for securing additional support and commitment;
4. Adequate number of well-trained staff to carry out the proposed project;
5. Indicators (site control, zoning) that demonstrate that the project is ready to be implemented;

The LFUCG reserves the right to adjust funding amounts. The Mayor and Council have final review and approval of projects.



HOME PROPOSAL NO. _____
(For City Use Only)

APPLICATION FOR FUNDS
LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
HOME INVESTMENT PARTNERSHIPS PROGRAM
2011 Consolidated Plan
July 1, 2011 through June 30, 2012

1. Agency Requesting Funding _____
2. HOME Request _____
3. Project Title _____
4. Project Address _____

AGENCY INFORMATION

LIMIT RESPONSES TO THE SPACE PROVIDED AND ATTACH ADDITIONAL INFORMATION WHERE REQUESTED

5. Describe the agency's mission. _____

6. Organizational Chart and Board of Directors Please include a copy of the organization's most recent audit report, articles of incorporation, bylaws, and your agency's IRS letter signifying your nonprofit status. **(attach to application, label as Attachment to Question 6)**
7. Mailing Address (include city and zip) _____

8. Project Contact Person _____ Phone No. _____
 Fax _____ email address _____
9. Year Incorporated _____ 501c(3)? Yes ☐ No ☐ Taxpayer Identification No. _____
 DUNS Number: _____
10. Major Sources of Agency Funding (please list) _____

11. Agency's Authorized Signee (please print) _____
 Signature _____ Title _____

PROJECT DESCRIPTION**LIMIT RESPONSES TO THE SPACE PROVIDED IN THE APPLICATION**

12. Check the eligible activity(ies) to be undertaken by this project:

- ☐ Acquisition of property
- ☐ New Construction of Rental Units
- ☐ Rehabilitation/Conversion of Rental Units.
- ☐ Rehabilitation of Existing Low-Income Rental Units
- ☐ New Construction of Units for Homeownership
- ☐ Rehabilitation of Units for Homeownership
- ☐ Provision of Downpayment/Principal Reduction Assistance for Homeownership
- ☐ Tenant-Based Rental Assistance
- ☐ **Other. Specify:**

13. Describe your project. Be specific about the activities (above) and the number of units you plan to develop or operate.

14. Provide a timeline for this project. Provide estimated date that project will be started and provide estimated date of completion.

15. PROJECT SERVICE DESCRIPTION

Describe any supportive services that you will provide and how these services will be supported. Services cannot be supported with HOME funds.

16. RELATIONSHIP TO STRATEGIC PLAN

Describe how this project addresses a priority need in the 2010 Strategic Plan:

- 17. PROJECT OUTCOMES** Describe the number of units to be produced by type (multi, single family), size (number of bedrooms), rental or homeownership, and discuss if housing is transitional or permanent.
-

18. TARGET POPULATION

Describe the client target population in terms of income levels for the project, and state the number of persons who will directly benefit from this project in a year's time. Income levels are

☐	30% MFI and below	Number of Units	_____
☐	>30% - <=50% MFI	Number of Units	_____
☐	>50% - <=60% MFI	Number of Units	_____
☐	>60% - <=80% MFI	Number of Units	_____

Describe other features of the client population. EXAMPLE: Populations with special needs.

TRACK RECORD / CAPABILITY

19. History with federally funded projects

List the two (2) most recent federally funded housing projects sponsored and/or operated by your agency. Please attach an additional page that describes the activities performed—label it as **Item #19, Track Record**. If your organization has not received any federal funds, please indicate that you have not.

PROJECT NAME & ADDRESS	TOTAL COST OF DEVELOPMENT	ACTIVITIES/ ACCOMPLISHMENTS	DATE COMPLETED	NUMBER OF UNITS	LIST SOURCES OF FUNDS	AMOUNTS OF FUNDS

20. ORGANIZATIONAL CAPACITY

Please describe the organization's experience (and the program staff qualifications) in designing and successfully implementing projects similar to the one proposed in this application. Describe any state licensure requirements, facility locations, building permits, zoning, etc. Provide timeline and barriers to be overcome in the implementation of the project.

21. OPERATING PLAN

If this is a project for the development of rental property, provide a twenty-year pro-forma for operating a project if it is new construction. Provide a ten-year proforma if the project is a rehabilitation project. Recommended proforma is KHC. Please add as an attachment.

22. If the purpose of this project is to develop units (acquisition, rehab, new construction) for homeownership, describe your plan for acquiring properties, financing construction, and marketing units. For rehabilitation of existing units, provide reports from Code Enforcement and/or Engineers and/or Architects that demonstrate code violations/structural damage/mechanical failures. Attach pages as necessary.
23. If this is a homeownership assistance project (downpayment assistance/principal reduction), provide details of your pre-purchase counseling, financial education, homeowners' education, and post-purchase counseling program. Attach additional page if necessary.
24. If this is a Tenant Based Rental Assistance Program, provide details of how you will assist your clients with attaining self-sufficiency. Attach additional page if necessary. Must demonstrate how this project will complement existing rental assistance programs.
25. **COLLABORATION WITH OTHER AGENCIES**
Describe your agency's relationship and collaborative partnerships with other community partners. You may attach letters.

SCHEDULE A. – PROJECT BUDGET

PROJECT

TITLE:

This schedule must be completed and attached to the application. List cost components (e.g. salaries, fringe, supplies, etc.) and their related costs in the appropriate columns below. For rental unit development, it is recommended that you use KHC's development budget format.

Cost Components	TOTAL AMOUNT	OTHER SOURCES	HOME REQUEST
Purchase of Land	\$0.00	\$0.00	\$0.00
Relocation Costs	\$0.00	\$0.00	\$0.00
Construction	\$0.00	\$0.00	\$0.00
Architecture and Engineering	\$0.00	\$0.00	\$0.00
On-Site Improvements	\$0.00	\$0.00	\$0.00
Legal Fees	\$0.00	\$0.00	\$0.00
Organizational Fees	\$0.00	\$0.00	\$0.00
Developer's Fee	\$0.00	\$0.00	\$0.00
Homeownership Assistance	\$0.00	\$0.00	\$0.00
Tenant-Based Rental Assistance	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00
TOTALS	\$ 0.00	\$ 0.00	\$ 0.00

Itemize Other

SCHEDULE B. – BUDGET NARRATIVE

Please itemize costs for each category indicated on the budget. For Rehabilitation and New Construction projects, provide address and proof of site control (deed, purchase contract, or option), legal description, present zoning, and written indication that proposed use is permitted. Itemize all professional services by profession. For Rehabilitation, provide complete description of work and estimates made by a contractor, engineer, or architect. If you do not have site control, describe how you will obtain it. Attach pages as necessary and Label "SCHEDULE B--BUDGET NARRATIVE."

SCHEDULE C. – SOURCES OF OTHER PROJECT FUNDS

To complete the schedule, list all sources of project funds below. Indicate whether they are firmly committed or tentative. All non-HOME project funds require written verification submitted with the proposal. Unverified sources will not be counted as committed.

The total HOME funds and non-HOME funds must be adequate, as determined by LFUCG staff to complete the project. Projects that are financially infeasible will not be considered for funding. Attach the letters of financial commitment to the proposal and label **Attachment(s) Schedule C. Sources of Project Funds.**

PROJECT FUNDING SOURCES					
Source	Cash Resources	Value In-Kind Contribution	Firm Commitments (please check)	Tentative Commitments (please check)	Date Available
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
	\$0.00	\$0.00	☐	☐	
TOTAL	\$ 0.00	\$ 0.00			
HOME funds represent % of the total project.					

Provide explanation of tentative commitments.

SCHEDULE D. – APPLICATION CHECKLIST

In addition to the narrative components on the preceding pages, the following items must be included in this application for funding.

ITEM	CHECKED BY APPLICANT	LFUCG STAFF
Organization's most recent financial audit If your organization is currently funded with HOME/CDBG funds, you do not have to submit this item.	☐	☐
Articles of Incorporation If your organization is currently funded with HOME/CDBG funds, you do not have to submit this item.	☐	☐
Bylaws If your organization is currently funded with HOME/CDBG funds, you do not have to submit this item.	☐	☐
IRS 501c (3) letter If your organization is currently funded with HOME/CDBG funds, you do not have to submit this item.	☐	☐
Letters evidencing collaboration	☐	☐
Letters of commitment of other funds	☐	☐
Has the application been signed by the appropriate Person?	☐	☐
Organizational Chart and Board of Directors	☐	☐
Are all attachments labeled with the number of the Question it references?	☐	☐
Schedule A PROJECT BUDGET	☐	☐
Schedule B BUDGET NARRATIVE	☐	☐
Schedule C SOURCES OF OTHER FUNDS	☐	☐
Schedule D THIS CHECKLIST	☐	☐

End of Application

