

Applicant Information	1
Program Funding	1
Executive Summary	1
Introduction.....	1
Citizen Participation Summary	2
Housing Needs	4
Homeless and Non-Homeless Special Needs	5
Other Community Development Needs.....	5
Economic Development Needs	6
Other Housing and Community Development Needs	6
Summary of Objectives and Outcomes.....	7
General Questions	8
Minority Business Outreach.....	11
Demographics of the CD Target Neighborhoods.....	12
Carver Neighborhood	12
Sears Neighborhood	12
Complete Sources of Federal Funds Program Year 2011	14
General Administration and Planning.....	15
Fostering and Maintaining Affordable Housing	16
Removing Barriers to Affordable Housing.....	17
Addressing Lead-Based Paint Hazards.....	20
Reducing Number of Poverty Level Families	21
Enhancing Institutional Structure and Coordination.....	21
Fostering Public Housing and Resident Initiatives.....	22
Management.....	23
Community Impact.....	23
Assisting More Families	23
Home Ownership	24
Public Housing Performance.....	24

Specific Housing Objectives	24
Housing Needs	24
Other Housing and Community Development Needs	25
HOME/American Dream Down Payment Initiative (ADDI)	32
Specific Homeless Prevention.....	33
City/County/AHA-Funded Programs	33
Individual Capital Campaign for Local Support	33
Foundations.....	33
Community Development	35
Other Community Development Needs.....	36
Economic Development Needs	37
Antipoverty Strategy.....	38
Compliance and Monitoring.....	39
Appendices Beginning	42
Appendix A	
Public Comments	
Appendix B	
Maps	
Appendix C	
Tables	
Appendix D	
Certifications	
Appendix E	
Public Notices	
Appendix F	
Resolution	
Appendix G	
One-Year Action Plan Projects	

SF 424

Complete the fillable fields (blue cells) in the table below. The other items are pre-filled with values from the Grantee Information Worksheet.

08/11/11	B-11-MC-480001	Type of Submission	
Date Received by state	State Identifier	Application	Pre-application
Date Received by HUD	081078891	<input type="checkbox"/> Construction	<input type="checkbox"/> Construction
		<input type="checkbox"/> Non Construction	<input type="checkbox"/> Non Construction
Applicant Information			
Jurisdiction – City of Abilene, TX		UOG Code	
Street Address Line 1		081078891-DUNS number	
555 Walnut		City	
Abilene	Texas	Planning & Development Services	
79601	Country U.S.A.	Office of Neighborhood Services	
Employer Identification Number (EIN):		Taylor	
756000440		10/1	
Applicant Type:		Specify Other Type if necessary:	
Local Government: City		Specify Other Type	
Program Funding		U.S. Department of Housing and Urban Development	
Catalogue of Federal Domestic Assistance Numbers; Descriptive Title of Applicant Project(s); Areas Affected by Project(s) (cities, Counties, localities etc.); Estimated Funding			
Community Development Block Grant		14.218 Entitlement Grant	
CDBG Project Titles		Abilene, Texas	
\$983,773	\$Additional HUD Grant(s) Leveraged	Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged	
\$Locally Leveraged Funds		\$Grantee Funds Leveraged	
\$67,505		Other (Describe) Reprogrammed Funds	
\$1,051,278			
Home Investment Partnerships Program		14.239 HOME	
HOME Investment Partnership		Abilene, Texas	
\$544,262	\$Additional HUD Grant(s) Leveraged	Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged	
\$Locally Leveraged Funds		\$Grantee Funds Leveraged	
\$48,016		Other (Describe) Reprogrammed Funds and Program Income	
\$592,278			

Housing Opportunities for People with AIDS		14.241 HOPWA	
HOPWA Project Titles		Description of Areas Affected by HOPWA Project(s)	
\$HOPWA Grant Amount	\$Additional HUD Grant(s) Leveraged	Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged	
\$Locally Leveraged Funds		\$Grantee Funds Leveraged	
\$Anticipated Program Income		Other (Describe)	
Total Funds Leveraged for HOPWA-based Project(s)			
Emergency Shelter Grants Program		14.231 ESG	
ESG Project Titles		Description of Areas Affected by ESG Project(s)	
\$ESG Grant Amount	\$Additional HUD Grant(s) Leveraged	Describe	
\$Additional Federal Funds Leveraged		\$Additional State Funds Leveraged	
\$Locally Leveraged Funds		\$Grantee Funds Leveraged	
\$Anticipated Program Income		Other (Describe)	
Total Funds Leveraged for ESG-based Project(s)			
Congressional Districts of:		Is application subject to review by state Executive Order 12372 Process?	
19	19		
Is the applicant delinquent on any federal debt? If "Yes" please include an additional document explaining the situation.		<input type="checkbox"/> Yes	This application was made available to the state EO 12372 process for review on DATE
		<input checked="" type="checkbox"/> No	Program is not covered by EO 12372
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> N/A	Program has not been selected by the state for review

Person to be contacted regarding this application		
Sandy	A	Bowen
ONS Division Manager	325-676-6383	325-437-4577
Sandy.bowen@abilenetx.com	www.abilenetx.com	
Signature of Authorized Representative		Date Signed
Larry D. Gilley, City Manager		

General

Executive Summary

Introduction

The following 2011 One-Year Action Plan outlines the funding distribution and planned activities to support the City of Abilene 2010-2014 Consolidated Plan for Housing and Community Development. The 2010 Action Plan covers the Program Year October 1, 2011, to September 30, 2012.

The 2010-2014 Consolidated Plan was submitted for approval by the U.S. Department of Housing and Urban Development (HUD) in August 2010. HUD's approval of the City's Consolidated Plan and annual Action Plan is required in order for the City to remain eligible for annual Community Development Block Grant (CDBG) and Home Investment Partnerships Program (HOME) entitlement funds. CDBG and HOME are the City's primary funding sources for housing and community development activities.

Overview of the Consolidated Plan

Development of the 2010-2014 Consolidated Plan began in 2010 with public hearings and reviews of existing community studies and planning documents. During that time, representatives of neighborhoods, civic, public and private interest groups worked together to identify housing and community development issues and needs in Abilene. These needs were then prioritized and categorized in accordance with HUD's Priority Needs Tables, as summarized below:

High Priority Needs

First Time Homebuyer Assistance
Single-Family Rehab & Construction
Critical/Limited Home Repair
Health Services
Senior Services
Transportation Services
Handicap Accessibility
Homeless Facilities/Support Services:
 Emergency, Long-Term & Transitional
Childcare Facilities
Infrastructure Improvements: Infill Development, Parks, Sidewalks, & Lighting
Planning/Neighborhood Improvement
Section 108 Debt Repayment

Medium Priority Needs

Youth Job Training: Skills & Education
Micro-Enterprise Grants
Financial Support Services
Services: Homeless & Special Needs Population
Refugee-Specific Needs
Program Coordination Transportation
Housing for Ex-Offenders

From the need prioritization process, the 2010-2014 Consolidated Plan was developed with broad goals for addressing housing and community development in Abilene. These goals, along with specific objectives, are listed below. Each year, as annual action plans are formulated toward achieving these goals, objectives may be added or modified to reflect previous accomplishments and/or new challenges, thus amending the Consolidated Plan. Any substantial amendments to the Consolidated Plan require approval through a formal public hearing and citizen participation process in accordance with 24 CFR 91.105.

Citizen Participation Summary

Each year the City holds at least two public hearings in which citizens are invited to give input on community needs and interests to be considered in developing the annual action plan. Numerous local social service providers, businesses, civic organizations, neighborhood based organizations, public housing, community leaders and the general public were notified through the "Legal Notices" section of the Abilene Reporter-News, the City of Abilene website, the news media and personal contact with previous grant recipients. A complete review of the citizen participation schedule for the 2011 community development planning process is presented in the "2011 One-Year Action Plan Work Calendar".

**Proposed 2011 Program Year
One-Year Action Plan Work Calendar**

Date	Activity
March 7, 2011	CDBG/HOME funding applications made available to the public posted on City website and mailed to PY10/11 applicants as well other social service providers in the community and news release transmitted
March 9, 2011	Public Hearing #1, ONSAC City Hall, 1-3 p.m. - Council Chambers - community development process, goals, objectives, and priorities are to be discussed
April 6, 2011	12 noon deadline for ONS to receive CDBG/HOME funding requests for 2011 Program Year
April 11, 2011	Begin developing <i>2011 Action Plan</i>
April 20, 2011	ONSAC City Hall, 1:30-3:30 p.m. -Emergency Operation Center (ECO) in the basement -meeting to rank applications and discuss Citizen Participation Plan
June 15, 2011	Publish Notice of Proposed 2011 Action Plan
June 15, 2011	Begin required 30-day public comment period. <i>Proposed 2011 Action Plan</i> summary available at: 555 Walnut, Suite 206, Abilene, TX
July 14, 2011	End 30-day comment period on <i>Proposed 2011 Action Plan</i>
August 11, 2011	Public Hearing #2, City Council Chambers, City Hall 8:30 a.m. Present 2011 Action Plan for approval
August 12, 2011	Submit 2011 Action Plan to Department of Housing and Urban Development (HUD). (Statutory 8/16/11)
October 1, 2011	2011 Program Year begins

The first public hearing to develop the 2011 Action Plan was held in City Council Chambers of City Hall, March 9, 2011 to discuss the community development process, goals, objectives and priorities. Comments received at this meeting can be reviewed from the meeting minutes in **Appendix A**.

The Proposed 2011 Action Plan was published for a 30-day public comment period beginning June 15, 2011. During that time City staff received no written or verbal comments. Following the 30-day public comment period, the second public hearing was held at the City Council meeting on Thursday, August 11, 2011; at 5:30 p.m. Council did not recommend any changes in funding. Those speaking can be reviewed in **Appendix A**.

The 5-Year goals and objectives were developed during the 2010-2014 Consolidated Plan process. There are no changes to the goals and objectives for the Year 2 Action Plan.

Housing Needs

Goal: Low- to moderate-income citizens will have access to safe, decent and affordable housing

Objectives:

- Increase the availability, financial accessibility, and support for affordable home ownership opportunities
- Increase the availability, financial accessibility, and support for affordable and subsidized rental units
- Maintain, rehabilitate and improve existing single-family, multi-family, and subsidized housing units
- Educate homeowners and homebuyers on all aspects of homeownership to include, but not limited to, property maintenance and environmental hazards
- Educate renters and landlords on all aspects of fair housing practices to include, but not limited to, property maintenance and environmental hazards
- Expand education and enforcement of safety codes and/or services to improve conditions of housing

- Increase the availability, financial accessibility, and support for handicap accessible housing

Homeless and Non-Homeless Special Needs

Goal: Prevent and reduce homelessness

Objectives:

- Provide and maintain transitional housing and support services for individuals and families, including unaccompanied youth and ex-offenders
- Provide long-term housing opportunities and emergency shelters

Goal: Improve the quality of programs and facilities for health and safety, information, transportation, and recreation services

Objectives:

- Support the expansion of comprehensive affordable health and dental services
- Enhance the mechanism for coordination, communication, and quality assurance among service providers, city services, citizens, and clients
- Provide and expand social and recreational services and facilities, including but not limited to, youth and individuals with disabilities
- Expand crime prevention strategies, law enforcement services, and code enforcement
- Facilitate assimilation of refugees into the community

Other Community Development Needs

Goal: Revitalize neighborhoods

Objectives:

- Encourage and support programs that diminish crime
- Provide incentives to encourage neighborhood initiated projects and organizations
- Encourage mixed use/mixed income infill development

Goal: Enhance the physical environment of Abilene

Objectives:

- Provide and maintain adequate public facilities and infrastructure especially in low- to moderate-income (LMI) areas, including green spaces
- Enhance pedestrian, bike, and traffic safety

Economic Development Needs

Goal: Enhance the economic well being of all citizens

Objectives:

- Support maintenance, enhancement, and expansion of quality childcare
- Support maintenance, enhancement, and expansion of transportation services
- Utilize and promote rehabilitation of existing properties to support business development
- Partner with higher education, businesses and service programs for life skills and language training
- Expand or enhance existing financial asset building program
- Develop job skills training for youth
- Establish micro loan/grant programs for small business development

Other Housing and Community Development Needs

Goal: Enhance quality of life for elderly citizens

Objectives:

- Increase the availability, financial accessibility, and support for safe, decent, and affordable housing
- Provide resources for home repairs and property maintenance for owner occupied homes
- Maintain and increase services to encourage independent living
- Support the expansion of comprehensive affordable health and dental services

- Enhance the mechanism for coordination, communication, and quality assurance among service providers, city services, citizens, and clients

Summary of Objectives and Outcomes

Consolidated funds for Program Year 2011 will be allocated among the following nationally reportable outcomes, which have been established by HUD:

Availability/Accessibility Affordability Sustainability

Create Suitable Living Environment
Provide Decent Affordable Housing
Create Economic Opportunities

Creating Suitable Living Environments: Availability/Accessibility

Due to reductions in Federal funding for the CDBG Program, and sizeable Section 108 debt service payments, no public services will be funded in Program Year 2011. These services are designed for accessibility by low- and moderate-income people, as a means of addressing issues in their living environment.

It is estimated that over 3,000 new LMI individuals and more than 101,000 total uses of services by LMI individuals will be unsatisfied this year.

Providing Decent Affordable Housing: Availability/Accessibility

Three programs, funded in the 2011 program year, will help improve availability and access to affordable housing for individuals and families through direct housing related services and/or the creation of new housing units.

- Community Housing Development Organization (CHDO) – Habitat for Humanity
- City of Abilene Neighborhood Services – First-Time Homebuyer Program
- City of Abilene Neighborhood Services – Single-Family Rehab & Reconstruction

Upon completion, 5 new affordable homes will be constructed and 15 new households will be assisted with homeownership opportunities. Additional outcome indicators include 10 low- to moderate-income (LMI) households assisted with improved access to housing and housing support services through the Single-Family Rehab/ Reconstruction Program. Local social service providers have not been able to identify a specific need for housing for persons with HIV/AIDS, or for persons with alcohol or other substance abuse problems.

Creating Economic Opportunities: Availability/Accessibility

Due to reductions in Federal funding for the CDBG Program and sizeable Section 108 debt service payments, there will be no programs that will support the goals to improve economic opportunities for LMI people. The use of Section 108 loans was for the creation of jobs in the downtown business district. The results are ongoing.

It is estimated that LMI individuals will not have access to over 16,000 trips of public transportation services for economic opportunities.

Evaluation of Past Performance

The City of Abilene is pleased with its progress during Program Year 2010 in addressing identified priority needs and objectives of the 2010-2014 Consolidated Plan. Overall, the City has accomplished the expected objectives with these exceptions: the completion of a homeless facility, which should be completed during 2011; the number of homebuyers assisted (recent market changes have caused this decrease, but a gradual increase to normal levels is expected during 2011). The City was in compliance with the 70/30 LMI benefit requirement and was in compliance with expending funds in a timely manner. This past year the City changed all phases of the finance software, which has had some challenges. Overall, the new software will eventually provide more timely and improved access to information.

General Questions

Abilene is located in west central Texas in an area known as "Midwest Texas" or the "Big Country". The region is comprised of nearly 17,800 square miles. The population within the Abilene city limits is

117,063 (2010 Census), approximately one-third of the area population.

The City of Abilene is a full-service city and provides services in areas such as public works, community development, economic development, community services, public and environmental health, police and fire protection, water and sewer, and general administration.

Since the 1980s, the Abilene economy has steadily improved as Abilene began to depend less on oil and natural gas and more on manufacturing, retail sales, health, high tech and service industries.

Today, Abilene's three private 4-year universities, one junior college and one vocational school dedicated to higher level education continue to draw students from all over the United States and the world. Abilene has also evolved into a regional medical center that serves people from more than 19 counties. Texas Tech University in partnership with the City of Abilene and Hendrick Healthcare Systems brought the University's Health Sciences Center School of Pharmacy in 2007. The Doctor of Pharmacy program opened in Abilene in the fall of 2007 and student enrollment continues at their maximum of 120.

Abilene has approximately 19,500 students enrolled in secondary school systems (ages 5-18). This includes 18,800 students in two public school systems and about 575 students in three private schools.

Abilene is a city with a growth rate of about one percent in recent years. The quality of life is considered good and many military personnel decide to stay in Abilene and raise their families. Due to limited population, the city is expected to continue to have a steady but slow growth rate.

Activities under CDBG and HOME are generally offered citywide to allow all low- to moderate-income Abilenians equal access to housing and community development programs. The CD Eligible Area is comprised of a high concentration of LMI census tracts and block groups as determined by HUD and the 2000 U.S. Census data as shown in the **Maps Appendix B**.

Beginning in 1995, under City Council direction, Community Development (now Planning and Development Services) staff

adopted a more comprehensive neighborhood planning approach to its programming and activities. Three neighborhoods within the overall CD Eligible Areas have been designated as Target Areas, the focus of this comprehensive planning approach. The target neighborhoods include Carver and Sears in north Abilene and the North Sayles area in the southern portion of Abilene. A map of targeted neighborhoods is included in **Maps Appendix B**. The targeted focus is based on demonstrated organization and leadership from within these neighborhoods, as well as the investment of Federal CDBG and HOME dollars already invested the areas. The City Council issued guidelines in 1997 for the CDBG and HOME programs to achieve greater progress towards neighborhood improvement. As directed by these guidelines, Planning and Development Services staff works to ensure that up to 50% of CDBG and HOME funds received for rehabilitation activities are spent in targeted neighborhoods through the Single-Family Rehabilitation Program.

The type of programs delivered with CDBG and HOME funds, limits projecting a concrete percentage of funds to be spent in the three Target Areas. Due to reductions in Federal funding for the CDBG Program and sizeable Section 108 debt service payments, there will be no CDBG funds awarded to the programs run by other agencies. Staff estimates 60% of available HOME funds to be expended in the Single-Family Rehab and Reconstruction Program, 15% in CHDO reserve and 7.5% in the First-Time Homebuyer Program. However, based on program history and partnership efforts with CHDOs, staff anticipates 12%-15% of the total available HOME funds to be expended in Target Areas through Single-Family Rehab/Reconstruction and CHDO programs. Otherwise, all citizens who meet the LMI guidelines are encouraged to apply for these programs, with persons served on a first-come, first-serve basis.

The Planning and Development Services Department has adopted a policy requiring volunteer hours when possible on CDBG- and HOME-assisted repair/rehab projects in programs delivered by City staff. Volunteers may be recruited through various university and community organizations to assist elderly and disabled households unable to participate. Programs include: the HOME-assisted Single-Family Rehab/Reconstruction program, First-Time Homebuyers and CHDOs who are required to provide a minimum of 25% match through funding from their own development fund raising events, in-kind donations from local vendors, volunteer labor, real property, contributions from local foundations and sweat equity.

The City will use 100% of CDBG funds, including Planning and Administration and Section 108 P&I payments for the benefit of LMI persons during Program Year 2011.

Minority Business Outreach

The City of Abilene encourages active participation in the Historically Under-Utilized Business (HUB) and Minority/Women Business Enterprise (M/WBE) programs in construction, procurement, and professional services. The City will continue to make every effort to utilize HUBs and M/WBEs in its CDBG and HOME Programs. Habitat for Humanity regularly retains the service of independent subcontractors that are of Hispanic origin. Likewise the Neighborhood Initiatives Division regularly retains the services of approximately ten approved contractors that perform work for the HOME and CDBG programs it administers. The list of approved contractors includes three minority-owned and no woman-owned businesses. Those awarded bids for contracts included two minority-owned and no woman-owned businesses. If a contractor does not complete bids for one year, they are dropped from the list.

The City maintains a Vendor Bid List in the Purchasing Division of the Finance Department and utilizes the State of Texas Central Master Bidders List. All minority contractors participating in projects funded with HOME and CDBG dollars are encouraged to complete information to be listed on the City's Vendor Bid List and to become a "certified vendor" through the State of Texas.

The City of Abilene, through the Development Corporation of Abilene (DCOA), contracts annually with the Texas Tech University Small Business Development Center (SBDC) to assist in the development of small businesses. The SBDC has an office and a full-time staff in Abilene. SBDC personnel take a multi-faceted approach to enhance their outreach to women and minority business owners and prospective owners. In order to assist Hispanic clients, the SBDC has a local volunteer fluent in Spanish, and access to two Hispanic counselors who are part of the North West Texas SBDC in Lubbock. The Abilene Chamber of Commerce promoted minority small business development by initiating and supporting the Hispanic Business Committee (HBC), and the director of the Texas Tech University SBDC Abilene has been an active member of this committee. SBDC personnel have promoted, hosted, and spoken at the HBC monthly training sessions. The Abilene SBDC has been a strong supporter, sponsor, and participant in the Hispanic Mercado (Business Market).

The SBDC is a member of the Black Chamber of Commerce and the Center Director is involved in Black Chamber functions. The SBDC provides training and consulting to clients of the West Central Texas Center for Economic Empowerment, a program under the auspices of the United Way. The Abilene SBDC plans and actively participates in workshops targeting women business owners, and works to increase local government contracting opportunities for women. Included in the SBDC's enhanced outreach is its policy of identifying and explaining viable alternative options for financing women- and minority-owned businesses. Local minority newspapers – the Hispanic Life and the West Texas Tribune – are regularly supported by the Abilene SBDC. In addition to its continued strong involvement with existing and prospective women and minority business owners during the past year, the Abilene SBDC nominated the Abilene Chamber of Commerce for the Small Business Administration (SBA) Small Business Champion award; the Chamber won the award for the Lubbock District.

Demographics of the CD Target Neighborhoods

Carver Neighborhood

According to the 2000 Census, the city's racial composition was 78.1% White, 8.8% African-American, 19.4% Hispanic, and 12.5% including Asian, Native Indian, and Pacific Islander and other. However, the racial composition of Carver differed significantly from Abilene as a whole, and is summarized as following: 58.4% African-American, 27.7% Hispanic, 13% White, and less than 1% Asian/Native Indian/Other.

Sears Neighborhood

According to the 2000 Census, the Sears Neighborhood had a total population of 1,490. The racial composition of Sears differed significantly from Abilene as a whole with 81.1% Hispanic, 13.8% White, and 1% African-American /American Indian/Alaska Native.

Sayles Neighborhood

According to the 2000 Census, the Sayles Neighborhood had a total population of 1,114. It consisted of 59.2% White, 6.2% African-American, 31.4% Hispanic and 3.2% Asian/Native Indian/Other.

The number of targeted neighborhoods is expected to increase as more neighborhood-based groups organize and begin revitalization efforts. Thus, while housing and community development activities

will continue to be available to LMI citizens throughout Abilene, more coordinated efforts and resources will be directed toward these targeted neighborhoods.

In 2009, with the collaboration of the City Council, City Administration, Police, Planning, Neighborhood Services and Code Enforcement, the Abilene Neighborhood Initiative (ANI) partnered with Connecting Caring Communities (CCC) to began an outreach with local church officials in four (3-LMI and one transitioning to LMI) neighborhoods to accomplish the following mission: Enhance the quality of life in Carver, Butternut/Chestnut, Alameda and Holiday Hills neighborhoods; partner with area churches and other key stakeholders; and fulfill key elements of the City Comprehensive Land Use Plan in-fill development and redevelopment. Partners are currently involved with identifying leaders, organizing and educating neighborhood groups in each area and identifying services and resources available.

The City of Abilene will also continue to enhance improvement and cooperation within and among neighborhoods by improving infrastructure. Through the Planning and Development Services Department, an ongoing sidewalk program to enhance neighborhood infrastructure will be part of the annual plan. The City will continue to work closely with CCC, a local non-profit that undertakes housing and neighborhood development projects, the local universities, and other nonprofits to improve the physical and economic conditions of neighborhoods targeted for revitalization. The majority of these projects will fall within the Community Development Eligible Areas of Abilene.

From the need prioritization process, the 2010-2014 Consolidated Plan was developed with broad goals for addressing housing and community development in Abilene. Each year, as annual action plans are formulated toward achieving these goals, objectives may be added or modified to reflect previous accomplishments and/or new challenges, thus amending the Consolidated Plan. Any substantial amendments to the Consolidated Plan require approval through a formal public hearing and citizen participation process in accordance with 24 CFR 91.105.

Complete Sources of Federal Funds Program Year 2011

Community Development Block Grant (CDBG)

Sources of Funds

2011 Entitlement	\$983,773
2011 Projected Program Income	0
Prior Year Reprogrammed Funds	<u>67,505</u>
Total Funds Available	\$1,051,278

Proposed Uses of Funds

Non-Public Service Activities

CDBG Housing Administration	\$80,640
CDBG Planning & Development Services Administration	116,110
Section 108 Debt Repayment	851,980
Section 108 Debt Reserve	<u>2,548</u>
Total Use of CDBG Funds	\$1,051,278

HOME Investment Partnerships Program (HOME)

Sources of Funds

2011 Entitlement	\$544,262
2011 Potential Program Income	13,529
Prior Year Reprogrammed Funds	<u>34,487</u>
Total Funds Available	\$592,278

Proposed Uses of Funds

General Administration	\$29,520
Housing Rehab Administration	26,260
Single Family Rehabilitation	409,858
First-Time Homebuyer	45,000
Community Housing Dev Organization 15% Set Aside	<u>81,640</u>
Total Use of HOME Funds	\$592,278

Activities to be Undertaken to Meet Under-Served Needs

This section briefly describes Program Year 2011 Action Plan activities to be undertaken using 2011 CDBG and HOME entitlement funds. Each activity is grouped according to the housing or community development-related need it aims to address. Details on the location and proposed accomplishments of each 2011 activity are provided in the Listing of Proposed Projects Section of the One-Year Action Plan. Requests for CDBG and HOME funding continue to be for a larger amount than the sources of funds provided. The City of Abilene received requests from outside agencies for PY 2011 funding in the amount of \$1,485,980, while entitlement funds and potential program income total \$1,541,564. Section 108 debt payments (not included in the total funding requests) are expected to total over 55% of that (\$854,528).

General Administration and Planning

Goal: To ensure the overall management, administration and planning associated with implementation of the City's CDBG and HOME programs.

Planning and Development Services Administration—\$116,110 CDBG

This activity provides general oversight, management and delivery of the CDBG Program, administered by the Planning and Development Services Department/Neighborhood Initiatives Division and indirect cost allocations. Funding also partially supports management of the HOME Program.

HOME Administration – \$55,780 HOME

This activity supports staff and delivery costs of the HOME Program, including HOME administrative costs incurred by the Planning and Development Services Department/Neighborhood Initiatives Division; the HOME-funded Single-Family Rehabilitation/Reconstruction; and First Time Homebuyer programs.

During this program year, the City will continue to address obstacles to meeting the under-served needs in the community. Among the concerns and issues voiced by the attendees during our Consolidated Plan workgroup sessions were new housing construction, rental assistance for low-income families and the elderly, rehabilitation of housing stock, expansion of affordable rental housing, job-creation,

infrastructure improvements, public services and facilities and special-needs populations services/facility needs.

The City's CDBG and HOME funds continue to be used to meet the demand for decent, safe and affordable housing, homelessness, other special needs and non-housing community development needs.

The City G.V. Daniels Recreation/Senior Center located in the Carver Neighborhood is working to provide access and training to citizens and youth to improve/update their technology skills and to improve employment opportunities. The City is currently working to secure and/or upgrade computers for all five locations.

Additionally, the Office of Neighborhood Services (under the Planning and Development Services Department) which administers the CDBG and HOME programs will be involved in a number of activities in PY 2011 that will work towards identifying and meeting under-served needs. Activities will include continued participation in the Continuum of Care Plan. Continued involvement with organized targeted neighborhood organizations, and active collaboration with entities such as the United Way, West Texas Homeless Network, Connecting Caring Communities (CCC), Christian Community Development Corporation (CCDC), Neighborhoods in Progress (NIP), Habitat for Humanity, FaithWorks and the Abilene Housing Authority (AHA) to help identify and meet the under-served needs in the areas of housing, employment and training opportunities, and homelessness.

Fostering and Maintaining Affordable Housing

The City will continue to direct its HOME allocations to CHDO activities, the Single-Family Rehabilitation/Reconstruction Program, and will continue the Reconstruction portion of the program started in PY 2006. Habitat for Humanity, a CHDO, continues to contract with the City to purchase and rehab single-family houses and build new single-family houses for low-income families. Habitat will hold beneficiary meetings to discuss several single-family new constructions planned for completion during PY 2011. Connecting Caring Communities, a newly developed CHDO has completed the first phase of site work for a mixed-income project which will include 10 single-family units, four of which will be affordable units; a park and infrastructure improvements, to be completed in two years. The Single-Family Rehabilitation/Reconstruction Program is allocated \$409,858 in 2011 HOME funds to continue meeting the growing

demand for these activities. Based on the 2000 Census, over 70% of Abilene housing stock is more than 35 years old.

Affordable rental housing opportunities will be supported by the AHA public housing and Housing Choice Voucher program. The City also supports developers and investors in the Low-Income Housing Tax Credit State application process. The need for more affordable rental housing was shown in the City's 2010-2014 Consolidated Plan as a high priority. According to the needs assessment data in the Plan, over 74.8% of the "very low-income renters" and 70.7% of the "low-income renters" were paying more than 30% of their incomes in monthly rent. Traditionally, the AHA has provided rental assistance for over 1,000 families per year through Federal HCV Program funds.

Removing Barriers to Affordable Housing

Common barriers to affordable housing, such as a lack of down payment, poor credit and low wages will continue to be addressed through a number of City programs. For instance the First-Time Homebuyer Program will receive \$45,000 in HOME funding. This program assists income-eligible families with down payment and closing costs, and also requires that participants obtain home buyer training offered through seminars conducted by a realtor or lender, or by an entity such as the Fair Housing Community Group of the Abilene Board of Realtors, an online homebuyer seminar/training, or the United Way Individual Development Account (IDA) Program at the Center for Economic Opportunity. Homebuyers are educated on a variety of topics that address overcoming the obstacles to affordable housing such as: home buyer rights and fair housing, how to negotiate with lenders and research interest rates, consumer protection, understanding credit and the impact it has on home purchases, and financial/budgeting issues. Funding for this program has remained stable due to an anticipated upward housing trend.

The AHA Family Self-Sufficiency Program (FSS) will continue to remove home buyer barriers by providing education and job skills necessary for seeking higher paying jobs. At the time of "graduating" from the Program, several FSS participants have used the funds recovered from their escrow accounts for down payment and/or closing costs for the purchase of a home.

Impediments to Fair Housing Choice - The City, with technical assistance from HUD's Region VI Field Office, began the update of the Analysis of Impediments to Fair Housing Choice Study during

Program Year 2009. It was approved by City Council in October 2010. The report is available on the City website.

- **Study Recommendations**

Recommendation 1: Establish a single point of contact for citizen access to information on the roles, rights, and responsibilities of the City, property owners and residents in matters of property rights and maintenance, including avenues of remedy when issues arise. Attention should be paid to presenting the information in language that is understandable and usable to the citizens of the community, including attention to its citizens whose first language is Spanish.

The Neighborhood Initiatives Manager in the Office of Neighborhood Services has been appointed as the single point of contact. Interpreters are available for those whose first language is Spanish.

Recommendation 2: Review and enhance housing code enforcement procedures to assure responsiveness of landlords to issues of property repair and maintenance in single-family and multi-family housing units.

The City Planning and Development Department through the Building Inspections Division, Planning and Zoning Division and the Community Enhancement Division effectively reviews ordinances and codes to assure responsiveness.

Recommendation 3: Make budgetary commitments, subject to funding availability, to assure that the activities of neighborhood initiative programs are sustainable in its goal of promoting quality of neighborhoods as a factor in perceived availability of affordable housing choices. The program focus should be on direct interaction with the community through neighborhood forums and neighborhood-identified priorities should be the driving mechanism for program activities. The program should contain incentives and support for neighborhood associations and funding for planning priorities identified through its Super Neighborhood mechanism.

The Planning and Development Services Department through the Planning and Zoning Division's work with neighborhood associations, and the Neighborhood Initiatives Division's work with individuals, neighborhoods and area service providers provides assistance and support for neighborhood priorities. A

senior planner is assigned to provide assistance to promote and assist neighborhood associations.

Recommendation 4: Establish a mechanism for collaboration between the City and private sector housing entities to address issues of quality controls on real estate sales and rental activities for sellers/landlords not affiliated with professional housing associations, housing authority, or other community housing entities having required standards of conduct. *Planning and Development Services has discussed the consideration of a Property Maintenance Code. The City's Infill Development Strategy lists a Property Maintenance Code as one of the potential strategies to be considered.*

Recommendation 5: Assure through its Consolidated Plan for HUD programs and through other Federal, State and local funding streams that increasing levels of financial resources are made available through programs to mitigate the costs of home ownership, renting, and property maintenance. *The Office of Neighborhood Services will, as funding resources permit, continue to make financial resources available through programs to mitigate the cost of home ownership, renting and property maintenance.*

In addition to these recommendations, the study team offered an observation that the City's Planning and Development Services Department currently provides an existing structure through which these recommendations could be operationalized on behalf of the City and its neighborhoods.

The City and the AHA continue to implement strategies identified in the Analysis of Impediments to Fair Housing Choice study prepared in 2010. For example, the AHA conducts fair housing training through the Big Country Association for landlords participating in the HCV Program, with topics covering updates in pertinent legal issues. Although there were no recorded issues of concern and no record of complaints filed with the HUD Fair Housing and Equal Opportunity, Region VI, the City realizes that this does not mean there are no impediments to fair housing choice. The City website lists the website link and phone number for filing complaints. The City will continue to integrate efforts to identify and take measures to overcome impediments to fair housing as an integral part of the comprehensive planning effort.

The United Way IDA Program provides a financial resource asset building program. This is a federally and privately funded effort created to provide financial resources and education for low-income families. Program participants open an IDA and receive financial literacy and asset-specific education while having their savings matched 4:1 toward financial independence. Participants completing this asset building program are capable of building savings up to \$5,000 for the purchase of a first home, a college education, or starting/expanding a small business. The City of Abilene promotes and strongly encourages applicants to become involved in the IDA Program.

The City of Abilene does not receive HOPWA funds. As supported by the information in the Housing and Homeless Needs Assessment of the 2010-2014 Consolidated Plan, housing for HIV and AIDS persons was not identified as a high or medium priority need.

Addressing Lead-Based Paint Hazards

Over 70% of the houses in Abilene were built prior to 1978. The City continues to incorporate lead-based paint evaluation and reduction in its regular housing inspections and housing program review process. It is standard procedure to address lead based paint hazards through Lead Safe Work Practices and abatement as required by HUD and EPA on homes rehabilitated by the City of Abilene Planning and Development Services Department programs and CHDO's. The City will take the following steps on all private housing projects and the Housing Authority will continue to take the following steps on all government funded housing rehabilitation of public housing units.

- Inform all owners, occupants and landlords of lead-based paint hazards and provide information on methods for reducing risk of exposure in pre-1978 homes.
- Provide testing and abatement for any households whose children have been shown to have elevated blood lead levels. Require the family be moved to a post-1978 unit, or unit that has passed this test.
- Require inspections for lead at the same time other inspections or evaluations are conducted on City sponsored housing.
- The ONS partnered with the West Texas General Contractors Association to host six of the State required "Safe Work Practices" certification classes for workers and contractors. The City's Radiation Safety Officer is available to assist other

City departments when lead based paint is indentified in a City facility.

Reducing Number of Poverty Level Families

The lowest income households are generally those threatened with homelessness and persons in public or assisted housing who are dependent upon public subsidies to maintain their own residences. In all, this segment of the population has the highest incidence of poverty. The City's focus on reducing the number of poverty level families will continue to consist of promoting self-sufficiency and innovative economic development strategies. The City of Abilene Economic Development Department will continue to promote economic expansion in a number of ways that enhance opportunities for low- and moderate-income residents. The Economic Development Department continues to be pro-active in retaining and seeking businesses that will bring salaries above the local average in order to raise the level of income for all Abilenians. It targets market shortages in the area, which benefit the unemployed/underemployed, and opens up entry-level opportunities.

Enhancing Institutional Structure and Coordination

In order to effectively deliver services aimed at meeting housing and community needs in Abilene, the City has continued to strive toward building a co-operative relationship among City departments and divisions, including the Planning and Development Services Department, Economic Development Department, Community Services Department, Public Works Department, Water Department, Finance Department. Effective October 1, 2008, the City Housing Authority was transitioned into the autonomous AHA. City staff continues to have a cooperative relationship with the AHA. Such coordination is essential to effectively carry out community development goals and objectives with CDBG and HOME funds, as well as other resources.

In addition, the overall goal for the City of Abilene is to maximize the coordination among local public, private and non-profit community service providers as a whole. The community has a strong history of public-private partnerships. All institutions are aware of the need to enhance collaboration as government funding continues to decline. Examples of this, as stated earlier, include the City's involvement in collaborative endeavors to address homelessness and neighborhood revitalization, as well as its partnership with the private non-profit

and for-profit sectors to help make community development goals such as downtown revitalization, neighborhood improvement and expansion of affordable housing, a reality. The Office of Neighborhood Services maintains a membership with the West Texas Homeless Network and the Texas Homeless Network. As previously noted, these efforts will continue as the City works on its various planning activities scheduled for Program Year 2011.

Fostering Public Housing and Resident Initiatives

The Abilene Housing Authority (AHA) submitted its annual Public Housing Management Assessment certifications to HUD in November 2010. This program rates the overall public housing management performance, for the year ending September 30, 2010, on such issues as rent collections, vacancies, tenant accounts receivables, occupancy, unit turnover, HQS inspections and resident initiatives. Resident initiatives encompass home ownership opportunity, welfare to work, security, drug elimination, and family self-sufficiency ratings. During 2010 and 2011 contracts were initiated for non-routine public housing improvements estimated at \$550,000. These improvements and others included the following highlights:

- Roof replacement at Vogel Apartment complex (72 units total);
- Completed sewer line replacement project at Riviera Complex (ARRA project);
- Surface re-striping project at all four public housing sites.

The AHA works to provide various opportunities for tenant involvement. The Resident Advisory Council (RAC) is in place; the Resident Advisory Board (RAB) is still active and providing valuable input during AHA's Annual Planning process. On the Housing Choice Voucher (HCV) program, landlords and tenants are active participants on the Advisory Committee (designed to provide landlords and tenants with a forum to provide input into how to improve the HCV Program). The RAB works directly with AHA management and the AHA Resident Services Coordinator to help resolve issues, bring up needs for the capital fund improvement dollars, and work to help set new or revise old policies. The AHA Resident Services Coordinator works directly with many of the community agencies to attain programs and benefits for the residents, i.e., the Food Bank, the Abilene Independent School System, and Big Brothers/Big Sisters. The Big Brothers/Big Sisters program expands productive, recreational opportunities for its youth

and enables the AHA to provide preventive services for the youth. The HCV program increased its Family Self-Sufficiency program from 5 families to 30 families, several years ago, to promote financial self-sufficiency amongst more HCV participants.

In 2010, AHA added additional computers to the Public Housing computer lab. In addition, AHA added the Rosetta Stone English language software package to one of the computers for residents. AHA houses a large number of refugee families from Africa and houses a significant Hispanic population. Both populations are interested in learning the English language.

Management

AHA has 22 employees and developed two new positions to ensure that it meets its regulatory, operational and customer needs.

Community Impact

AHA has worked to attract industry association conferences and industry training programs to Abilene. In November 2010, the Big Country Housing Association hosted its Annual Meeting/Conference in Abilene. May 2011 Procurement training was held at the conference. In 2012, Texas NAHRO is planning to hold one of its conferences in Abilene, as well. AHA has been working with the Abilene Convention Center & Visitors Bureau to host these events.

Assisting More Families

AHA has been able to work with two other housing authorities in jeopardy of losing their HCV programs, to quickly and successfully transition their programs into AHA's 19-county program. This enabled West Texas to secure vouchers for the area that may have been lost to other cities or states.

AHA continually looks for ways to assist the housing needs of low-income "special interest" groups in AHA's service territory. AHA successfully applied for and received 70 vouchers to service the needs of Homeless Veterans throughout West Texas. This program is called HUD-VASH (Veteran Affairs Supportive Housing), which is in collaboration with the Big Spring Veterans Administration Medical Center (VAMC).

AHA also applied for a Family Unification Program (FUP) Grant that provides housing vouchers to families that are in jeopardy of losing their kids due to inadequate housing or that need adequate housing to get their kids back from the system. This program would have

been in collaboration with Abilene Child Protective Services (CPS); however, due to Federal budget cuts, the FUP Grant was eliminated for 2011. AHA will continue to search for new ways to assist additional low-income families to find decent, safe and sanitary housing in West Central Texas.

Home Ownership

In addition to public and assisted housing, AHA collaborated with a neighborhood non-profit organization to provide 10 program families with the opportunity for home ownership. The AHA is looking for ways to help families become first time homebuyers and is currently reviewing the possibility of providing a Housing Choice Voucher Home Ownership Program which will only work with active HCV participants that meet established eligibility requirements. AHA is also actively promoting another home ownership program for a local non-profit organization offering four homes for sale to low-income families.

Public Housing Performance

The AHA continues to manage 213 public housing units at four separate sites. AHA also administers the HCV program (1,376 vouchers) for 19 counties in West Central Texas. During the 2010 program year the AHA received a "Standard" performance rating for its Public Housing Program and a "High Performer" rating on its Housing Choice Voucher program. The HCV Program has been rated High Performer for the third consecutive year.

Specific Housing Objectives

The following are programs that will address specific housing objectives for Program Year 2011 and the agencies that will deliver the programs.

Housing Needs

Goal: Low- to moderate-income citizens will have access to safe, decent and affordable housing

Objectives:

- Increase the availability, financial accessibility, and support for affordable home ownership opportunities
- Maintain, rehabilitate and improve existing single-family, multi-family, and subsidized housing units

- Educate homeowners and homebuyers on all aspects of homeownership to include, but not limited to, property maintenance and environmental hazards
- Expand education and enforcement of safety codes and/or services to improve conditions of housing
- Increase the availability, financial accessibility, and support for handicap accessible housing

Other Housing and Community Development Needs

Goal: Enhance quality of life for elderly citizens

Objectives:

- Increase the availability, financial accessibility, and support for safe, decent, and affordable housing
- Provide resources for home repairs and property maintenance for owner occupied homes
- Enhance the mechanism for coordination, communication, and quality assurance among service providers, city services, citizens, and clients

First-Time Homebuyers – \$45,000 HOME

This program is designed to provide necessary down payment and closing costs assistance to low- and moderate-income persons for the acquisition of a single-family home. The First Time Homebuyer Program prioritizes persons who are currently living in federally assisted housing or receiving federal rental assistance and who are able to meet all requirements of the program, including the ability to obtain financing for the purchase of a home through an approved lender. Homebuyers are required to complete the equivalent of an 8-hour homebuyer class and 10 hours of volunteer work. This program requires a five-year period of affordability. The recapture requirement will be met if the homebuyer fails to fulfill the period of affordability. However, if assistance is provided to a CHDO homebuyer, the City will use the resale provision. The City anticipates assisting 40%-50% minority clients with this program. Advertisement for this program includes press releases announcing available funding in the local newspaper, the City of Abilene website, and staff presentations to local non-profit service agencies. The City

of Abilene Planning and Development Services Department administers the program.

Outcome Measurement: Fifteen households will have affordable housing through a down payment and closing cost assistance program for the purpose of creating decent affordable housing.

Critical/Limited Repair – \$0 CDBG

Due to reductions in Federal funding for the CDBG Program and sizeable Section 108 debt service payments, the City Critical/Limited Repair Program will not be funded this year. This City program was, designed to assist very low-income homeowners in Abilene with repairs to items that pose an imminent threat to the health and/or safety of the occupant(s) and the surrounding neighborhood. The Program guidelines provided that handicap accessibility issues were prioritized.

Outcome Measurement: It is estimated that more than 25 low- and very low-income households will not receive sustained affordable housing by critical/limited repair for the purpose of providing decent affordable housing.

Single-Family Rehabilitation/Reconstruction – \$409,858

HOME

This program provides moderate or substantial rehabilitation of existing owner-occupied single-family residential properties by providing grants or loans to low- and moderate-income homeowners. Residential properties are rehabilitated to meet International Building Code and local building codes and building standards. If a structure fails the feasibility of rehabilitation, the project will be considered for reconstruction.

The purpose of Reconstruction is to provide assistance to low- to moderate-income families for demolishing and rebuilding a new unit on the same property when it is determined that the homeowner's existing house is substandard and not suitable for rehabilitation. Substandard structurally unsound units do not meet code standards, utilize excessive energy, contain lead based paint and are not universally designed. With this program, the unsound structure is replaced with a new, high-energy efficient (Energy Star Certified), universal house. This program will expand the supply decent, safe, and affordable housing for low- to moderate-income families and complement the revitalization efforts of existing neighborhood housing programs. Homeowner reconstruction is voluntary. In conjunction with the HOME dollars, homeowners will contribute volunteer labor towards the completion of the rehab project.

Advertisement for this program includes press releases announcing available funding in the local newspaper, the City of Abilene website, and staff presentations with local non-profit service agencies. The City of Abilene Planning and Development Services Department administers the Program.

Outcome Measurement: Seven households will have sustained affordable housing by rehabilitation or reconstruction for the purpose of providing decent affordable housing.

Community Housing Development Organization (CHDO) – \$81,640 HOME

The City has set aside 15% of its HOME Program Year 2011 entitlement, for use by Community Housing Development Organizations (CHDO). The CHDO is responsible for developing, sponsoring, and/or owning HOME-assisted housing available to low- and moderate-income families. Habitat for Humanity and CCC are the only two non-profit housing development organizations to have applied for and received CHDO designation from the City. Using HOME funds previously allocated, Habitat is currently acquiring existing single-family properties for rehabilitation and constructs new single-family housing in the community. CCC is developing a mixed-income project that will include constructing new single-family affordable housing in a targeted neighborhood.

Outcome Measurement: Three households will have new access to homeownership for the purpose of creating decent affordable housing.

In conjunction with the HOME CHDO Reserve funds, Habitat for Humanity will contribute HOME match with funding from their own development fund raising events, zero interest on Habitat loans, Texas Boot Strap, in-kind donations from local vendors, volunteer labor, sweat equity and real property. Local foundations will also contribute to various aspects of Habitat's projects. Habitat continues to collaborate with the three local universities for volunteer opportunities with their campus service organizations, the Dyess Air Force Base We Care Team and fund raising events channeled specifically to Habitat. CCC will contribute HOME match from in-kind donations from local vendors, volunteer labor and services, real property, utility companies and funding from local foundations. CCC partners closely with Hardin-Simmons University, the University's Alumni Association and the Abilene North Park Neighborhood Association. These partnerships have sparked new revitalization in Abilene's North Park area.

In addition to the programs provided by CDBG and HOME funds through the City of Abilene, the Rolling Plains Management Corp. provides services including utility assistance, weatherization and energy efficiency assistance, homeowner rehab assistance and other housing related assistance through State funding, local match to federal dollars and corporate grants. The United Way IDA Program has been successful in maintaining and administering this program, which matches dollars saved toward the goal of home ownership, secondary education or business development. Many other services and outreach programs are available through agencies and organizations listed in the Homeless Inventory section of the Consolidated Plan.

CDBG Housing Rehab Administration – \$80,640 CDBG

This activity supports the overall administrative and delivery costs for housing repair operated by the City of Abilene.

Housing Rehab Administration – \$26,260 HOME

This activity supports staff and delivery costs of the HOME Program, including HOME administrative costs incurred by the Planning and Development Services Department for the Single-Family Rehab/Reconstruction and First Time Homebuyer programs.

Needs of Public Housing

As mentioned under the Fostering Public Housing and Resident Initiatives section, the AHA submitted its annual Public Housing Management Assessment to HUD in November 2010. This program rates the overall public housing management performance, for the year ending September 30, 2010, and received “Standard” performance on the PHA Program and “High Performer” on the HCV Program. In the event the AHA became a troubled agency, the City Council could initiate preventative measures. Resident initiatives encompass home ownership opportunity, welfare to work, security and drug elimination, and family self-sufficiency ratings.

Barriers to Affordable Housing

Housing affordability is also impacted by local factors such as the availability of land for new construction, the income of residents, the supply of housing and, housing costs.

Affordable housing in Abilene is deterred by insufficient funds for down payment, lack of credit, and poor credit. In addition, the long-term affordability of a home, such as the required monthly principal, interest, taxes, and insurance payments, are often too high compared with available income for a low-income household. Furthermore, the availability of homes for sale in the price range and size for the low- to moderate-income family is limited. The Abilene Board of Realtors reported that the average sales price in the last 12-month period ending June 2011 was \$125,175. There were only 15 listings under \$50,000 with 4 or more bedrooms and 21 listings under \$60,000 with 4 or more bedrooms.

The U.S. Department of Housing and Urban Development (HUD) describes a household experiencing a cost burden as having gross housing costs that are more than 30% of gross income. A household that experiences a severe cost burden is when gross housing costs are more than 50% of gross income. The cost of home ownership can affect the level of property maintenance, the ability of the household to pay property taxes and ultimately the household's ability to retain its home. Likewise, high rents (and prohibitive security deposits) can make it difficult for renters to afford units. With almost half of the Abilene households under the median income, the cost of ownership or renting also becomes a burden.

- Insufficient funds for down payment - Private lending institutions typically require home purchasers to provide 10 to 20 percent of a home's value as a down payment. Many low-income households are already rent burdened, paying as high as 40 to 50% of their income for housing. Such high costs for current shelter preclude these low-income households from accumulating the funds for a down payment.
- High existing debt of prospective purchasers - Many low-income households also are saddled with excessively high existing debt for such items as credit accounts, car payments, and medical expenses that prevent obtaining private lender financing.
- Need for property repairs - The homes most affordable to low-income households tend to be located in neighborhoods where property has been poorly maintained and requires repair. Therefore, low-income purchasers often confront the prospect of obtaining a home that will require further financial investment for property improvements. Money for such improvements is frequently unavailable to low-income buyers and private lenders often are unwilling to lend the necessary

funds for acquisition and repairs. Complicating the situation further is the reality that such affordable housing is often located in neighborhoods where money invested in property improvements does not necessarily translate into a corresponding increase in the value of the property.

- Lack of credit - Many low-income homebuyers have no credit record because they pay most of their expenses in cash.
- Poor credit - A very common barrier to home ownership is a blemished credit record. Unfavorable credit information can stay on a credit record for up to seven years and bankruptcy records stay on the report for 10 years.
- Available funding - A common barrier to affordable housing is available funding to the jurisdiction. When Federal funding to the jurisdiction is threatened, the availability of affordable housing for low-income persons is threatened, as well.
- Unemployment - January 2011 unemployment in the Abilene Work Force area is 6.8%.
- Low number of living-wage jobs available.

These common barriers to affordable housing will continue to be addressed through a number of City programs. For instance the First Time Homebuyer Program will receive \$45,000 in HOME funding. This program assists income-eligible families with down payment and closing costs, and also requires that participants obtain approved homebuyer training offered online, by local community organizations like United Way's IDA Program or by City staff. Home buyers are educated on a variety of topics that address overcoming the obstacles to affordable housing such as: home buyer rights and fair housing, how to negotiate with lenders and research interest rates, consumer protection, understanding credit and the impact it has on home purchases, and financial and budgeting issues. Affordability requirements will be enforced by addressing the HOME period of affordability in contracts, based on the amount of funding provided, and protected through liens and promissory notes. To further protect all Habitat for Humanity units, Habitat has a 10-year right of first refusal agreement with the homebuyer. The City encourages all CHDOs to consider this agreement.

The City of Abilene will continue to work with local non-profit organizations to be certified Community Housing Development Organizations and Community Based Development Organizations as funding permits. Currently, Habitat for Humanity and CCC are certified as CHDOs. Annually, the City sets aside the required 15% CHDO Reserve for use by these certified organizations. It is through

these organizations that safe, decent and affordable housing will be available to low- to moderate-income families seeking homeownership.

The AHA Family Self-Sufficiency Program (FSS) will continue to remove home buyer barriers by providing education and job skills necessary for seeking higher paying jobs. At the time of “graduating” from the Program, several FSS participants have used the funds recovered from their escrow accounts for down payment and/or closing costs in their purchase of a home. The HCV program increased its Family Self-Sufficiency program from five families to 30 families, several years ago, to promote financial self-sufficiency amongst more HCV participants. AHA applied for and received the HCV Family Self-Sufficiency Grant in 2011. The grant provides funding for a FSS coordinator to facilitate the FSS program on a full-time basis.

In addition, the City and the AHA continue to implement strategies identified in the Analysis of Impediments to Fair Housing Choice (AI) study prepared in 1996. Additional initiatives were implemented following the City Council adoption of the 2010 AI study. New initiatives include establishing one point of contact for questions, complaints and information in the City ONS and making the study and access information available on the website. (See section on Removing Barriers to Affordable Housing).

The Planning Division continues work on infill development incentives. These incentives may be in the form of funding for the Capital Improvements Program and possibly relaxed regulations for infill development on empty plots of land in currently developed neighborhoods. These infill development incentives are intended to promote development and redevelopment within the older neighborhoods in the City. By providing financial incentives and reducing regulatory requirements, this infill incentive program could remove some of the barriers to affordable housing in these areas.

Much work remains to increase affordable housing opportunities. As a result, the City will continue to re-evaluate all development fees, regulations and program policies and procedures to determine whether any further revisions may be appropriate to enhance affordable housing for low-income City residents. As specific projects are proposed, the City will review the project for its compliance with existing local laws and regulations. If a local law or regulation should prove to have a negative impact on a proposed affordable housing

program or project, such law or regulation will be reviewed to determine its viability.

HOME/American Dream Down Payment Initiative (ADDI)

The City of Abilene does not receive ADDI funds.

The City of Abilene utilizes HOME funds for single-family new construction, acquisition and rehab projects for resale through two CHDOs, Habitat for Humanity and CCC. The contracts between Habitat for Humanity and the homebuyer, gives Habitat right of first refusal. CCC plans to utilize the right of first refusal, as well. The City of Abilene holds a second or third position lien and promissory note with the homeowner. If the CHDO fails to resale the unit within a reasonable period of time, the City will utilize resale requirements as described at 24 CFR 92.254 (a)(5)(i).

Currently, the only homebuyer activities accomplished with HOME funds are CHDO activities involving new construction or rehabilitation of single-family homes and the First-Time Homebuyer program. Based on previous years, the City expects that at least 50% of the PY 2011 HOME-assisted units will be sold to minority homebuyers. The City uses the recapture option for controlling the resale of the property during the affordability period.

Currently, the City does not assist any projects containing five or more HOME-assisted units. In the event the City assists a project of five or more HOME-assisted units, a HUD approved affirmative market housing policy and program will be utilized.

The City, through the Economic Development Department contracts with the Small Business Development Center to provide outreach, education and training for minority- and woman-owned businesses. Staff involved with the delivery of services from the CDBG and HOME assisted housing programs actively recruit HUB and M/WBE contractors to participate in the rehabilitation programs. In addition, CHDO contracts call for the use of minority- and woman-owned contractors when possible. These contractors and the amounts of the contracts are reported annually.

Additional minority outreach is accomplished through networking and information sharing among the two minority neighborhood associations, Sears Neighborhood Association and Interested Citizens of Abilene North and through contact with the Rolling Plains

Management Corp., LULAC and NAACP representatives, the Abilene Hispanic Council, the Black Chamber of Commerce and Neighborhoods in Progress (NIP). Public service announcements through the local print, radio and television media will be used to recruit contractors as needed.

Specific Homeless Prevention

The following are sources of funds identified to address homeless needs and prevent homelessness:

City/County/AHA-Funded Programs

CDBG
HOME
Housing Choice Vouchers
Public Housing Operating Funds
Public Housing Capital Funds
HUD-VASH
Big Spring VAMC

Individual Capital Campaign for Local Support

Private and Corporate Donations
Christian Community Development Corporation
Baptist Children and Families Services (BCFS)
Abilene Transition Center

Foundations

Dodge Jones Foundation
Shelton Family Foundation
Dian Graves Owen Foundation
Swalm Foundation
United Way of Abilene
Anonymous Foundation

Other State/Federal Funds

American Recovery and Reinvestment Act of 2009 (CDBG-R)
Low Income Housing Tax Credits (one new award for PY 2011)
HUD Continuum of Care – (a renewable award good through March 2012 - Hope Haven for childcare)
Homeless Prevention and Rapid Re-housing – (stimulus funding to Salvation Army)
NSP (stimulus funding - Rolling Plains Management Corp. for weatherization)

Goal: Prevent and Reduce Homelessness

Objective:

- Provide and maintain transitional housing and support services for individuals and families, including unaccompanied youth and ex-offenders
- Provide long-term housing opportunities and emergency shelters

In June of 1999, West Texas Homeless Network (previously the Abilene Coalition for the Homeless) was formed to identify homeless needs in a coordinated manner and address gaps in service. The West Texas Homeless Network conducted a comprehensive assessment of homelessness led by the Texas Homeless Network in January of 2010. The City of Abilene does not receive Emergency Shelter Grant funds; however, believes that the needs of the homeless will be addressed with Continuum of Care funding, through the Abilene Hope Haven projects, Salvation Army HPRR program and West Texas Homeless Network member agencies. Assistance for veterans is also available through the AHA HUD-VASH Program and a collaborative program with the Big Spring VAMC.

The West Texas Homeless Network has identified the following obstacles to ending chronic homelessness in our service area:

- Transient nature of chronically homeless in the area makes it difficult to outreach to this population, inform them of all the services available and to enroll them in these services;
- Mainstream Resources – many chronically homeless individuals do not stay in the area long enough to determine eligibility for services;
- Many agencies operate with a small staff and lack the financial resources and capacity to construct and manage permanent supportive housing projects;
- Lack of and the lengthy waiting list of permanent supportive housing in the area;
- Limited access to medical and dental care - although several agencies provide free or low-cost medical/dental care and prescription assistance, the need for such services vastly exceeds the services that are currently provided;

- Lack of motivation to take advantage of employment opportunities;
- Many chronically homeless individuals do not want to change their lifestyle. Chronically homeless persons in our service area receive continuous support from churches, agencies and individuals in the form of basic needs and other daily necessities. Panhandlers on the street can make enough money to allow them to support their chosen lifestyle. In this type of environment, chronically homeless persons have no incentive to make better choices that could move them toward self-sufficiency.
- Many chronically homeless individuals in this area do not want to participate in any type of structured program that would require them to follow and to adhere to specific program guidelines. Many are unwilling to give up alcohol or drugs for a better way of life. They turn down the opportunity to enter into a rehabilitation program that allows them to become clean and sober.

Community Development

The long-term and short-term community development goals and objectives identified in the 2010-2014 Consolidated Plan and the One-Year Action Plan are below.

Goal: Improve the quality of programs and facilities for health and safety, information, transportation, and recreation services

Objectives:

- Support the expansion of comprehensive affordable health and dental services
- Enhance the mechanism for coordination, communication, and quality assurance among service providers, city services, citizens, and clients
- Provide and expand social and recreational services and facilities, including but not limited to, youth and individuals with disabilities

Medical/Dental Program – \$0 CDBG

Due to reductions in Federal funding for the CDBG Program and sizeable Section 108 debt service payments, there will be no City public service program that will support the medical and dental needs for LMI people.

Outcome Measurement: More than 1,500 unduplicated clients will not have improved access to affordable public health through the expansion of services in the Health Department for the purpose of creating a suitable living environment.

Senior Nutrition and Activities – \$0 CDBG

Due to reductions in Federal funding for the CDBG Program and sizeable Section 108 debt service payments, there will be no City public service programs that will support the expansion of services in the Senior Citizen Centers (nutritional needs, transportation, recreation, health fairs, shopping assistance).

Outcome Measurement: More than 1,000 persons will not have improved access to affordable assistance for senior citizens through the expansion of services in the Senior Citizen Centers for the purpose of creating a suitable living environment.

To enhance coordination, communication, and quality assurance among service providers, city services, citizens and clients, ONS staff participate in several community functions and organizations, including the West Texas Homeless Network, the Texas State Homeless Network, and provides speakers at various group meetings, school programs and community outreach functions.

Other Community Development Needs

Goal: Revitalize neighborhoods

Objective:

- Encourage and support programs that diminish crime

Goal: Enhance the physical environment of Abilene

Objectives:

- Provide and maintain adequate public facilities and infrastructure especially in low- to moderate-income areas
- Enhance pedestrian, bike, and traffic safety

Both the 2001 Abilene Community Excellence Report and the 2004 Comprehensive Land Use Plan discuss in detail the importance of the

enhancement of the physical environment of Abilene and its effects on neighborhood revitalization, economic development, safety and security. The Community Services and Facilities Goal states: Provide community facilities and services (fire, police, health and safety, schools, etc.) that efficiently and fairly serve the community. There are over 30 strategies addressing roadways, mobility (public transportation, bicycling, walking), airport, expansion of infrastructure services, parks recreation, and open space. The City of Abilene will continue to support this goal and the objectives through development, maintenance, promotion and education.

Due to continued reductions in various funding sources and sizeable Section 108 debt service, the City has found it necessary to remove the sidewalk rehabilitation program from the CDBG funding budget. The City will look to other sources to fund the sidewalk rehabilitation program. The City was awarded \$2.5 million through the American Recovery and Reinvestment Act of 2009 for street surface treatment, pavement rehabilitation, pavement resurfacing sidewalk, traffic signal modification/pedestrian improvements and curb ramps for handicap accessibility. The City was also awarded \$130,000 through the Safe Routes to School through the Federal Highway Administration. Those funds will be used in an LMI area for sidewalks, curb ramps and ADA improvements.

The City of Abilene has a very effective social services delivery system and local organizations work to achieve established goals for the community. The City is committed to support the development and maintenance of strong social service providers in the community.

Economic Development Needs

Goal: Enhance the economic well being of all citizens

Objectives:

- Support maintenance, enhancement, and expansion of transportation services

Access to Jobs – \$0 CDBG

Due to reductions in Federal funding for the CDBG Program and sizeable Section 108 debt service payments, there will be no public service programs that will support the expanded transportation services.

Outcome Measurement: More than 300 new clients will not have access to 16,000 expanded transportation for the purpose of creating economic opportunity.

Objective:

- Utilize and promote rehabilitation of existing properties to support business development

Section 108 Debt Repayment – \$854,528 CDBG and Reserve

PY 2011 CDBG funds (\$851,980) and Section 108 reserve funds (\$2,548) are budgeted to repay loans used to create and retain jobs through the City’s Section 108 Downtown Loan Program. Program income received in the form of Section 108 repayments will be applied first to offset the use of CDBG funds for this activity. Currently, the City is receiving no program income to help offset debt repayment.

Antipoverty Strategy

The lowest income households are generally those threatened with homelessness and persons in public/assisted housing who are dependent upon public subsidies to maintain their own residences. In all, this segment of the population has the highest incidence of poverty. The City’s focus on reducing the number of poverty level families will continue to consist of promoting self-sufficiency and innovative economic development strategies. The City of Abilene Economic Development Department will continue to promote economic expansion in a number of ways that enhance opportunities for low- and moderate-income residents. The Department continues to be pro-active in seeking businesses that will bring salaries above the local average in order to raise the level of income for all Abilenians. It targets market shortages in the area, which benefit the un/underemployed, and opens up entry-level opportunities.

The Economic Self-Sufficiency strategy is the specific action taken by the AHA through various programs and services; self-sufficiency improves the quality of life for the citizens of Abilene. Family Self Sufficiency (FSS) is a program funded by the AHA, which assists qualifying households with children receiving HCV assistance or Public Housing assistance. Assistance includes help with incidental and/or unanticipated expenses that threaten a family’s progress toward self-sufficiency (e.g. school, job training, counseling, etc.). Several years ago, the AHA has increased the number of FSS positions from 5 to 30 to encourage self-sufficiency.

The Development Corporation of Abilene (DCOA) is a five-member board of directors appointed by the Abilene City Council that is charged with administering the ½ cent sales tax revenues dedicated to economic development efforts. To further strengthen Abilene’s economy, the DCOA may provide incentive packages to entice industrial/manufacturing expansion within or into Abilene. Each economic

development incentive package may be customized to meet the needs of a company in exchange for the creation of new jobs and new capital investment in the community. A company may qualify for assistance in one or more of the following categories:

- Job creation incentives
 - For jobs paying up to \$60,000 per year, incentives can range from \$1,000 to more than \$15,000 per full-time job dependent on salary and non-mandatory employee benefits
 - For jobs paying over \$60,000 per year, incentives can range from 35% of first year annual salary and up
- Grants/forgivable loans & loan participations for capital investment
 - 10% or more of capital investment costs (in lieu of tax abatement)
- Assistance with land purchases
 - 25% or more participation in land costs
- Grants for code compliance
 - 25% or more of architectural & engineering services and cost of alterations to existing buildings for code compliance
- Job training grants
 - \$500 or more per job upon completion of training and employee probation period
- Relocation grants
 - 15% or more of relocation costs for equipment, key personnel, etc.

Compliance and Monitoring

Compliance and monitoring of both the CDBG and HOME programs is the responsibility of the Neighborhood Initiatives Division of the Planning and Development Services Department. Staff reviews proposed projects by eligible organizations for compliance with the eligibility requirements, national objectives, Consolidated Plan and City Council Guidelines. Monthly reports are collected for most programs to serve as an ongoing monitoring mechanism. Ongoing compliance and monitoring activities include the following.

Community Development Block Grant Program (CDBG)

- Projects proposed by eligible organizations will be reviewed by staff for compliance with eligibility requirements, national objectives, Consolidated Plan and City Council guidelines.

- An environmental review record will be prepared. The records will contain all assessments, findings and pertinent information.
- A contract agreement will be prepared and executed between the City and any contractors and subrecipients.
- A Letter of Agreement will be prepared for City Departments.
- Monitoring through monthly, quarterly or annual reporting will be conducted on all programs offered through the City and through contractors and subrecipients.
- Staff will monitor to ensure that Federal labor standards, bidding and contract requirements are met.
- Prior to issuing reimbursement for any goods or services, the City will verify that the goods or services have been provided according to specific program requirements.
- An annual monitoring risk assessment and on-site visit, as applicable, will be conducted for contractors, subrecipients and City services.
- An annual performance report identifying performance toward planned goals will be prepared (CAPER).

Home Investment Partnerships Program (HOME)

- The City will offer programs as outlined in the HOME Program Description and any subsequent amendments. These programs will be offered directly by the City and through eligible CHDOs and developers.
- Projects proposed by eligible organizations will be reviewed by staff for compliance with eligibility requirements, national objectives, Consolidated Plan and City Council guidelines.
- An environmental review record will be prepared. The record will contain all assessments, findings and pertinent information.
- Staff will review the economic feasibility of the proposals for HOME funds.
- A contract agreement with specific scope of services and project budget will be prepared and executed between the City, CHDO and developer.
- Monitoring through monthly, quarterly or annual reporting will be conducted on all programs offered through the City and through subrecipients.
- Staff will monitor to ensure that Federal labor standards, bidding and contract requirements are met.
- Prior to issuing reimbursement for any good or service, the City will verify that the good or service has been provided according to specific program requirements.

- An annual monitoring risk assessment and on-site visit, as applicable, will be conducted for owners/developers, contractors and subrecipients.
- A monitoring on-site visit will be conducted for owners/developers. Frequency of monitoring depends on the risk assessment, progress of the activity.
- An annual performance report identifying performance toward planned goals will be prepared (CAPER).