



2010 Annual Action Plan

The CPMP Annual Action Plan includes the SF 424 and Narrative Responses to Action Plan questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations.

Narrative Responses

ACTION PLAN

Annual Action Plan includes the SF 424 and is due every year no less than 45 days prior to the start of the grantee’s program year start date. HUD does not accept plans between August 15 and November 15.

Executive Summary 91.220(b)

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

Response: As a result of information obtained from citizen and agency surveys, public meetings, and mandatory consultations with community agencies, CCCD identified the following priority needs during the 2010 Consolidated Planning Process:

Cumberland County Community Development Priority Needs
1. Affordable Housing
2. Employment Services/Job Training
3. Human Services (specifically health care and homeless services)
4. Services for the Disabled
5. Water & Sewer Improvements

The activities identified below reflect the County's efforts to produce outcomes that will 1) improve or increase availability/accessibility 2) improve or increase affordability, or 3) improve or increase sustainability by promoting livable or viable communities for the citizens of Cumberland County in addressing the priority needs identified above.

Activity	Objective	Outcome/Indicator
Housing Rehabilitation – <ul style="list-style-type: none"> • Owner-occupied Rehab • Rental Rehab • Purchase/Rehab/Resale • Lead-based paint education 	Provision of Decent Housing	Improving/Increasing the availability and accessibility of decent affordable housing for 30 low to moderate income homeowners and/or renters. Increasing the availability of educational literature to 100 households that may be potentially affected by lead-based paint.
Homeownership Assistance - <ul style="list-style-type: none"> • Down payment/closing costs • GAP Financing 	Provision of Decent Housing	Increasing the affordability of decent affordable housing for 15 low to moderate income first time home buyers.

Activity	Objective	Outcome/Indicator
Affordable Housing	Provision of Decent Housing	Improving/Increasing the availability and accessibility of decent affordable housing by providing assistance for the development of 88 rental and transitional housing units to assist low- to moderate-income residents.
Economic Development Assistance	Creating Economic Opportunities	Increasing the accessibility and/or availability of economic opportunities by providing technical assistance and low interest loans to businesses that will create 5 new full-time permanent jobs for low to moderate income residents.
Public Services Assistance (includes services for the disabled)	Provision of Suitable Living Environments	Increasing the availability and/or accessibility of human and homeless services in order to provide suitable living environments for 1,025 citizens.
Fair Housing	Provision of Suitable Living Environments	Increasing the accessibility of suitable living environments by increasing awareness of fair housing laws for 5 housing/service providers, particular those that serve minorities and/or special populations.

Over the past year we have made significant strides in meeting the goals established in the 2009 Action Plan. Policies and procedures have been evaluated to ensure that administrative or programmatic barriers were eliminated in order to maximize the number of citizens affected by our programs. A complete report of accomplishments will be provided in the Annual Performance and Evaluation Report due to HUD September 28, 2010.

Citizen Participation 91.220(b)

1. Provide a summary of the citizen participation and consultation process (including efforts to broaden public participation in the development of the plan.

Response: Community Development solicited citizen input during the planning of the Annual Action Plan in accordance with its Citizen Participation Plan. During the planning process, Community Development conducted several public meetings and a public hearing during a 30 Day Public Review Period as described below:

- Public Meetings. Community Development conducted six public meetings during the month of January (2010) to inform the citizens about the five-year Consolidated Plan and to solicit input from the citizens. In order to ensure that all areas of the County had an opportunity and access to attend the public meetings, locations were selected from various sections of the County. Public Meetings were held at the following locations:
 - Hope Mills Community Center January 19, 2010
 - Pine Forest Recreation Center January 21, 2010
 - Spring Lake Community Center January 26, 2010
 - Eastover Recreation Center January 28, 2010
- Public Review Period & Public Hearing.
The Public Review Period for the Consolidated Plan and Annual Action Plan ran for a 20 day period from April 9th through May 8, 2010. A Public Hearing before the Board of County Commissioners was held at 6:45 pm April 19,

2010 in the Commissioners Meeting Room, at the County Courthouse, 117 Dick Street.

2. Provide a summary of citizen comments or views on the plan.

Response: There were no speakers or comments on the Consolidated Plan & 2010 Annual Action Plan. Refer to the Citizen Participation Report at Appendix E.

3. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

Response: Not applicable – there were no comments received.

Resources 91.220(c)(1) and (c)(2)

4. Identify the federal, state, and local resources (including program income) the jurisdiction expects to receive to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.

Response: The following information describes the sources and amounts which will be made available to Cumberland County for the implementation of 2010-2011 program goals and objectives:

Entitlement Grants

Source: Community Development Block Grant (CDBG) - \$1,161,390

Source: Home Investment Partnership Act (HOME) - \$539,495

Competitive Grants

Source: Supportive Housing Program (SHP) Amount \$84,134

Local Sources

Matching Requirements - As a federal requirement, Cumberland County is to provide matching funds for the HOME entitlement program in the amount of \$121,386.

Program Income

Cumberland County Community Development projects that it will receive program income from repayment of loans for the housing rehabilitation and first-time homebuyer programs, and economic development loans:

- CDBG Entitlement Program: \$150,000
- HOME Entitlement Program: \$150,000

5. Explain how federal funds will leverage resources from private and non-federal public sources.

Response: The federal funds provided during the 2010 Program Year will assist in leveraging additional resources for the community through use of program funds in the follow manner:

- Affordable Housing activities will leverage additional public / private investment for new construction activities;
- Homeownership activities will leverage additional private/public investment for first, second mortgages;
- Public Services activities will leverage additional private/public investment for non-profit agencies addressing human services needs; and
- Homeless activities will leverage additional private /public investment for nonprofit agencies providing services and housing for the homeless.

Annual Objectives 91.220(c)(3)

***If not using the CPMP Tool:** Complete and submit Table 3A.

***If using the CPMP Tool:** Complete and submit the Summary of Specific Annual Objectives Worksheets or Summaries.xls

Goals and objectives to be carried out during the action plan period are indicated by placing a check in the following boxes.

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

6. Provide a summary of specific objectives that will be addressed during the program year.

Response: See the table on the next page for specific objectives.

Housing Needs - Objective: Decent housing Priority Need: Affordable Housing	
Goal 1: Increase the availability and accessibility of decent, safe, and affordable housing in Cumberland County.	Objective 1: To rehabilitate 25 owner-occupied units and 5 rental units from 2010 to 2011.
Goal 2: Increase the availability and accessibility of decent, safe, and affordable housing in Cumberland County.	Objective 2: Provide assistance to 15 low/moderate income citizens to become first-time home buyers from 2010 to 2011.
Goal 3: A County in which all rental housing is affordable and in standard condition.	Objective 3: Provide 25 additional standard rental units that are affordable to very low-and-income residents from 2010-2011.
Goal 4: Alleviate lead-based paint hazards in Cumberland County's housing inventory.	Objective 4: Make available educational literature to at least 100 households that may be potentially affected by lead-based paint from 2010-2011.
Goal 5: To eliminate housing discrimination in Cumberland County.	Objective 5: Increase awareness of fair housing law for 5 providers serving minorities and special populations groups from 2010-2011.

Special Populations Needs – Objective: Suitable living environments Priority Need: Services for the Disabled	
Goal 1: Increase supportive services and activities in Cumberland County for the disabled (mental and physical).	Objective 1: Provide funding to programs that will assist at a total of 25 disabled persons between 2010 and 2011.

Homeless Needs – Objective: Decent housing/Suitable living environments Priority Need: Human Services (specifically health and homeless services)	
Goal 1: Increase available funding for local homeless service/housing providers Goal also addresses 10-Year Plan to End Homelessness Priority 3 (Identify additional funding sources for local programs).	Objective: Provide financial stability for local homeless initiatives in order to eliminate potential gaps in services by setting aside at least 25% of the Public Services annual allocation for homeless activities from 2010 – 2011.
Goal 2: Provide housing options by creating new transitional housing beds for the homeless (chronic and/or families). Goal also addresses 10-Year Plan to End Homelessness Priority 9: (Develop Additional Affordable Housing Options).	Objective 2: Provide 24 additional transitional housing units for homeless veteran households from 2010 -2011 to get them "off the street."
Goal 3: Increase the percentage of homeless persons remaining in permanent housing over six months. Goal also addresses 10-Year Plan to End Homelessness Priority 9: (Develop Additional Affordable Housing Options).	Objective 3: Provide the 24 homeless veteran households with needed supportive services assist them to transition into and remain in permanent housing (such as obtaining employment, education, etc.) from 2010-2011.

Non-Housing Community Development Needs - Objective: Economic opportunities	
Priority Need: Employment Services / Job Training	
Goal 1: Improve self-sufficiency for Cumberland County residents by increasing the number of new private sector full time permanent jobs, available to, or taken by, low and moderate income persons.	Objective 1: Creation of 5 new full-time permanent jobs for low/moderate residents of Cumberland County from 2010-2011.
Non-Housing Community Development Needs - Objective: Suitable living environments	
Priority Need: Human Services (specifically health care and homeless services)	
Goal 1: Maximize use, coordination, and delivery of human services.	Objective 1: Work with human services agencies to maximize use, coordination and delivery of human services for 1000 residents, with a priority given to agencies providing health care services and services to the homeless from 2010-2011.

Description of Activities 91.220(d) and (e)

**If not using the CPMP Tool: Complete and submit Table 3C*

**If using the CPMP Tool: Complete and submit the Projects Worksheets and the Summaries Table.*

7. Provide a summary of the eligible programs or activities that will take place during the program year to address the priority needs and specific objectives identified in the strategic plan.

Describe the outcome measures for activities in accordance with Federal Register Notice dated March 7, 2006, i.e., general objective category (decent housing, suitable living environment, economic opportunity) and general outcome category (availability/accessibility, affordability, sustainability).

Response: See the table on pages 1 and 2 for specific activities, objectives and outcomes in the format prescribed above.

HOUSING ACTIVITIES:

- a. **Housing Rehabilitation Program - CDBG: \$423,996. National Objective: Low/Mod Housing, Eligibility Citation: 24 CFR Part 570.202; HOME: \$405,777. Eligibility Citation: 24 CFR Part 92.205(a)(1);**

1) Owner-Occupied Rehabilitation: This program will address housing repair needs of households whose annual income is at or below 80% of the median income for Cumberland County based on household size (\$51,600 for a family of four). The types of repairs to be addressed are those items that do not meet Minimum Housing Code Standards, and general property improvements. All Housing Rehabilitation Program funds will be in the form of loans with repayment obligations determined by the applicant's ability to meet additional financial obligations. Applicants may qualify for a deferred, forgivable loan with a note rate of 3% for 15 years. Forgiveness begins on the 6th anniversary and each year thereafter over the 15-year term. Applications for this program are accepted on an on-going basis.

2) Rental Rehabilitation (Investor-Owner): Property owners with 10 or fewer units are able to access low-interest housing rehabilitation loans for rental property. The types of repairs to be addressed are those items that do

not meet Minimum Housing Code Standards and general property improvements. All funds are in the form of a loan with terms of 3% amortized over 15 years or 5% amortized over 30 years. Property owners are required to lease to renters with incomes at or below 80% of the median income for Cumberland County for a minimum 3-year period.

3) Purchase/ Rehab / Resale: This program establishes a mechanism that may be used to acquire properties for future development as affordable housing. The objectives of the of the program are to remove blighting conditions in low and moderate income neighborhoods, increase the county's stock of standard affordable housing units, increase the county's tax base, and create homeownership opportunities for first-time homebuyers. Properties will be acquired through donation, deed and tax sales, the foreclosure of government liens, and through private purchases. Community Development will acquire substandard single-family units, rehabilitate the units to meet Community Development Rehabilitation Standards, and then sell the units to income eligible first-time homebuyers. Community Development may also acquire vacant lots or substandard units not suitable for rehabilitation for demolition. This will allow the Department to take advantage of infill housing opportunities to further stabilize and strengthen our low and moderate-income neighborhoods through homeownership

b. Emergency Repair Program - CDBG: \$50,000, National Objective: Low/Mod Housing, Eligibility Citation: 24 CFR Part 570.202.

This program will address immediate health and safety risks for residents with an annual household income that is at or below 80% of the median income for Cumberland County based on household size (\$51,600 for a family of four). Each project will have a maximum of \$7,500 per housing unit. Applications for this program are accepted on an on-going basis.

c. New Construction (Affordable Housing Program) - HOME: \$200,000, Eligibility Citation: 24 CFR Part 92.205(a)(1).

This program provides funds to local housing providers to assist with acquisition, rehabilitation and/or construction costs of an affordable housing development for low/moderate income residents.

Southview Villas II (\$400,000*) – This is an affordable rental housing project for families that will consist of 64 two and three bedroom units with rents targeted to residents whose incomes fall between 40%-60% of the area median income. The project will be located in Hope Mills.

Freedom Ridge (\$325,000*) – This is a transitional housing project consisting of 24 efficiency units for homeless veterans.

*Funding for these projects will be phased over the next 3 program years.

d. Homeownership Assistance (The First Time Home Buyer Program) - HOME: \$35,000. Eligibility Citation: 24 CFR Part 92.205(a)(1).

1) Down Payment/Closing Costs Assistance. This program coordinates with local financial institutions in order to provide up to \$5,000 to first time home buyers for down payment and/or closing costs. Applicants must meet income requirements (earning no more than 80% of the median income) as well as attend a class on homeownership.

2) Gap Financing. CCCD will continue to offer Gap financing assistance to very low and low income residents seeking homeownership. The amount of assistance that can be provided will not exceed \$20,000 per applicant. Such assistance will be used as a subsidy to make up the difference between the market value of the property and the sales price that is affordable to the purchaser.

GENERAL PROGRAM GUIDELINES

Principal Residence: The property must be occupied by the homebuyer and retained as the principal residence by the owners for the full period of affordability, which is contingent upon the amount of per unit subsidy received and may be 5, 10, or 15 years (20 if new construction). The property owner agrees to allow Cumberland County Community Development to verify principle residence status annually. Homeowner agrees to provide Community Development with a written certification of residence status to become a permanent part of the applicant file. Subletting or renting is not permitted.

Refinance: During the period of affordability, a homebuyer will not be permitted to refinance the property without the approval of Cumberland County Community Development, nor will the department agree to a subordination of its lien interest at any time.

Recapture Provision: All units receiving HOME Program subsidies are required to comply with a designated affordability period as described above. CCCD can ensure continued affordability through the recapture of its initial investment (plus interest, if debt is structured to be repaid with interest). The proceeds will be reprogrammed and used for other HOME eligible activities (i.e., assisting another eligible homebuyer in obtaining a home). Once the HOME funds are repaid, the property is no longer subject to the affordability requirements. CCCD will make every effort to preserve affordability and avoid project default; however, in the event of a foreclosure, a transfer in lieu of foreclosure, or an assignment to HUD, the PJ must repay the HOME account. If the ownership of the housing is conveyed pursuant to a foreclosure sale, the amount of recapture due will be only the net proceeds from the sale. The recapture provisions and period of affordability on each HOME-assisted unit are enforced through the deed restrictions that are recorded as a part of each real estate closing.

Homeownership Counseling: As a requirement of the CCCD First-time Homebuyers Program, applicants are required to successfully complete a First-time Homebuyers Class prior to being awarded community development funding. CCCD contracts with a local agency qualified to provide homeownership education classes. The following services are included in the scope of services of the contract:

- Provide monthly homeownership education workshops
- Coordinate all preparation of the workshops, including advertising
- Conduct the workshop with certified housing counselors
- Provide evaluations of workshop effectiveness

Marketing: In keeping with special outreach activities outlined in CCCD's Affirmative Fair Housing Marketing Plan, certain marketing efforts (i.e. direct

mailings, postings on community bulletins, PSA's, coordination with the Fayetteville Area Metropolitan Housing Authority and the Fayetteville Apartment Association, etc.) will be undertaken to ensure that residents and tenants of public and manufactured housing, and other families assisted by public housing agencies, are aware of the ADDI program.

e. **Community Housing Development Organization (CHDO) Set-Aside - HOME: \$101,155. Eligibility Citation: 24 CFR Part 92.300**

Federal regulations require that 15% of the HOME entitlement funds be set-aside for affordable housing development by CHDOs. In order to be designated a CHDO, a non-profit organization must meet the qualifying criteria as established by HUD. CCCD continues to meet and seek qualified organizations to identify possible CHDOs.

f. **Housing Project Delivery Costs** – CCCD staff and overhead costs directly related to carrying out housing projects, such as work specifications preparation, loan processing, inspections, and other services related to assisting potential owners, tenants, and homebuyers. Staff and overhead costs directly related to providing advisory and other relocation services to persons displaced by the project, including timely written notices to occupants, referrals to comparable and suitable replacement property, property inspections, counseling and other assistance necessary to minimize hardship.

ECONOMIC DEVELOPMENT

Business Loan Program: CDBG: \$163,332; National Objective: Low/Mod Jobs; Eligibility Citation: 24 CFR Part 570.201(o).

Low interest business loans are offered to for-profit business that will create viable/permanent job opportunities for low to moderate-income residents. Loans are available for property acquisition, site improvements, capital equipment, machinery, and/or inventory and working capital. Loan interest rates are at 5% for a maximum term of 15 years.

Economic Development Project Delivery Costs – CCCD staff costs directly related to carrying out economic development projects, such as application intake, eligibility review; loan processing, and other technical assistance necessary to ensure program compliance.

PUBLIC SERVICES

Public Service Program: CDBG: \$174,206. National Objective: Low/Mod Limited Clientele; Eligibility Citation: 24 CFR Part 570.201(e).

All projects listed under this program were selected based on identified needs in the community. The following agencies were conditionally selected for funding:

<u>Agency</u>	<u>Service Provided</u>
Better Health of Cumberland County	health care assistance
Cape Fear Valley Medical Assistance Program	prescription drug assistance
To Be Determined	homeless services

Public Services Project Delivery Costs – CCCD staff costs directly related to carrying out public services projects, such as eligibility review and processing of pay requests, and other technical assistance necessary to ensure program compliance.

GENERAL ADMINISTRATION/PLANNING

GENERAL ADMINISTRATION: CDBG: \$341,443, Eligibility Citation: 24 CFR Part 570.206; HOME: \$68,950 Eligibility Citation: 24 CFR Part 92.207.

Funds have been allocated under this activity for costs related to the administration and execution of Community Development projects under each of the entitlement programs. Eligible administrative costs may include, but not be limited to:

- a. General management, oversight, and coordination;
- b. Salaries, wages, and related costs of the participating jurisdiction's staff;
- c. Monitoring progress and compliance with program requirements;
- d. Preparing reports and other documents related to the program for submission to HUD;
- e. Evaluating program results against stated objectives;
- f. Travel costs incurred for official business in carrying out the program;
- g. Administrative services performed under third party contracts or agreements;
- h. Capacity building and training for staff and non-profits; and
- i. Activities to affirmatively further fair housing.

COMPETITIVE GRANTS

Source: Supportive Housing Program (SHP) Amount \$84,134

The Supportive Housing Program grant funds will be used specifically to continue the implementation of several projects as a part of the Continuum of Care process for Cumberland County. Those projects include the operation of the following projects:

<u>Project</u>	<u>Project Sponsor</u>	<u>Activity</u>
ROBIN'S MEADOW	Fayetteville Metropolitan Housing Authority	12 units transitional housing with supportive services for homeless families

**Geographic Distribution/Allocation Priorities
91.220(d) and (f)**

8. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.

Response: The towns of Eastover, Falcon, Godwin, Hope Mills, Linden, Spring Lake, Stedman, and Wade have all elected to be party to Cumberland County's designation as an Urban County. All of the programs described on the preceding pages, with the exception of certain Public Service Programs and Supportive Housing Program projects, will be accomplished in one of these municipal areas or the unincorporated areas of the County. Please refer to maps at Appendix D for low income and racial/minority concentration areas.

9. Describe the reasons for the allocation priorities, the rationale for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) during the next year, and identify any obstacles to addressing underserved needs.

Response: As a result of information obtained from citizen and agency surveys, public meetings, and mandatory consultations with community agencies, CCCD identified its priority needs and allocated funding accordingly. Allocations are not invested geographically as all programs are offered throughout the participating jurisdiction. The primary obstacle to addressing those that are underserved and fully being able to address the priority needs is lack of available resources and funding.

Annual Affordable Housing Goals 91.220(g)

**If not using the CPMP Tool: Complete and submit Table 3B Annual Housing Completion Goals. *If using the CPMP Tool: Complete and submit the Table 3B Annual Housing Completion Goals.*

10. Describe the one-year goals for the number of homeless, non-homeless, and special-needs households to be provided affordable housing using funds made available to the jurisdiction and one-year goals for the number of households to be provided affordable housing through activities that provide rental assistance, production of new units, rehabilitation of existing units, or acquisition of existing units using funds made available to the jurisdiction. The term affordable housing shall be defined in 24 CFR 92.252 for rental housing and 24 CFR 92.254 for homeownership.

Response: Refer to response to question 6 above for one year goals and objectives and Table 3B at Appendix C.

Public Housing 91.220(h)

11. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.

Response: CCCD will continue to partner with FMHA to implement activities that promote self sufficiency and economic independence, including the promotion of down payment assistance and gap financing through the first-time homebuyers program.

12. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.

Response: Not applicable, the local housing authority has been designated as a high performing housing authority for the past 15 years and is not considered "troubled".

Homeless and Special Needs 91.220(i)

13. Describe, briefly, the jurisdiction's plan for the investment and use of available resources and describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness.

Response: During the 2010 Program Year, Community Development will invest the following resources to assist in eliminating chronic homelessness:

Homeless Needs	
Priority Need: Human Services (specifically health and homeless services)	
<p>Goal 1: Increase available funding for local homeless service/housing providers</p>	<p>Objective: Provide financial stability for local homeless initiatives in order to eliminate potential gaps in services by setting aside at least 25% of the Public Services annual allocation for homeless activities from 2010 – 2011.</p>
<p>Goal also addresses 10-Year Plan to End Homelessness Priority 3 (Identify additional funding sources for local programs).</p>	<p>Strategy: During the Request for Proposal period for the Public Service Program, have funding set-aside specifically to serve applications geared towards the homeless population.</p>
<p>Goal 2: Provide housing options by creating new transitional housing beds for the homeless (chronic and/or families).</p>	<p>Objective 2: Provide 24 additional transitional housing units for homeless veteran households from 2010 -2011 to get them “off the street.”</p>
<p>Goal also addresses 10-Year Plan to End Homelessness Priority 9: (Develop Additional Affordable Housing Options).</p>	<p>Strategy 1: Provide funding through the Affordable Housing Program for Freedom Ridge – a 24 unit transitional housing development for homeless veterans.</p>
<p>Goal 3: Increase the percentage of homeless persons remaining in permanent housing over six months.</p>	<p>Objective 3: Provide the 24 homeless veteran households with needed supportive services assist them to transition into and remain in permanent housing (such as obtaining employment, education, etc.) from 2010-2011.</p>
<p>Goal also addresses 10-Year Plan to End Homelessness Priority 9: (Develop Additional Affordable Housing Options).</p>	<p>During the Request for Proposal period for the Public Service Program, provide funding to assist with supportive services for the homeless population at the development.</p>

14. Describe specific action steps to address the needs of persons that are not homeless identified in accordance with 91.215(e).

Response: During the 2010 Program Year, Community Development will use the following strategy to address the needs of non-homeless special population groups:

Special Populations Needs – Objective: Suitable living environments	
Priority Need: Services for the Disabled	
Goal 1: Increase supportive services and activities in Cumberland County for the disabled (mental and physical).	Objective 1: Provide funding to programs that will assist at a total of 25 disabled persons between 2010 and 2011.
	Strategy: Fund agencies that will provide services to disabled persons.

15. Homelessness Prevention—Describe planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.

Response: During the 2010 Program Year, Community Development will meet the needs of those at risk of becoming homeless by continuing its partnership with the local Continuum of Care Planning Council and 10 Year Plan to End Homelessness Steering Committee to development concrete strategies to assist those that are in need. While Community Development has not set-aside specific funding to address this issue, it will continue to serve as a referral source to those programs in the community that provide direct financial assistance such as:

- Cumberland County Department of Social Services;
- The Salvation Army; and
- City of Fayetteville’s Homeless and Rapid Re-housing Program.

Barriers to Affordable Housing 91.220(j)

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

Response: The following actions will be taken to foster and maintain affordable housing as well as remove barriers to affordable housing:

- Offer affordable mortgage products through the Down payment Assistance Program (DAP), the Gap Assistance Program (GAP), and the American Dream Down payment Assistance Initiative (ADDI) Program.
- Partner with local lenders and the U.S. Department of Agriculture Rural Development to maximize the use of HOME funds for the Homebuyers Program.
- Acquire and renovate substandard single family units that will ultimately be sold to low to moderate income homebuyers through the Department’s Buy Rehab Resale Program.

- Acquire vacant lots or substandard units not suitable for rehabilitation for demolition in order to eliminate blighting conditions in neighborhoods as well as provide additional affordable housing through the construction of housing for low to moderate income homebuyers or renters.
- To preserve affordable rental housing, offer low interest loans for rehabilitation of rental property through the Rental Rehabilitation Program.
- Continue to partner with eligible organizations designated as Community Housing Development Organizations (CHDOs) to increase the production and supply of affordable housing.
- Provide low interest loans for non-profit and for-profit developers to build affordable rental and homeownership units.
- Continue interagency partnerships to provide homebuyer counseling which will provide increased knowledge and resources for low to moderate-income citizens seeking to purchase a home.
- Continue participation in the 10 Year planning efforts to end homeless by serving as one of the lead agencies in the community-driven process.
- Unemployment and for those who are employed low wages limit housing choice and the ability to maintain housing. Community Development will provide economic development funds, specifically geared toward job creation, to help attract higher paying industry to Cumberland County. We will continue to work with local companies as well as County Management and the other area economic development agencies in developing incentive packages to attract business to the area.
- Lack of adequate infrastructure greatly impacts the type and location of development in Cumberland County. With the use of CDBG funds, Community Development will work with the County Engineering Department to identify low- and moderate- income areas that may be assisted with installation of water and sewer facilities.

Other Actions 91.220(k)

17. Describe the actions that will take place during the next year to address obstacles to meeting underserved needs, foster and maintain affordable housing, evaluate and reduce the number of housing units containing lead-based paint hazards, reduce the number of poverty-level families develop institutional structure, enhance coordination between public and private agencies (see 91.215(a), (b), (i), (j), (k), and (l)).

Response: See #16 above for actions to foster and maintain affordable housing.

Meeting Underserved Needs

Cumberland County Community Development will continue to seek methods to maximize the entitlement funds that it receives to better serve extremely low and low-income residents. As a means of accomplishing this, Cumberland County will continue its partnership with the United States Department of Agriculture Rural Development to maximize the use of HOME funds for the Homebuyers Program. This partnership, along with collaboration with other local lenders, has provided gap financing assistance for prospective applicants in order to make the purchase of homes more affordable for the buyer. Loans for this assistance are structured so that repayment obligation can be adjusted to make the loan affordable.

Another area of underserved needs in our community lies in the public services/homeless services arena. Through the funding of non-profit public service agencies, we will continue to strive to meet the underserved needs in our community. Though CDBG funds are limited for these types of activities, we will continue to commit at the maximum level allowable.

Lead-Based Paint Strategy

All Community Development housing rehabilitation staff has been trained in lead-based paint safe work practices and interim controls. Cumberland County Community Development will undertake the following strategies to educate and abate lead-based paint hazards:

- Develop and run periodic public service announcements to make households with children under seven aware that they may qualify for funding to assist with lead-based paint abatement;
- Ensure that all households applying for funds from CCCD's Housing Rehabilitation or First-Time Home Buyer's Programs are given brochures on the hazards of lead-based paint;
- Ensure that all units repaired and/or acquired under the First Time Home Buyers, Rental Rehabilitation, Homeowner Rehabilitation, and Purchase/Rehab/Resale are tested according to HUD standards; and
- Conduct workshops for new contractors so that they are trained to perform lead hazard control work as required by the Lead Safe Housing Rules.

Anti-poverty Strategy

The long-term solution to poverty is a complex one and requires us to wrestle with social and economic issues that have persisted for decades. There is a need to alleviate the problem of excessive rent burdens for the poor by providing an increased number of available, decent, safe, and affordable housing units. Job training must be provided for skills improvement, social services with a caring heart, better education, and comprehensive health care for the indigent, and more economic opportunities for people who live in Cumberland County. All of these must be components of comprehensive community planning and economic development.

Where possible, Community Development will partner with other County social and human service agencies to provide affordable housing assistance. The primary relationship is that of a referral nature. The goals, programs, and policies that have been put into place target populations that are served by the Department of Social Services, Mental Health, the Health Department, etc.

More specifically:

- The affordable housing goals established to create new units for the low-income, elderly and disabled are aimed at bringing people out of impoverished living conditions.
- The goals set forth for housing rehabilitation help preserve existing affordable housing units.
- The provision of down payment assistance helps low-income families accumulate wealth.
- Proposed water and sewer improvements also improve living conditions for low-income families who must abandon their homes (or continue to live in

substandard conditions) because they do not have potable water and/or failed septic systems.

Also, the goal to create new jobs that pay a living wage is a means of improving quality of life for those living in poverty.

Institutional Structure

There is still an under supply of seasoned non-profit housing development organizations in Cumberland County that have hands-on experience in real estate development. A small number of private for profit developers are active in the local low-income housing tax credit market. In order, however, for Cumberland County to make advances in affordable housing, it must nurture the growth and development of non-profit developers that can access the full range of State, Federal and other subsidies needed to finance affordable housing.

We continue to face the challenge of addressing increased needs with less funding. Therefore, our focus over the next year will be to seek more strategic partnerships, streamlining processes and procedures for more administrative efficiency and additional revenue sources. Existing partnerships with Kingdom Community Development Corporation, The Women's Center of Fayetteville, The Salvation Army, Cumberland Interfaith Hospitality Network, City Rescue Mission, Coordinating Council on Older Adults, Better Health of Cumberland County, Consumer Credit Counseling, USDA Rural Development, and United Developers will continue to be fostered during the next year.

Cumberland County is a diverse community with a substantial increase in the Hispanic population. And like any large county in the country, affordable housing can be problematic. The County's partnership with the City of Fayetteville, through the Fayetteville-Cumberland County Human Relations Department, will aid in the efforts to provide affordable housing to this growing population. The Human Relations Department also includes Spanish-speaking staff.

Non-profit organizations must develop the necessary background and experience in real estate development and affordable housing finance in order to serve the housing needs of Cumberland County over the long term. Cumberland County Community Development will also continue to provide technical assistance to non-profit agencies (for affordable housing, public services, etc.) through staff and the use of technical assistance funding provided by HUD.

18. Describe the actions to coordinate its housing strategy with local and regional transportation planning strategies to ensure to the extent practicable that residents of affordable housing have access to public transportation.

Response: In evaluating affordable housing projects and proposals we make every effort to ensure that public transportation is available and easily accessible to our developments. The City of Fayetteville has expanded the Fayetteville Area System of Transit (FAST) routes and hours to more adequately serve Cumberland County citizens. As of April 2010, the Town of Spring Lake has contracted with FAST to provide transportation services to its residents connecting them to employment and vital services within Cumberland County.

Another area that CCCD will be focusing on, as the issue of lack of transportation for rural residents was identified in our AI, is to increase the availability and accessibility of transportation throughout rural Cumberland County. Lack of public transportation limits affordable housing choice.

Efforts will include distribution literature of Cumberland County's RTP Program to citizen support agencies such as: the NC Indian Housing Authority, Cumberland County Coordinating Council on Older Adults, Hispanic Latino Center, Cumberland County Veterans Services Office, and Consumer Credit Counseling Service of Fayetteville.

PROGRAM SPECIFIC REQUIREMENTS

CDBG 91.220(I)(1)

19. Identify program income expected to be received during the program year, including:

- **amount expected to be generated by and deposited to revolving loan funds;**
- **total amount expected to be received from each new float-funded activity included in this plan; and**
- **amount expected to be received during the current program year from a float-funded activity described in a prior statement or plan.**

Response: Community Development estimates receiving program income in the amount of \$150,000 from CDBG activities and \$150,000 from HOME activities. The Department does not have any float-funded activities nor does it anticipate providing funding for such activities during the 2010 Program Year.

20. Program income received in the preceding program year that has not been included in a statement or plan.

Response: Community Development receipts and expends program income prior to drawing down any funds from its line of credit. Therefore, there is not any program income that has not been included in a prior year's plan.

21. Proceeds from Section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in its strategic plan.

Response: Community Development does not have any open Section 108 loans; therefore such funds will not be used to address priority needs and objectives identified in our strategic plan.

22. Surplus funds from any urban renewal settlement for community development and housing activities.

Response: Not applicable – Community Development does not have any urban renewal settlement funds.

23. Any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.

Response: Not applicable – Community Development has not returned any funds to its line of credit.

24. *Income from float-funded activities.*

Response: Not applicable – Community Development does not have any float-funded activities.

25. *Urgent need activities, only if the jurisdiction certifies.*

Response: During the 2010 Program year, Community Development will not undertake any urgent need activities.

26. *Estimated amount of CDBG funds that will be used for activities that benefit persons of low- and moderate income.*

Response: It is estimated that 100% of the CDBG activities will be used for the benefit of low and moderate income citizens during the 2010 Program Year.

HOME 91.220(I)(1)

27. *Describe other forms of investment. (See Section 92.205)*

If grantee (PJ) plans to use HOME funds for homebuyers, did they state the guidelines of resale or recapture, as required in 92.254.

Response: During the 2010 Program Year, Community Development will allocate funds from its HOME entitlement to provide assistance to first time homebuyers. For homebuyer programs, Community Development uses the recapture provision.

28. *If grantee (PJ) plans to use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds, state its refinancing guidelines required under 24 CFR 92.206(b).*

Response: During the 2010 Program Year, Community development will not refinance any existing multi-family housing debt.

29. *Resale Provisions -- For homeownership activities, describe its resale or recapture guidelines that ensure the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4).*

Response: Community Development uses the recapture provision for its homeownership activities as described below:

Recapture Provision: All units receiving HOME Program subsidies are required to comply with a designated affordability period as described above. CCCD can ensure continued affordability through the recapture of its initial investment (plus interest, if debt is structured to be repaid with interest). The proceeds will be reprogrammed and used for other HOME eligible activities (i.e., assisting another eligible homebuyer in obtaining a home). Once the HOME funds are repaid, the property is no longer subject to the affordability requirements.

CCCD will make every effort to preserve affordability and avoid project default; however, in the event of a foreclosure, a transfer in lieu of foreclosure, or an assignment to HUD, the PJ must repay the HOME account. If the ownership of the housing is conveyed pursuant to a foreclosure sale, the amount of recapture due will be only the net proceeds from the sale. The recapture provisions and period of affordability on each HOME-assisted unit are enforced through the deed restrictions that are recorded as a part of each real estate closing.

30. HOME Tenant-Based Rental Assistance -- Describe the local market conditions that led to the use of a HOME funds for tenant based rental assistance program. If the tenant based rental assistance program is targeted to or provides a preference for a special needs group, that group must be identified in the Consolidated Plan as having an unmet need and show the preference is needed to narrow the gap in benefits and services received by this population.

Response: Not applicable – Community Development does not plan to use HOME funds for tenant based rental assistance during the 2010 Program Year.

31. If a participating jurisdiction intends to use forms of investment other than those described in 24 CFR 92.205(b), describe these forms of investment.

Response: Community Development’s HOME investment will be used in the form of equity investments, interest-bearing loans or advances, non-interest-bearing loans or advances, interest subsidies consistent with the purposes of this part, deferred payment loans, or grants, in accordance with 24 CFR 92.205(b)

32. Describe the policy and procedures it will follow to affirmatively market housing containing five or more HOME-assisted units.

Response: Refer to Appendix I for a copy of Community Development’s Affirmative Marketing Policy.

33. Describe actions taken to establish and oversee a minority outreach program within its jurisdiction to ensure inclusion, to the maximum extent possible, of minority and women, and entities owned by minorities and women, including without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts, entered into by the participating jurisdiction with such persons or entities, public and private, in order to facilitate the activities of the participating jurisdiction to provide affordable housing under the HOME program or any other Federal housing law applicable to such jurisdiction.

Response: Refer to Appendix I for a copy of Community Development’s MWBE policy.

34. If a jurisdiction intends to use HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds, state its financing guidelines required under 24 CFR 92.206(b).

Response: During the 2010 Program Year, Community development will not refinance any existing multi-family housing debt.

HOPWA 91.220(I)(3)

35. One year goals for the number of households to be provided housing through the use of HOPWA activities for: short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family, tenant-based rental assistance, units provided in housing facilities that are being developed, leased, or operated.

Response: Not applicable.

OTHER NARRATIVES AND ATTACHMENTS

FAIR HOUSING ACTION PLAN: 2010-2011

In our commitment to affirmatively further fair housing, Cumberland County Community Development will implement the following actions to address the identified impediments to fair housing choice during the **2010 – 2011** program year.

➤ *Impediment 1: Lack of awareness of fair housing laws.*

Goal 1: To eliminate housing discrimination in Cumberland County.

Objective 1: Increase awareness of fair housing law for **5** housing and service providers serving minorities and special populations groups from 2010-2011.

Strategy 1.1: Conduct a citizen survey on housing rights issues during the first quarter of program year 2010 – 2011 to evaluate citizen awareness of fair housing laws and how to report discriminatory practices.

Strategy 1.2: Broaden distribution points of current and new fair housing and fair lending literature at public locations and among targeted minority populations.

Strategy 1.3: Make housing awareness brochures available as downloadable content on City and County websites.

Strategy 1.4: Conduct **1** symposium on Fair Housing and Equal Opportunity during April's Fair Housing Month.

➤ *Impediment 2: Lack of affordable housing in Cumberland County.*

Goal 2: Increase the availability and accessibility of decent, safe, and affordable housing in Cumberland.

Objective 2: To provide **64** affordable housing units (homeowner and rental) from 2010-2011.

Strategy 2.1: Partner with locally-based nonprofit housing organizations (such as CDC's) to develop and manage standard affordable rental units with 3 or more bedrooms.

Strategy 2.2: Provide financial incentives and low-interest loans for developers to build and manage standard affordable rental units with 3 or more bedrooms

➤ **Impediment 3: Lack of public transportation in rural Cumberland County.**

Goal 3: To increase the availability and accessibility of transportation throughout rural Cumberland County.

Objective 3: Increase awareness of Cumberland County's Rural Transportation Program (RTP) to **5** citizen support agencies.

Strategy 3: Distribute literature of Cumberland County's RTP Program to citizen support agencies such as: the NC Indian Housing Authority, Cumberland County Coordinating Council on Older Adults, Hispanic Latino Center, Cumberland County Veterans Services Office, and Consumer Credit Counseling Service of Fayetteville.

Section 3 Requirements

Cumberland County ensures that it follows the requirements for Section 3 as outlined in our Compliance Guide. ***Please refer to Appendix I for a copy of Community Development's Compliance Guide to Section 3 Requirements.***