



2011 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)

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

Response: Cumberland County's Community Development (CCCD) department serves as the grant administrator for the entitlement grants funds awarded to the County from the Department of Housing and Urban Development. As a result of information obtained from citizen and agency surveys, public meetings, and mandatory consultations with community agencies during the 2010 Consolidated Planning Process, CCCD will address the following priority needs during the 2011 Program Year:

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 	Decent Housing	Improving/Increasing the availability, accessibility, and sustainability of decent affordable housing for 30 low to moderate income homeowners and/or renters. Increasing the availability and accessibility of educational literature to 100 households that may be potentially affected by lead-based paint.

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

Response: There were no speakers or comments on the 2011 Annual Action Plan. Refer to the Citizen Participation Report at Appendix C.

4. 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)

5. 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 implementation of the 2011-2012 program goals and objectives:

Entitlement Grants

Source: Community Development Block Grant (CDBG) - \$922,754

Source: Home Investment Partnership Act (HOME) - \$445,959

Competitive Grants

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

Local Sources

Matching Requirements/County Leveraging - As a federal requirement, Cumberland County is to provide matching funds for the HOME entitlement program in the amount of \$100,341. An additional \$98,311 in general funds will also be leveraged to provide community development services to the residents of Cumberland County.

Program Income

CCCD 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: \$200,000

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

Response: The federal funds provided during the 2011 Program Year will assist in leveraging additional resources through use of program funds in the follow manner:

- Affordable Housing activities will leverage additional public/private investment for new construction activities;

- Fair housing and grant administration activities will leverage additional public investment in support of affirmatively furthering fair housing and implementation of community development activities in the community;
- Homeless activities will leverage additional private /public investment for nonprofit agencies providing services and housing for the homeless;
- Homeownership activities will leverage additional private/public investment for first, second mortgages; and
- Public Services activities will leverage additional private/public investment for non-profit agencies addressing human services needs.

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 checked="" type="checkbox"/>	Objective Category: Suitable Living Environment 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 type="checkbox"/>	job creation and retention
<input type="checkbox"/>	assisting persons at risk of becoming homeless	<input checked="" type="checkbox"/>	eliminating blighting influences and the deterioration of property and facilities	<input type="checkbox"/>	establishment, stabilization and expansion of small business (including micro-businesses)
<input checked="" type="checkbox"/>	retaining the affordable housing stock	<input 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/AIDS) to live in dignity and independence	<input type="checkbox"/>	restoring and preserving properties of special historic, architectural, or aesthetic value	<input checked="" type="checkbox"/>	availability of mortgage financing for low income persons at reasonable rates using non-discriminatory lending practices
<input type="checkbox"/>	providing affordable housing that is accessible to job opportunities	<input type="checkbox"/>	conserving energy resources and use of renewable energy sources	<input type="checkbox"/>	access to capital and credit for development activities that promote the long-term economic social viability of the community

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

Response: See the tables below. **Please note that the goals listed are numbered consistently and in accordance with the corresponding goals in the 2010 Consolidated Plan.

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.*

See Proposed Project Tables at Appendix D.

Housing Needs - Objective: Decent housing	
Priority Need: Affordable Housing	
Goal 1: Increase the availability, accessibility, and sustainability of decent, safe, and affordable housing in Cumberland County.	Objective 1: To rehabilitate 25 owner-occupied units and 5 rental units from 2011 to 2012.
Goal 2: Increase the availability, accessibility and affordability of decent, safe housing in Cumberland County.	Objective 2: Provide assistance to 5 low/moderate income citizens to become first-time home buyers from 2011 to 2012.
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 2011-2012.
Goal 5: Eliminate housing discrimination in Cumberland County.	Objective 5: Increase awareness of fair housing law for 5 providers serving minorities and special populations groups from 2011-2012.
Homeless Needs - Objective: Decent housing/Suitable living environment	
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 2011 - 2012.
Non-Housing Community Development Needs - Objective: Suitable living environment	
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 2011-2012.

8. 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 - Priority Need: Affordable Housing; Housing Goals 1, 2, 3, and 4 - CDBG: \$719,923. National Objective: Low/Mod Housing, Eligibility Citation: 24 CFR Part 570.202; HOME: \$573,087. 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. Households in need of repairs to meet Minimum Housing Code Standards and general property improvements will receive a deferred payment loan, with household re-certification every five years. Housing rehabilitation repairs that do not exceed \$7,500 will be given in the form of a grant. 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. Loan terms are as follows:

- 3% amortized loan for 15 years (standard rehabilitation, refinance/rehabilitation, or acquisition/rehabilitation)
- 5% amortized loan for 30 years (refinance/rehabilitation or acquisition/rehabilitation).

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. Applications for this program are accepted on an on-going basis.

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. CCCD 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. CCCD 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. Homeownership Assistance Program. Priority Need: Affordable Housing; Housing Goal 2 – HOME: \$25,000. Eligibility Citation: 24 CFR Part 92.205(a) (1):

- 1) Down Payment/Closing Costs Assistance (DAP).** This program coordinates with local financial institutions in order to provide up to \$5,000 to first time homebuyers 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. Applications for this program are accepted on an on-going basis.
- 2) Gap Financing (GAP).** 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. Applications for this program are accepted on an on-going basis.

For any of the subsidies provided, CCCD will secure a first or second mortgage on the property with a 4% interest rate 10-year term which is deferred for the first 5 years (for DAP) or a 30-year term (for GAP) having a 0 – 4 % interest rate depending on the amount of subsidy needed by the homeowner. This approach offers the benefit of significant leverage of private lender money while providing program income for CCCD. While CCCD would partner with anyone offering an affordable mortgage product, our primary focus would be to work with those lenders whose products are most affordable.

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 CCCD to verify principle residence status annually. Homeowner agrees to provide CCCD 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 CCCD.

Recapture Provision: In accordance with the applicable homebuyer recapture/resale provision outlined in 24 CFR Part 92, Cumberland County has adopted the recapture provision for its HOME-assisted homeownership housing. The County requires the recapture of its HOME-funded homeownership housing assistance from net sales proceeds when the original homebuyer sells the property during the affordability period. Net proceeds are the funds remaining from the sale of the property by the original homebuyer less the repayment of

the outstanding balance on any superior mortgage, sales commission, the original homebuyer's down payment and the cost of any property improvements made by the original homebuyer. To the extent that net proceeds are available at closing, all or a portion of the HOME funds are due and payable. In the event of foreclosure, the Lender may not require the Borrower to repay an amount greater than the net proceeds available after the foreclosure sale.

Recaptured HOME funds by Community Housing Development Organizations (CHDO), on behalf of Cumberland County, are not considered to be CHDO proceeds but shall be used by the CHDO's to provide affordable housing for Cumberland County. Not more than 10 percent of recaptured funds may be used for CHDO administration.

Recaptured HOME funds provided by an agency other than a CHDO, will be recaptured by Cumberland County to be used for eligible HOME activities in accordance with the requirements of the HOME statute and regulations, in the same manner as program income. Not more than 10 percent of the recaptured funds may be used by the County for administrative or planning costs.

All homeowner assistance involving HOME funds shall be provided as a deferred or amortized loan as evidenced by a note secured by a deed of trust on the property. The entire amount of the loan shall be due and payable, if the homebuyer does not continue to occupy the property as their principal residence for the duration of the period of affordability ("recapture provision"). During the period of affordability, the homebuyer shall not be permitted to refinance the property without the approval of the County.

The recapture provision shall be revoked, if an ownership interest is terminated during the period of affordability by foreclosure, transfer in lieu of foreclosure, or assignment of a FHA-insured mortgage to HUD. If the owner thereafter obtained a redemptive interest in the property, the original affordability period resumes and continues until its term expires. The amount due to Cumberland County may also be forgiven to the extent allowed in the HUD regulations.

The recapture provision will ensure that each housing unit will remain affordable for a period of time determined by the recapture schedule below, established in accordance with 24 CFR 92.254(a)(4):

<u>HOME Funds Provided</u>	<u>Period of Affordability</u>
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
More than \$40,000	15 years
New Construction	20 years

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 may contract with a local agency qualified to provide homeownership education classes. The following services would be 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 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 CCCD's housing assistance programs.

**c. Community Housing Development Organization (CHDO) Set-Aside.
Priority Need: Affordable Housing; Housing Goal 2 - HOME: \$83,618.
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. During the 2011 request for proposal period, CCCD received one application from an agency for CHDO designation. This agency provides housing/employment services for the disabled. Once designated, the agency can assist in meeting the goals for Special Populations as outlined below:

Special Populations Needs - Objective: Decent Housing/Suitable living environment	
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 25 disabled persons for the 2011-2012 program year.

d. 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.

HOUSING ACTIVITIES OUTCOMES

Housing Needs - Objective: Decent housing Priority Need: Affordable Housing	
Goal 1: Increase the availability, accessibility, and sustainability of decent, safe, and affordable housing in Cumberland County.	Objective 1: To rehabilitate 25 owner-occupied units and 5 rental units from 2011 to 2012.
Goal 2: Increase the availability, accessibility, and affordability of decent, safe housing in Cumberland County.	Objective 2: Provide assistance to 5 low/moderate income citizens to become first-time home buyers from 2011 to 2012.
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 2011-2012.
Goal 5: To eliminate housing discrimination in Cumberland County. (*see Fair Housing Action Plan below)	Objective 5: Increase awareness of fair housing law for 5 providers serving minorities and special populations groups from 2011-2012.

***FAIR HOUSING ACTION PLAN: 2011-2012**

In our commitment to affirmatively further fair housing, CCCD will implement the following actions to address the identified impediments to fair housing choice during the **2011 – 2012** program year.

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

Goal 1: To eliminate housing discrimination in Cumberland County (*same as Housing Goal 5 above*).

Objective 1: Increase awareness of fair housing law for **5** housing and service providers serving minorities and special populations groups from 2011-2012. Develop partnerships with **2** local housing service providers to further fair housing awareness.

Strategy 1.1: Partner with the Fayetteville Metropolitan Housing Authority to provide quarterly fair housing education classes to residence transitioning to home ownership or other housing opportunity.

Strategy 1.2: Partner with the Cumberland County Mental Health Departments Housing Division to connect persons with specific disabilities to acquire housing. Persons with mental disabilities that contact the Fayetteville-Cumberland Human Relations Department seeking housing assistance will be connected with the housing specialist of the Mental Health Department to obtain housing that is decent, safe and secure.

Strategy 1.3: Conduct **1** symposium on Fair Housing and Equal Opportunity during April's Fair Housing Month. Invite HOME Funds Recipients that require annual fair housing training.

Strategy 1.4: Conduct an end of program year (fourth quarter) fair housing awareness survey to gauge effectiveness of outreach efforts.

Strategy 1.5: Use of Cumberland County’s social media outlets (i.e. Facebook, Twitter, etc.) to announce fair housing related activities and public events.

CLEARANCE ACTIVITIES

Clearance Activities/Demolition: Community Development/Economic Development Goal 1, Objective 2, Strategy 1 - CDBG: \$25,000. National Objective: Slum and Blight; Eligibility Citation: 24 CFR Part 570.201(d).

In partnership with the City of Fayetteville, the County will provide funds to assist Fayetteville State University in the demolition of the old Washington Drive School, located in Census Tract 8 Block Group 1, for redevelopment purposes. By eliminating blighting conditions in the community created by the current school facility, this activity will support the following economic development through redevelopment of the project site.

CLEARANCE ACTIVITY OUTCOMES

Non-Housing Community Development Needs - Objective: Suitable living environment/Expanded 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: Elimination of blighting conditions on a spot basis through demolition/clearance activities of 1 facility.

PUBLIC SERVICES

Public Service Program: Community Development / Public Services Goal 1 - CDBG: \$113,280. National Objective: Low/Mod Limited Clientele; Eligibility Citation: 24 CFR Part 570.201(e).

All projects funded will be selected based on identified needs in the community. Final determination of funding amounts will be based on receipt of final funding allocations from the Department of Housing and Urban Development. The following agencies were conditionally selected for funding:

<u>Agency</u>	<u>Service Provided</u>
-Better Health of Cumberland County	-health care assistance
-Cumberland County Drug Court	-counseling, housing and other support services for low/mod offenders with substance abuse issues
-Myrover Reese Fellowship Home	-literacy and life skills services for homeless individuals recovering from substance abuse

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.

PUBLIC SERVICES OUTCOMES

Non-Housing Community Development Needs – Objective: Suitable living environment	
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 2011-2012.

GENERAL ADMINISTRATION/PLANNING

GENERAL ADMINISTRATION: CDBG: \$312,862, Eligibility Citation: 24 CFR Part 570.206; HOME: \$64,595 Eligibility Citation: 24 CFR Part 92.207.

Funds have been allocated under this activity for costs related to the administration and execution of CCCD 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)**

9. 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 E for low income and racial/minority concentration areas.

10. 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.

11. 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 #7 above for one year goals and objectives and Table 3B at Appendix D.

Public Housing 91.220(h)

12. 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.

13. 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)

14. 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 2011 Program Year, CCCD will invest the following resources to assist in eliminating chronic homelessness:

Homeless Needs – Objective: Decent housing/Sustainable living environment	
Priority Need: Human Services (specifically health and homeless services)	
Goal 1: Increase available funding for local homeless service/housing providers	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 2011 – 2012.
Goal also addresses 10-Year Plan to End Homelessness Priority 3 (Identify additional funding sources for local programs).	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.

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

Response: During the 2011 Program Year, CCCD will use the following strategy to address the needs of non-homeless special population groups:

Special Populations Needs – Objective: Decent housing/Suitable living environment	
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 2011 and 2012.
	Strategy: Fund agencies that will provide services to disabled persons.
	Strategy: In response to RFQ for qualified agencies to serve as CHDOs, proceed with designation of agency that provides housing/employment services for the disabled.

16. 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 2011 Program Year, CCCD 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 develop concrete strategies to assist those that are in need. While CCCD 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)

17. 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) and the Gap Assistance Program (GAP).
- 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.
- 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.

Other Actions 91.220(k)

18. 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 #17 above for actions to foster and maintain affordable housing.

Meeting Underserved Needs

CCCD 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 CCCD housing rehabilitation staff has been trained in lead-based paint safe work practices and interim controls. CCCD 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, CCCD 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 goals set forth for housing rehabilitation help preserve existing affordable housing units.
- The provision of down payment assistance helps low-income families accumulate wealth.

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 federal, state, 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. CCCD 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.

19. 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. In recent years, the Town of Spring Lake has contracted with a private entity 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)

- 1. 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: CCCD estimates receiving program income in the amount of \$150,000 from CDBG activities and \$200,000 from HOME activities. The Department does not have any float-funded activities nor does it anticipate providing funding for such activities during the 2011 Program Year.

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

Response: CCCD 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.

- 3. 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: CCCD 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.

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

Response: Not applicable. CCCD does not have any urban renewal settlement funds.

5. *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. CCCD has not returned any funds to its line of credit.

6. *Income from float-funded activities.*

Response: Not applicable. CCCD does not have any float-funded activities.

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

Response: In response to devastation caused by an outbreak of tornados in April 2011, CCCD expanded its housing rehabilitation program to offer emergency repair assistance grants to all homeowners residing within our jurisdiction with storm-related damage. Homeowners identified through this process will be provided assistance using the "urgent need" national objective. Cumberland County further certifies in its required certifications that it intends to use the urgent need national objective during the 2011 Program Year. Refer to Appendix I for a copy of the certification.

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

Response: It is estimated that 90% of the CDBG activities will be used for the benefit of low and moderate income citizens during the 2011 Program Year. The other 10% of funding will be used in response to urgent needs, and slum and blighting conditions.

HOME 91.220(I)(1)

1. *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 2011 Program Year, CCCD will allocate funds from its HOME entitlement to provide assistance to first time homebuyers. For homebuyer programs, CCCD uses the recapture provision.

2. *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 2011 Program Year, CCCD will not refinance any existing multi-family housing debt.

3. 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: CCCD uses the recapture provision for its homeownership activities as described under Recapture Provision on pages 7 and 8 above.

4. HOME Tenant-Based Rental Assistance -- Describe the local market conditions that led to the use of 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. CCCD does not plan to use HOME funds for tenant based rental assistance during the 2011 Program Year.

5. 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: CCCD's HOME investment will in accordance with 24 CFR 92.205(b)

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

Response: Refer to Appendix F for a copy of CCCD's Affirmative Marketing Policy.

7. 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 G for a copy of CCCD's M/WBE policy.

8. 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 2011 Program Year, CCCD will not refinance any existing multi-family housing debt.

HOPWA 91.220(I)(3)

- 1. 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

Section 3 Requirements

CCCD is required to comply with the Section 3 provision of the Housing and Urban Development Act of 1968. Section 3 requires that, to the greatest extent feasible, training and employment opportunities arising out of a project assisted under a program providing direct federal financial assistance from the US Department of Housing and Urban Development (HUD) be given to low and very low income residents of the service area and, where appropriate, contracts for work in connection with the project be awarded to business concerns (firm) which are located in or owned in substantial part by persons residing in the area of the project.

While CCCD adheres to Section 3 requirements, the Implementation Guide has been updated to ensure compliance with federal requirements. A copy of the Section 3 Implementation Guide is attached to this document at Appendix H.

Monitoring 91.230

Cumberland County will continue to improve its established monitoring system of CDBG, HOME, and SHP housing and community development activities to ensure both short-term and long-term contract and regulatory compliance. Monitoring is the responsibility of the Cumberland County Community Development Department.

- 1. Subrecipient Projects:**

Monitoring of sub-recipient projects has five major components:

- Grant Applications:** Requests for funding application is made on a standard form and is carefully reviewed and evaluated. Points are given for each of 19 criteria covering community need, program effectiveness, financial record, and capacity. Recommendations for funding are based on evaluation of the above criteria.
- Contractual Agreements:** Cumberland County Community Development enters into a two-part contractual grant agreement with each sub-recipient. Part I of the agreement describes the tasks to be performed with the grant funds, the results to be achieved, and other conditions specific to the project. Part II lists all Federal standards with which the agency must comply. Each funded activity is assigned to the

Compliance Officer. The Compliance Officer conducts pre-monitoring, desk monitoring, and on-site monitoring visits at least once a year to review for contractual and regulatory compliance.

- c) Monitoring Records: For each sub-recipient, the staff maintain monitoring records that include the following:
 - i. Basic information.
 - ii. Monitoring Plan - A risk assessment is carried out to determine the appropriate frequency of on-site visits, and the areas to be reviewed, including some or all of: financial management, client eligibility, program effectiveness, property, procurement, program income, fair housing and equal opportunity.
 - iii. Sub-recipient training and technical assistance provided.
 - iv. Review of the agency's CPA audit (if required).
 - v. Quarterly financial reports and monthly draw requests from the sub-recipient.
 - vi. Quarterly programmatic reports.
 - vii. On-site monitoring reports.
 - viii. Correspondence and notes of significant telephone conversations.
2. On-Site Visits: Staff performs on-site monitoring reviews at least annually, depending on the assessment of risks for non-compliance. Program operations are observed, sub-recipient staff interviewed, client eligibility confirmed, and financial and programmatic reports verified from original documentation.
3. Long-Term Compliance: Activities involving real property acquisition or improvement require long-term compliance with the original purpose of the federal assistance. Cumberland County Community Development maintains a CDBG Real Property Inventory that is updated annually, and confirms that such property is still being used for the intended purpose. Cumberland County Community Development also carries out an annual review of HOME-assisted rental units, to ensure compliance with Housing Quality Standards, tenant eligibility, and rent ceilings.

The CCCD staff has developed detailed written guidelines for monitoring sub-recipients to ensure more uniform and comprehensive reviews. CCCD monitors the federally funded projects that are implemented by the department through a simple project tracking and management reporting system. This process includes monthly management reports, frequent inter-departmental reports and meetings, and financial reports. Project expenditures are compared with budgets on a monthly basis.

CCCD relies heavily on standard operating procedures that have been designed to be in compliance with federal standards, for example, its purchasing policy. HUD monitoring and CCCD's Single Audit provide annual independent checks on compliance by both CCCD and sub-recipients.

SPECIAL MONITORING FOR PARTICULAR ACTIVITIES

Rehabilitation 24 CFR 570.202 (Eligible Activities)

Review of File Records and Progress

Regulatory Compliance

- Location (census tract, redevelopment area)
- Type of housing (SF/MF), commercial
- Number of units per structure
- Historic preservation
- Lead-based paint (inspection/remediation)
- Household income (L/M benefit)
- Procurement and Bonding
- Labor Standards Review
- Relocation and Real Property Acquisition
- Environmental Review (date/findings)
- Project in Special Flood Hazard Area
- Section 504/ADA compliance

Comparison of Performance Records with Agreement/Application

- Scope of Work (work write-up, plans and specs, and original cost estimate)
- Contract award date, date work began
- Date final inspection; completion notice
- Number of dwelling units completed, comparison with Application/Agreement
- Actual delivery schedule v. Application and Agreement

In-House Cost and Productivity Review

- Method used to assure reasonable costs
- Direct construction costs (per unit)
- Indirect/administrative costs; comparison with cost allocation plan; percent of total
- Costs within 10% of in-house estimate
- Cost per unit vs. Budget

Community Housing Development Organizations 24 CFR Part 92 Subpart G

- .300 Set-Aside for Community Housing Development Organizations
- .301 Project-Specific Assistance to Community Housing Development Organizations
- .302 Housing Education and Organizational Support
- .303 Tenant Participation Plan

Community Housing Development Organization (CHDO) Monitoring Activities

All CHDOs will be monitored annually for recertification purposes using the following criteria:

- **Non-profit Status** – The CHDO must maintain its status as a non-profit corporation with a 501(c)(3) or 501(c)(4) IRS tax-exempt ruling.
- **Affordable Housing Commitment** – The CHDO must have a stated commitment to the development or affordable housing in the community it serves. The commitment must continue to be in at least one of the following:

- a) articles of incorporation, b) by-laws of the organization, c) board resolution, or d) charter.
- **Not Controlled by Public or For-profit** – The CHDO must continue to be free of external controls, either from public or for-profit interests.
 - **Capacity** – The CHDO must have its own staff and must be capable of engaging in the housing development activity it intends to pursue. The CHDO must currently have adequate capacity or must have demonstrated capacity building activities.
 - **Board Composition** – The CHDO’s board structure must continue to reflect the community that it intends to serve and otherwise meet the regulatory requirements of the HOME program.

ON-SITE REVIEWS

Staff will perform on-site monitoring reviews at least annually, depending on the risk assessment for non-compliance. Program operations are observed, CHDO staff interviewed, client eligibility confirmed, and financial and programmatic reports verified from original documentation.

MONITORING CHDO PROJECTS

Eligible CHDO activities include: acquisition and/or rehabilitation of rental housing; new construction of rental housing; acquisition and/or rehabilitation of homebuyer property; new construction of homebuyer property; provide direct homebuyers assistance.

Monitoring activities will be conducted in accordance with Special Monitoring for Particular Activities as outlined in Item G, *Monitoring*, of the Annual Action Plan. Monitoring activities specified for rehabilitation and rental housing projects will be followed. Staff will also ensure that the Uniform Relocation Act and 49 CFR Part 24 are adhered to for acquisition projects.

**Staff will use the handbook Monitoring HOME Program Performance (HUD-2030-CPD, October 2000) as its primary guide and resource in conducting monitoring for CHDOs and all HOME program projects.

Rental Housing Monitoring Process

Project Eligibility Determination

HOME program staff should determine whether a project is eligible for HOME funding:

- Property type eligibility,
- HOME subsidy limits,
- Environmental review, and
- Site and Neighborhood standards (if applicable).

Project Tracking

HOME program staff should track progress through all stages of a project's development. When a project is in the construction phase, monitoring staff should be reviewing all documents to check the following:

- Subcontractor management and review,
- Labor standards, Davis-Bacon (if applicable),
- Section 3 (if applicable),
- Compliance with contract deadlines,
- Comparison of payment requests with eligible costs, and
- Completed items on work item lists or an addendum/change order.

All work should be inspected before a payment is processed. If a project appears to be experiencing difficulties, monitoring staff should perform an on-site visit.

Project Completion Review

When a project is complete, monitoring staff should make an on-site visit to monitor compliance with the following requirements:

- Property standards,
- Only eligible costs have been reimbursed,
- Construction management records,
- Lien waivers from both general contractor and all subcontractors,
- Proper data is collected to prepare women business enterprise and minority business enterprise (WBE/MBE) reports, and
- If match is being provided, the monitor should check that all proper documents have been submitted for review and calculation.

Initial Rent and Occupancy Review

Before a project reaches stabilized occupancy (95 percent or more), monitoring staff must review the Project Compliance Report and conduct an on-site visit to confirm that rent and occupancy standards have been met.

Ongoing Monitoring

Monitoring staff must review annual Project Compliance Reports and perform regular on-site visits throughout the affordability period to ensure continued compliance with:

- Rent and occupancy requirements,
- Property standards, and
- Other Federal requirements (fair housing, lead-based paint, affirmative marketing, etc.).

COMMUNITY DEVELOPMENT SUBGRANTEE MONITORING PLAN

Grantee:	Cumberland County	Period:	PY 2011
Subject:	CDBG, HOME & SHP Subrecipients	Contact:	Delores Taylor

- Primary:** To ensure that subrecipients are:
- 1) complying with all applicable Federal requirements under the above named programs and local regulations, when applicable.
 - 2) complying with administrative and financial management standards.
 - 3) performing and delivering services in a timely manner.
- Secondary:** To identify any potential areas of non-compliance and offer technical assistance to the subrecipient to ensure the continued success of both the subrecipient and Cumberland County.

- Step #1** In-house reviews (desk audits) of subrecipient materials & regulations review
- Step #2** Pre-monitoring visits with subrecipients
- Step #3** Conduct visit as follows:
- a) Notify of date, scope, focus of review
 - b) Hold entrance conference with chief official
 - c) Document, gather & analyze
 - d) Hold exit conference to report results, hear reaction & form conclusions
- Step #4** Follow-up with letter that both praises & raises finding/concerns

Factors:

- a) New subrecipients and/or new programs
- b) Subrecipients receiving multiple Federal funding and carrying out multiple activities
- c) Subrecipients carrying out high risk activities (housing development, leasing, homeless activities, economic development)
- d) Subrecipients with previous compliance or performance problems
- e) Subrecipients that have experienced turnover in key personnel/personnel new to federal funding

Ranking: Ranking is applied based on the above criteria. A maximum of 5 points is given for each factor considered (5 being considered the lowest risk). Subrecipients may receive a maximum score of 25 (highest risk).

For the PY 2011, the risk assessment is as follows:

Agency	Score	Risk Level	Main Factors Considered
RHA Health Services, Inc. (Transitional Housing)	20	High	a,b,c,e
Affordable Housing Program (New Recipient(s) TBD)	20	High	a,b,c,e
United Management - Blanton Green, Crosswinds Green, Golfview, Haymount Manor, Legion Crossings, Legion Manor, Spring Lake Green, Alfred Street, Curtis Lane, Southview Green, Southview Villas, Southview Villas II	17	High	a,b,c
Kingdom Community Development (Balsawood)	17	High	a,b,c
Public Services/Public Facilities (New Recipient(s) TBD)	17	High	a, b,c,e
Bragg Hospitality, LLC (Candlewood Suites / IHOP)	16	High	a,b,c
Fayetteville Metropolitan Housing Authority	15	Moderate	a,b,c
Terry Spell Realty - Pine Ridge Manor	12	Moderate	c,e
A Taste of Europe	12	Moderate	c,d
Blue Sky Grading	8	Low	c,d
Happy Hound	7	Low	c
Public Services (Returning Recipients)	-	-	-

Pre-monitoring: A pre-monitoring visit will be scheduled with each subrecipient receiving funds for PY2011. These visits will be conducted at the beginning of the program year.

Desk Monitoring: Desk monitoring will be conducted throughout the program year on all subrecipients.

Program/Financial Monitoring	Agency
July 2011 – September 2011	<ul style="list-style-type: none"> ▪ Program/Financial Management (Desk) Reviews for All Subgrantees
October 2011 – December 2011	<ul style="list-style-type: none"> ▪ RHA Health Services, Inc. ▪ United Management ▪ New Affordable Housing Program(s) ▪ New Public Services/Public Facilities Program(s)
January 2012 – June 2012	<ul style="list-style-type: none"> ▪ Kingdom Community Development Corp. (Balsawood) ▪ Bragg Hospitality, LLC (IHOP/Candlewood Suites) ▪ Fayetteville Metropolitan Housing Authority ▪ Terry Spell Realty/Excel Property Management, Inc. ▪ A Taste of Europe ▪ Blue Sky Grading ▪ Happy Hound ▪ Public Services (Returning Recipient)

Monitoring plan is subject to change if certain issues should arise during the program year.

For more information on the Annual Action Plan, contact:

Cumberland County Community Development
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