



**CITY OF ABILENE**

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**2014  
ONE-YEAR ACTION PLAN  
FOR HOUSING  
&  
COMMUNITY DEVELOPMENT**

**AUGUST 12, 2014  
ABILENE, TEXAS**

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## **General**

### **Executive Summary**

#### **Introduction**

The following 2014 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 2012 Action Plan covers the Program Year October 1, 2014, to September 30, 2015.

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

The needs prioritization process of the 2010-2014 Consolidated Plan incorporated broad goals for addressing housing and community development in Abilene. These goals, along with specific objectives, are listed in greater detail following the One-Year Action Plan Work Calendar. 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. The Office of Neighborhood Services Advisory Council provides input for ranking funding requests as measured against National Objectives and the Consolidated Plan Goals and Objectives. A complete review of the citizen participation schedule for the 2014 community development planning process is presented in the "2014 One-Year Action Plan Work Calendar".

## Proposed 2014 Program Year One-Year Action Plan Work Calendar

<b>Date</b>	<b>Activity</b>
February 17, 2014	Mail out Public Meeting Letters to non-profits and schedule with ONSAC members
February 24, 2014	Publish Notice of Public Hearing to be held March 4, 2014
March 4, 2014	Public Hearing #1, City Hall, Emergency Operations Center at 10:00 a.m. – Discuss community development process, goals, objectives, priorities and previous accomplishments. Receive input on 2014 budget
April 1, 2014	Begin developing 2014 Action Plan
June 16, 2014	Begin required 30-day public comment period. Proposed 2014 Action Plan summary available at 555 Walnut, Suite 206, Abilene, TX
July 16, 2014	End 30-day comment period on Proposed 2014 Action Plan
July 24, 2014	Public Hearing #2 to receive input on Proposed 2014 Action Plan and Council approval. City Hall, City Council Chambers, 8:30 a.m.
August 12, 2014	Submit 2014 Action Plan to Department of Housing and Urban Development (HUD). (Statutory 8/16/14)
October 1, 2014	2014 Program Year begins

The first public hearing to develop the 2014 Action Plan was held in the Emergency Operations Center of City Hall, March 4 2014, 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 2014 Action Plan was published for a 30-day public comment period beginning June 16, 2014. 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, July 24, 2014, at 8:30 a.m. There were no comments during this public hearing and Council did not recommend any funding changes. Discussion concerning lead based paint regulations and certifications followed the public hearing. Staff responded to questions concerning funding, program regulations and guidelines from newly elected Council members.

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 5 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 service
- 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 2014 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**

The LMI Neighborhood Sidewalk Program was eliminated several years ago. In 2014 the City will fund another sidewalk to benefit a LMI service area that will provide a safe walking route to school, recreation facilities, a park, and access to a convenience store/gas station. It is estimated that over 300 families will have a more suitable living environment with this sidewalk project.

#### **Providing Decent Affordable Housing: Availability/Accessibility**

Five programs, funded in the 2014 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 – Habitat for Humanity
- Adult Protective Services Partners, Inc. – Handicap Accessibility and Emergency Home Repair (elderly & those with disabilities)
- City of Abilene Neighborhood Services – First-Time Homebuyer Program
- City of Abilene Neighborhood Services – Single-Family Rehab & Reconstruction
- City of Abilene Neighborhood Services – Critical/Limited Repair

It is estimated that through these five programs 3 new affordable homes will be constructed and 15 new households will be assisted with homeownership opportunities. Additional outcome indicators include 6-10 low- to moderate-income (LMI) households assisted with improved access to housing and housing support services through the Single-Family Rehab/Reconstruction Program. The Critical/Limited Repair Program will allow 25 homeowners in the 0% to 50% income category to be assisted and another 10 elderly/those with disabilities will be assisted through the APSP Handicap Accessibility and Emergency Home Repair Program. Local social service providers have not been able to identify or quantify 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 have been no additional programs to support the goals to improve economic opportunities for LMI individuals during the last several years. The use of Section 108 loans was for the creation of jobs in the downtown business district. The job creation and business revitalization results are ongoing. Three projects will help improve economic opportunities through Availability/Accessibility in 2014.

Section 108 Loan debt has been reduced and funding is available in PY 2014. The City will fund **Access to Jobs**, a public service program, which will provide improved expanded transit service through the City of Abilene public transit, CityLink, and enable low- and moderate-income people to obtain employment or attend school/training during non-public transit hours. This service will also allow for economic growth opportunities within the workforce. It is estimated that more than 300 new LMI individuals will have access to over 16,000 trips of expanded transportation services for the purpose of creating economic opportunities.

The City is also able to fund a playground equipment replacement at **Day Nursery of Abilene** and a security lighting upgrade at all three of their locations. It is estimated that 524 persons or 385 unduplicated clients will be served by these projects. The majority of children served by Day Nursery are from low-income families and single-parent homes with 10% of the children in the custody of Child Protective Services.

## **Evaluation of Past Performance**

The City of Abilene has faced some challenges in the last few years, and resolves to experience better progress during Program Year 2014 in addressing identified priority needs and objectives of the 2010-2014 Consolidated Plan. Overall, the City has accomplished the expected objectives with this exception: rehabilitation of owner occupied units was slow. The application, application process, guidelines and bid processes have been amended and new rehab software has been implemented. The City is in compliance with the 70/30 LMI benefit requirement and was in compliance with expending funds in a timely manner. Over-committed CHDO funds were transferred to the Entitlement funds to allow access of additional funds for the First Time Homebuyer and Single-Family Rehab programs. Locating certified LBP contractors continues to be a hindrance in accomplishing anticipated outcomes in the Single Family Rehab Program and has slowed commitment of funds.

## **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. Recent oil and gas exploration activity is causing challenges in the job market, affordable housing, water availability and healthcare in communities from Ft. Worth to the Midland/Odessa area.

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. There were 11,067 students enrolled for the Spring 2014 semester. 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 to Abilene in 2007. The Doctor of Pharmacy program opened in the fall of 2007 and student enrollment continues at their maximum of 158. The current Patty Hanks Shelton School of Nursing is a consortium of the three private universities in Abilene. Through the Texas Tech University Health Sciences and Hendrick Healthcare System, the School of Nursing Consortium has evolved into the new Anita Thigpen Perry School of Nursing. Enrollment of 180 students is included in the 4-year university enrollment. The new facility has been built on the same campus as the Pharmacy School. The Texas Tech University system is planning to open Tech's first campus of Public Health Services School in the fall of 2015. Projected student enrollment is 200. Abilene Christian University has opened the new Engineering Degree Program with an enrollment of more than 100.

Abilene has approximately 20,833 students enrolled in secondary school systems (ages 5-18). This includes 21,661 students in two public school systems and 893 students in three private schools.

Abilene is a city with a growth rate of about 3.51% in 2013, up from 1.69% in 2011. The quality of life is considered good and many military personnel choose 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. The effects of the recent escalation in the oil and gas industry (Cline-Shale) cause a speculation of job growth rate of 25.98% in the next 10 years. Effects of the "boom" are not yet perceptible.

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 on a first-come first-serve basis. The Map titled Community Development Areas highlights low to moderate income census tracts and block groups in addition to Target Neighborhoods comprised of a high concentration of LMI census tracts/block groups. This information is based 2010 U.S. Census data. See map shown in **Maps Appendix B**. Due to the extreme need for CDBG funded critical repair, ONS limits only the income category for the program for those homeowners in the 0-50% range. Adult Protective Services Partners (APSP) homeowner minor repair program for elderly and those with disabilities is offered city-wide, as well.

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 Community Development Target Areas 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. 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. Similar directives are being considered for additional neighborhoods as the Abilene Neighborhood Initiative (ANI) begins work with LMI and areas on the threshold. Projects in areas designated for non-residential redevelopment will be submitted for evaluation within the City's Comprehensive Land Use Planning process.

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. Staff estimates 80% of available HOME funds to be expended in the Single-Family Rehab and Reconstruction Program, 15% in CHDO reserve and 12%-15% 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. We cannot predict where in Abilene CDBG funds for Critical Repair will be needed. Applicants for Critical/Limited Repair who have accessibility issues will be given priority when possible. The minor repair program through APSP serves elderly and those with those with disabilities, who own their homes, city-wide.

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 the elderly and those with disabilities who are 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 principal and interest payments for the benefit of LMI persons during Program Year 2014.

Funding of outside agencies is guided by City Council directives to fund capital improvement projects for local, non-profit agencies. Requests for funding are available on the City website, by direct mail-out of application packages and in the ONS office at City Hall. Additionally, requests are invited by publication in the local newspaper, on the City website and by mail notification to all previous non-profit agency applicants. All information may be obtained in the ONS office, the website, and requested by mail.

All programs are advertised throughout the year on the City website, presentations to various social service agencies, public service interviews on the City television program, "Abilene Magazine", booths and slide shows at local resource fairs and through the distribution of program flyers through various organizations (social service providers, homeless network partners, Head Start and Early Head Start Programs).

### **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 CDBG and HOME programs it administers. The list of approved contractors includes four minority-owned and no woman-owned businesses. Four other minority-owned sub-contractors were used by ONS approved general contractors or by the CHDO. There were 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. 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 a Hispanic counselor who is part of the Regional SBDC office in Lubbock. The SBDC Director serves on the Executive Board and the full Board of the Abilene Chamber of Commerce. The Abilene Chamber of Commerce promotes minority small business development by initiating and supporting the Hispanic Business Committee (HBC) and the Director of the Texas Tech University SBDC Abilene serves on the Executive Board of this committee. SBDC personnel have promoted, hosted and spoken at the HBC training sessions as well as continued attendance at the HBC networking luncheons. 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 serves on the Small Business Committee. The director and personnel of the SBDC participate in Black Chamber functions.

The SBDC director works with other non-profit agencies in assisting women and minorities who are interested in starting a business. The Abilene SBDC plans and actively participates in workshops targeting women business owners and works to increase local government contracting opportunities for women and minorities through identifying 8(a), HUB Zone and meetings with Dyess Air Force Base contracting officials. Included in the SBDC's enhanced outreach is its policy of identifying and explaining viable alternative options for financing women and minority-owned businesses.

Another outreach to minorities is through supporting the local minority newspapers, Hispanic Life and the West Texas Tribune. In addition to its continued strong involvement with existing and prospective women and minority-business owners during the past year, the Abilene SBDC nominated Geneco Technologies, a woman-owned construction contracting business from Tye, Texas, for the Small Business Administration (SBA) Person of the Year Award. Geneco deals with commercial energy efficiency technology and commercial H/VAC.



## **Demographics of the CD Target Neighborhoods**

Newly released 2010 Census information is currently being plotted on the City GIS and was not available at the time the Action Plan was published. Information for 2010 will be updated as soon as it is available. Demographics of the Target Neighborhoods are also from the 2000 U.S. Census. The 2010 Minority Map is displayed in **Appendix B**.

### **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, which is summarized as: 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) 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 neighborhood leaders, organizing and educating neighborhood groups in each area and identifying services and resources available.

The City of Abilene will 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 and pedestrian safety will be part of the annual plan, as funding allows. The Safe Routes to School grant application is being used as a master plan to identify areas of greatest need for safe pedestrian walk-ways and bike lanes. The City will continue to work closely with CCC, a local non-profit that undertakes reconnecting neighbors, assisting with identifying leadership; neighborhood development projects; the local universities, and other nonprofits to improve the physical and economic conditions of neighborhoods targeted for revitalization. City leadership is involved with the use of available funds no longer needed for Section 108 debt. A large portion of these projects will fall within the Community Development Eligible Areas of Abilene, including LMI/ANI Target neighborhoods.

Utilizing 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 2014

### COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

#### Sources of Funds

2014 Entitlement	\$821,588
Reprogrammed Funds	11,067
<b>Total Funds Available</b>	<b>\$832,655</b>

#### Proposed Uses of Funds

<u>Public Service Activity</u>	
Access to Jobs	52,500
<u>Non-Public Service Activities</u>	
CDBG Housing Administration	\$127,260
CDBG Planning & Development Services Administration	162,550
Critical Repair Program,	150,000
Section 108 Debt Repayment	113,740
Adult Protective Services Partners, Inc.	15,000
Capital Improvements LMI ANI/Target Neighborhoods	150,000
Day Nursery of Abilene	<u>61,605</u>
<b>Total Use of CDBG Funds</b>	<b>\$832,655</b>

### HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

#### Sources of Funds

2014 Entitlement	\$369,868
Potential Program Income	25,000
Prior Year Reprogrammed Funds	<u>353,589</u>
<b>Total Funds Available</b>	<b>\$748,457</b>

#### Proposed Uses of Funds

General Administration	\$24,285
Housing Rehab Administration	15,105
Single Family Rehabilitation	608,787
First-Time Homebuyer	45,000
Community Housing Dev Organization 15% Set Aside	<u>55,480</u>
<b>Total Use of HOME Funds</b>	<b>\$748,457</b>

## **Activities to Meet Under-Served Needs**

This section briefly describes Program Year 2014 Action Plan activities to be undertaken using 2014 CDBG and HOME entitlement funds. Each activity is grouped according to the housing or community development-related deficiency it is directed to address. Details on the location and proposed accomplishments of each 2014 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 larger amounts than the sources of funds provided. One application was submitted for HOME CHDO funds for \$90,000 and PY 2014 CHDO allocation is \$55,480. CHDO funding from a previous year will be used to offset the difference.

### **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—\$162,550** **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 – \$39,390 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 help 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 continues to secure and/or upgrade computers for all five locations, as funding allows.

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 2014. 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), Baptist Children and Family Services (BCFS), Disabilities in Action, Neighborhoods in Progress (NIP), Hope Haven Too, 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 and Single-Family Rehabilitation Program activities. The reconstruction program has been suspended until federal funding trends are better defined. Habitat for Humanity, a CHDO, continues to contract with the City to build new single-family houses for low-income families. Habitat holds beneficiary meetings to discuss new constructions planned for completion in various neighborhoods. The Single-Family Rehabilitation/Reconstruction Program is allocated \$321,645 in 2014 HOME funds. Additional funding from previous years (\$284,442) is available for more units if it is needed. Based on previous housing stock information, 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 training offered through seminars conducted by a realtor or lender, or by an entity such as the Fair Housing Community Group of the Abilene Realtor Association, an online homebuyer seminar/training. The popular United Way Individual Development Account (IDA) Program at the Center for Economic Opportunity is currently on hold. In this program, home buyers are educated on a variety of topics that address overcoming the obstacles to affordable housing such as: 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.

AHA's Family Self-Sufficiency (FSS) Program has continued to experience success. In 2013, the AHA honored six graduates from its FSS program. The graduation was held at Abilene Christian University's Welcome Center. The community was invited to join us in the celebration. Representatives from Congressman Neugebauer (provided congratulatory letter), Texas State Senator Fraser (provided congratulatory letter) and Abilene City Council were in attendance.

The AHA FSS Program continues to remove self-sufficiency 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 and other items.

- **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. The City continues to present Fair Housing and Equal Opportunity information at all community resource fairs and presentations. Fair Housing and Equal Opportunity information is available on the City website at [www.abilenetx.com/ONS/index.htm](http://www.abilenetx.com/ONS/index.htm).*

**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 works with neighborhood associations, and the Neighborhood Initiatives Division works with individuals, neighborhoods and area service providers to offer assistance and support for neighborhood priorities. A 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. 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 Center for Economic Opportunity offers the Individual Development Account (IDA), an asset building program that 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 or vocational education degree, or starting/expanding a small business. The City of Abilene promotes and strongly encourages applicants to become involved in



the IDA Program. United Way of Abilene has determined that they will complete this grant year, but will not seek additional years of funding for this program. They are encouraging other local non-profits to apply.

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 ONS continues to offer the incentive program for general contractors who become certified in lead paint abatement. Contractor interest has declined due to increased costs to maintain training and license/certification. Small construction companies cannot justify the expense with the personnel turnover rate. The City currently has no local lead certified contractors, but is trying to locate a local certified testing contractor.

## **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 2014.

### **Fostering Public Housing and Resident Initiatives**

The Abilene Housing Authority (AHA) submitted its annual Public Housing Management Assessment certifications to HUD in November 2013. This program rates the overall public housing management performance for the year ending September 30, 2013, 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 2013 contracts were initiated for non-routine public housing improvements estimated at \$165,000. These improvements and others included the following:

- Refrigerators, ranges, AC guards, water heaters, sidewalk repair;
- Installed whole unit Ground Fault Circuit Interrupters (GFCI's) at all four Public Housing sites to increase electrical safety of the units; and,
- Completed state-mandated smoke detector installs;
- Repaired water leaks;
- Installed concrete ramp at one site.

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.

### **Management**

AHA has 20 employees. This is several employees less than a year ago. AHA is filling positions only as necessary when employees are lost

through attrition. Continued Federal budget cuts require AHA to do more with less.

### **Community Impact**

AHA constantly seeks ways to positively impact the community in which it serves. Through its Housing Choice Voucher (HCV) program AHA works with 260+ landlords and our subsidies enable them to generate income and pay property tax. The AHA Public Housing program works with vendors and contractors, many of which are locally owned. Our federal funds contribute to the local business economy through the business we conduct.

### **Assisting More Families**

AHA has continued to increase the number of HUD-VASH vouchers serviced. This program provides housing to low-income homeless veterans. The AHA housed the HUD-VASH program to 93% in 2013, attaining the highest level since inception.

### **Home Ownership**

AHA continues to evaluate the need to provide a HCV Homeownership Program to the community. Federal Budget cuts are making this venture difficult.

### **Public Housing Performance**

The AHA continues to manage 213 public housing units at four separate sites. AHA also administers the HCV program (1,536 vouchers) for 20 counties in West Central Texas. In 2013, AHA was once again recognized as a "High Performer" agency. This is the third consecutive year that AHA, overall, was recognized as a "High Performer" agency by HUD. The Housing Choice Voucher (HCV) Program was recognized as a "High Performer" program for the sixth consecutive year and the Public Housing (LRPH) Program was recognized as a "High Performer" program for the third consecutive year.

### **Specific Housing Objectives**

The following are programs that will address specific housing objectives for Program Year 2014 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 City uses the HOME affordable homeownership limits for the area as provided by HUD. 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. The City anticipates assisting 40%-50% minority clients with this 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.

The federal assistance, provided in the form of a forgivable 5-year (60-month) loan, will be secured by a Promissory Note and Deed of Trust recorded in the land records of Taylor County and will be forgiven when the following conditions are met. Under "Recapture" if the home is sold prior to the end of affordability period, the homeowner may sell to any willing buyer at any price; a portion of the net proceeds from the sale, if any, will be returned to the City to be used for other eligible HOME activities. The portion of net proceeds returned to the City is only the direct homebuyer subsidy and equal to the amount of HOME funds invested in the property, less the amount forgiven to that point. The amount forgiven will be based on 1/60<sup>th</sup> per month for each full month that the property has been occupied as the principal residence. Any funds remaining after the distribution of net proceeds to all lien holders, including the City will be returned to the homeowner. In the event of a sale, short sale and/or foreclosure, the amount subject to recapture will be limited to the amount of direct homebuyer subsidy and 'net sales proceeds' available at the time of such occurrence. Additional information regarding recapture provisions are detailed in the City's written affordable housing policies and procedures. In cases of non-compliance (rental, that is not used as the primary residence), 100% of the HOME funds will be recaptured.

If there are insufficient funds remaining from the sale of the property and the City recaptures less than or none of the recapture amount due, the City will maintain data that provides the amount of the sale and the distribution of the funds. This will document that:

- i. There were no net proceeds or;
- ii. The amount of the net proceeds was insufficient to cover the full amount due; and
- iii. No proceeds were distributed to the homebuyer

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.

**Critical/Limited Repair – \$150,000 CDBG**

The Critical/Limited Repair Program is designed to assist very low-income (0-50% 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. Program guidelines provide that handicap accessibility issues are prioritized.

The Critical Repair program will address cases where a situation or condition occurred without warning (within two weeks); is detrimental to life, health or safety; is not due to neglect, and can be addressed in 24-72 hours. Examples of program assistance include, but are not limited to, repair of gas leaks, sewer leaks, leaking roofs, unsafe electrical wiring and other hazardous problems. In conjunction with CDBG dollars, homeowners will contribute volunteer labor towards the completion of the rehab project.

The Limited Repair Program will address cases where a situation or condition occurred which is detrimental to life, health or safety; and may be is due to neglect. Lead based paint Safe Work Practices will be implemented to address the repairs. Examples of program assistance include, but are not limited to, replacement of fascia or soffit materials when addressing a roof repair or replacement; replacing whole window components; electric re-wire or service upgrade, replacement of forced air flow heaters, replacement of dangling or dilapidated materials which impose an imminent threat to life, health or safety. 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:** It is estimated that 25 households in the 0-50% income category will receive sustained affordable housing by critical/limited repairs for the purpose of providing decent affordable housing.

**Adult Protective Services Partners Inc. (APSP)– \$15,000 CDBG**

This program serves the elderly and persons with disabilities age 18 and older that are at risk of abuse, neglect or exploitation who have open cases with Adult Protective Services of the TX Department of Family and Protective Services. The project activities may be supplemented by APSP resources and/or contributions from clients served. This project is geared towards urgent needs and providing repairs to improve health and



safety/security standards of the low and extremely low income homeowner.

**Outcome Measurement:** It is estimated that 10 unduplicated households will receive urgently needed assistance, which will address risk of their security/safety and accessibility thus allowing them to remain in their own home.

### **Single-Family Rehabilitation/Reconstruction – \$608,587 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. The City uses the HOME affordable homeownership limits for the area as provided by HUD.

The Rehab Program may have an option for reconstruction if a structure fails the feasibility of rehabilitation. 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 of 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. The reconstruction portion of this program is currently suspended to allow assistance to the greatest number of families with the available funding.

**Outcome Measurement:** Ten households will have sustained affordable housing by rehabilitation for the purpose of providing safe, decent, dependable, affordable housing during the next 24 month period.

The federal assistance, provided is in the form of a 10-year (120-month) loan or a 20-year (240-month) loan. The loan is partially forgivable and partially repayable and will be secured by a Promissory Note and Deed of Trust recorded in the land records of Taylor County. It will be forgiven when the following conditions are met. Owner-occupied housing rehab is not subject to resale/recapture requirements. The City of Abilene Single



Family Program guidelines state that if the home is sold prior to the end of affordability period or the homeowner fails to meet the period of affordability, the unfulfilled portion of the forgivable loan and the amortized loan will be repaid to the City to be used for other eligible HOME activities. The portion of net proceeds returned to the City is equal to the amount of HOME funds invested in the property, less the amount forgiven and repaid. The amount of the lien will not exceed 50% of the post-rehab value and will be forgiven based on 1/120<sup>th</sup> per month (for the 10-year loan) and 1/240<sup>th</sup> (for the 20-year loan) for each full month that the property has been occupied as the principal residence. Any funds remaining after the distribution of net proceeds to all lien holders, including the City will be returned to the homeowner. In the event of a sale, short sale and/or foreclosure, the amount recaptured will be limited to the amount of 'net sales proceeds' available at the time of such occurrence. Additional information regarding recapture provisions are detailed in the City's written affordable housing policies and procedures. If the homeowner dies prior to the period of affordability being satisfied and the loans have not been repaid, the City will execute a Release of Lien for the legal heir.

If there are insufficient funds remaining from the sale of the property and the City recaptures less than or none of the recapture amount due, the City will maintain data that provides the amount of the sale and the distribution of the funds. This will document that:

- i. There were no net proceeds or;
- ii. The amount of the net proceeds was insufficient to cover the full amount due; and
- iii. No proceeds were distributed to the homeowner

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.

### **Community Housing Development Organization (CHDO) – \$55,480 HOME**

The City has set aside 15% of its HOME Program Year 2014 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 is the only non-profit housing development organization to have applied for and received CHDO designation from the City. Using

HOME funds previously allocated, Habitat is currently constructing new single-family housing in the community. The City uses the HOME affordable homeownership limits for the area as provided by HUD. There is no direct subsidy to the homebuyer. All funding is used to reimburse construction costs to allow Habitat to sell the unit at an affordable price.

The HOME assistance, provided in the form of a forgivable loan of 10 years (120 months), will be secured by a Promissory Note and Deed of Trust recorded in the land records of Taylor County and will be forgiven when the following conditions are met. Under a resale provision, if the HOME-assisted property is transferred through a voluntary or involuntary sale (foreclosure) before the end of the affordability period, the home must be sold at an affordable price to another low-income homebuyer who will use the property as its principal residence. The initial homeowner must get a fair return on his/her investment according to 24 CFR 92.254(a)(5)(i). Note, if the property owner fails to reside in the HOME-assisted unit as its principal residence due to noncompliance, then the HOME funds must be repaid.

The owner/developer must specify that if the property is transferred through sale or foreclosure before the end of the period of affordability, then: the property must be sold to another low-income buyer; the property must be sold at an affordable price to a low-income homebuyer in the 50%-80% AMI and provide the original HOME-assisted property owner a fair return on investment (including the homeowner's investment and any capital improvement). Habitat for Humanity underwrites all loans at 0% interest to their homebuyers. Homeowners not fulfilling the period of affordability have the opportunity to sell their unit back to Habitat through Habitat's right of first refusal. As a fair return on investment, Habitat makes whole the homeowner's investment by paying the homeowner the amount paid on principal plus any capital improvements made by the homeowner. The property will then be available for sale only as affordable housing to another LMI qualifying homebuyer. The period of affordability will be fulfilled as the new buyer's principal residence for the remainder of the affordability period.

An affordable price cannot exceed 40% (PITI) of buyer's annual income. The owner/developer must pass on this requirement to the buyer. The subsequent buyer must maintain the home as its principal residence. Habitat must explain these requirements to the homebuyer, and establish these terms in the written agreement between the owner/developer and the homebuyer. Noncompliance (other than sale) will require 100% repayment of HOME investment.

**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, in-kind donations from local vendors, volunteer labor, sweat equity and real property. Local foundations 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. Habitat has successfully begun a corporate sponsorship program to partner on homebuilding.

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 – \$127,260 CDBG**

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

## **Needs of Public Housing**

For the third consecutive year, Congress drastically cut the budgets of Public Housing Authorities (PHA's) across the country. These indiscriminate cuts have and are causing funding shortfalls which challenge a PHA's ability to meet the needs of its tenants. AHA and other PHA's across the country have communicated with Congress and HUD for the need for more regulator relief to enable PHA's to continue to service the housing needs of low-income families.

While AHA remains financially sound, continued shortages in funding will cause the future to be challenging.

## **Barriers to Affordable Housing**

In 2013, several barriers continued to negatively affect affordable housing: long waiting lists, in ability of residents to come up with rent deposits and utility deposits, due to local groups not having adequate funding because of the sluggish economy and lack of philanthropy due to the economy. In 2013, in response to decreased funding, low-income families paid more of their rent while PHAs paid less on their behalf. AHA was unable to lease-up its HCV program because of the extreme Congressional cuts in funding.

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 Association of Realtors reported that the average sales price during 2012 for a 4-bedroom home was \$211,565. There are currently 7 homes on the market under \$70,000 with 4 bedrooms. As of June 5, 2013, average listing price for a 4-bedroom home was \$234,516. Currently there are 22 homes on the market with 4 bedrooms under \$150,000.

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 – According to the Bureau of Labor Statistics, the Abilene April 2014 workforce unemployment rate is 4.3%, down from 5% in March 2013. With unemployment rates down, the number of living-wage jobs declines.
- 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 \$35,000 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. Homebuyers are educated on a variety of topics that address overcoming the obstacles to affordable housing such as: homebuyer 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 support certified Community Housing Development Organizations and Community Based Development Organizations. Currently, only Habitat for Humanity is certified as a CHDO. New CHDOs are not being pursued due to funding cuts. 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 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 towards the purchase of a home. The HCV program has increased its Family Self-Sufficiency program from five families several years ago to 50 families during 2012 families to promote financial self-sufficiency amongst more HCV participants. AHA applied for and received the HCV Family Self-Sufficiency Grant in 2013.

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 2010. 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. The City continues to support housing tax credit projects and provides assistance to developers. Tylor Grand, a new 80-unit tax credit development was completed during PY 2012. La Ventana Apartments, another 80-unit tax credit development was completed during PY 2013. The AHA, in partnership with Diana McIver Associates (DMA), has applied for housing tax credits to completely replace one of the public housing complexes and complete a new 80-unit complex as a replacement for deteriorated apartments on adjacent property. DMA Developer has also applied for tax credits on a 48-unit infill project for the elderly. Both the AHA and DMA projects will be located in a recognized redevelopment zone.

The City of Abilene utilizes HOME funds for single-family new construction, acquisition and rehab projects for resale through one CHDO,



Habitat for Humanity. The contracts between Habitat for Humanity and the homebuyer give Habitat right of first refusal. The City of Abilene holds a second 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 of single-family homes, and the City's First-Time Homebuyer program. Based on previous years, the City expects that at least 50% of the PY 2014 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 in the HUD form 2516 Report.

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 – Our House  
Baptist Children and Families Services (BCFS)  
Abilene Transition Center  
Adult Protective Services Partners (APSP)  
Habitat for Humanity

**Foundations**

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

**Other State/Federal Funds**

Low Income Housing Tax Credits – awards in PY 2012 and 2013 with applications for two projects in PY 2014

HUD Continuum of Care, Abilene Hope Haven Too 2013 Grant #TX0146L6T071203, Exp Date: 3/31/15; Amount \$189,111 and Abilene Hope Haven Childcare 2013 Grant #TX0241L6T071203, Exp Date: 2/28/15; Amount \$69,309

Homeless Prevention and Rapid Re-housing Assistance– Salvation Army does not currently receive State or Federal funds, but receives United Way funding for emergency rental assistance, utility assistance, shelter and distributes fans to the elderly.

Rolling Plains Management Corp. receives State and Federal funds through the Texas Department of Housing and Community Affairs as a Community Service Block Grant used for weatherization. They also receive Comprehensive Energy Assistance Program funds for utility assistance and emergency household appliances.

**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 permanent supportive housing in the area and the lengthy waiting list;
- 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 are able to receive continuous support from churches, agencies and individuals in the form of basic needs and other daily necessities. Panhandling on street corners can provide 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

In recent years, funding was not available in feasible amounts for Access to Jobs, Medical Dental Services and Senior Nutrition (public services) to apply for funding assistance. The only service requesting funds for PY 2014 was Access to Jobs for the after-hours expanded public transit program, which will be discussed under the Economic Development category.

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 the United Way Needs Assessment Network. ONS staff provides speakers at various group meetings, school programs and community outreach functions such as the school district's Head Start Program registration day.

### **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 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. The City of Abilene will continue to support this goal and the objectives through development, maintenance, promotion and education.

### **Capital Improvements LMI/ANI Target Neighborhoods - \$150,000**

In 2005 the City found it necessary to remove the planned sidewalk rehabilitation program from the CDBG funding budget. The City has looked to the Capital Improvements Program and other sources to fund

the sidewalk rehabilitation program such as stimulus funds and the Safe Routes to School program through the Federal Highway Administration. Those funds were used in an LMI area for sidewalks, curb ramps and ADA improvements. Other funding opportunities will be pursued to be used with the \$150,000 in CDBG funding for sidewalk and ramps on the east side of Plaza Street from Capitol Ave to North 10<sup>th</sup> and on the south side of N. 10<sup>th</sup> to N. Clack (Hwy 84 Winters Freeway). The Holiday Hills Neighborhood service area is located in CT131/BG 7 which is comprised of 505 residents with 87.13% LMI as recorded in the ACS 2006-2010 census data effective July 1, 2014. The area is also identified as an ANI neighborhood. Currently this neighborhood is isolated from close-range amenities by a State highway. This route will connect to current sidewalks, which will provide a safe route under State Hwy 277/83/84 (Winters Freeway) to the Boys & Girls Club, the Lee Sports Complex and Jane Long Elementary.

**Outcome Measurement:** The area served by these sidewalks includes a 425-student elementary school, multiple sports fields, a park, the Boys & Girls Club and a neighborhood convenience store. The 2010 Census shows that the service area contains 440 LMI population out of 505 universal population.

### **Economic Development Needs**

Goal: Enhance the economic well being of all citizens

Objectives:

- Support maintenance, enhancement, and expansion of transportation services
- Support maintenance, enhancement, and expansion of quality childcare

### **Access to Jobs – \$52,500 CDBG**

Due to reductions in Federal funding for the CDBG Program and sizeable Section 108 debt service payments the past several years, the City was unable to fund any public services, including Access to Jobs. In PY14, we are able to use CDBG funds to match other federal funds to expand the City transit service, CityLink. The purpose of this program is to enable low-income persons and persons on public assistance better access to employment or school after regular business hours. Previously, CityLink operated until 6:00 p.m. With the lack of transportation cited as one of the main obstacles to persons seeking entry-level jobs that entail evening work hours, the program expands curbside transit service to this population until as late as 12:00 a.m. Clients will be screened for the program through

an intake process documenting household income, race/ethnicity, and purpose of transportation utilization.

**Outcome Measurement:** More than 300 new clients will have access to an estimated 16,000 occasions of expanded transportation for the purpose of creating economic opportunity.

### **Day Nursery of Abilene -- \$61,605 CDBG**

Three campuses of Day Nursery of Abilene at Vine St., Cedar Street and Sherry Lane, provides childcare for 524 children. The majority of children served by Day Nursery are from low-income families and single-parent homes with 10% of the children in the custody of Child Protective Services. The funds will allow Day Nursery to upgrade the security lighting at all three facilities and replace the outdoor playground surface, equipment and shade/shelter at the Sherry Street location.

**Outcome Measurement:** More than 375 LMI families and single mothers will have access to a safer environment with licensed, affordable, quality childcare. Affordable and safe childcare allows parents to work without concern for their child's well being.

Objective:

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

### **Section 108 Debt Repayment – \$113,740 CDBG**

PY 2014 CDBG funds 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. Section 108 debt is expected to be paid in full by August 2016.

### **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 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.). In 2012, the AHA increased their number of FSS positions from 5 to 50 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/or new capital investment in the community. An existing company may qualify for assistance in one or more of the following categories:

- Job creation incentives
  - For jobs paying from \$15,000 up to \$60,000 per year, incentives can range from \$1,000 to \$15,000 per full-time job dependent on salary and non-mandatory employee benefits
  - For jobs paying over \$60,000 per year, incentives can total 35% of first year annual salary and up
- Grants/forgivable loans & loan participations for capital investment (in lieu of tax abatement)
  - 15% or more of land & building costs and 10% or more of capital equipment costs OR 7% for capital investment for projects outside the Abilene city limits but within the ETJ
- Grants for code compliance
  - 25% or more of architectural & engineering services and costs 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.

A new company may qualify for assistance in one or more of the following categories:

- Job creation incentives
  - For jobs paying from \$30,000 up to \$60,000 per year, incentives can range from \$10,000 to \$15,000 per full-time job dependent on salary and non-mandatory employee benefits
  - For jobs paying over \$60,000 per year, incentives can total 35% of 1<sup>st</sup> year annual salary and up
- Grants/forgivable loans & loan participations for capital investment (in lieu of tax abatement)
  - 10% or more of capital investment costs OR 7% for capital investment for projects outside the Abilene city limits but within the ETJ
- Grants for code compliance
  - 25% or more of architectural & engineering services and costs 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 projects proposed by the City and eligible organizations for compliance with national objectives, the Consolidated Plan, local eligibility requirements 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).
- Goals and objectives as set forth in the Consolidated Plan are reviewed annually as part of the budget preparation process. Awarded funding must meet a National Objective, the goals and objectives of the Consolidated Plan and follow City Council funding guidelines. Five-year plan estimates are adjusted annually to reflect community needs as funding permits.

### **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).
- Goals and objectives as set forth in the Consolidated Plan are reviewed annually as part of the budget preparation process. Awarded funding must meet a National Objective, the goals and objectives of the Consolidated Plan and follow City Council funding guidelines. Five-year plan estimates are adjusted annually to reflect community needs as funding permits.