

## Expected Resources

## AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

### Introduction

Resources are available locally to resolve housing, homelessness and poverty from a variety of sources. Local funds include document recording fees collected to distribute for programs to end homelessness; a 0.01% sales tax for behavioral health with one-third of that earmarked for “underserved populations” needing mental health, addiction or housing. State resources include document recording fees returned as Consolidated Homeless Grant dollars, funneling of federal Emergency Solutions Grants, HOPWA dollars, and McKinney-Vento CoC funds. It also includes state dollars combined with federal pass-through for aging, mental health, Medicaid, vocational rehabilitation, developmental disabilities, and other special needs. Federal dollars include HUD Section 8 Housing Choice and Project-Based Vouchers, public housing facilities, community health center funds, community mental health funds, and Medicaid dollars for primary care and behavioral health care. Veterans Administration dollars are also channeled to local providers to create a continuum of care for homeless veterans. Private dollars, foundation funds, and other resources are often combined to create a single program or project. This is becoming commonplace due to the limited funds available to smaller metropolitan areas. State CDBG and HOME dollars are often used in the area surrounding the Consortium to address housing and community development needs.

### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	310,150	0	47,128	357,278	1,253,644	Longview only

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	266,963	0	77,292	344,255	1,067,844	Kelso Longview Consortia total HOME
Other	public - local	Other	39,308	0	0	39,308	157,231	Longview - Local fees distributed for shelters and rent assistance

**Table 1 - Expected Resources – Priority Table**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

Federal HOME and CDBG funds are used in combination with a number of other programs to achieve results. Some of those commonly used alongside Longview-Kelso HOME Consortium dollars include: document recording fees, consolidated homeless grant, emergency solutions grant, WA State Housing Trust Fund, Low Income Housing Tax Credit, Federal Home Loan Bank grants and loans, Habitat for Humanity program funds, Longview and Kelso Housing Authority funds, local homeless veterans programs funded by the VA, Healthcare for Homeless Veterans, Supportive Services for Veterans’ Families, Salvation Army funds, state domestic violence funds, and a substantial amount of private donations that help support homeless and housing programs. Most projects require multiple funding sources in order to secure adequate funding. Many sources have seen significant reductions in available funds over the past five years.

HOME projects that are funded by the Consortia require a 25% match by the funding recipient to be met with cash or in-kind contribution via volunteer hours, resources and supplies.

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

N/A

**Discussion**

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Reduce the numbers and shorten homelessness	2014	2018	Affordable Housing	Downtown Longview	Provide needed public improvements	CDBG: \$130,000 Kelso Document Recording Fees: \$9,000 Longview Document Recording Fee: \$21,000	Other: 1 Other
2	Promote thriving commercial districts & options	2014	2018	Affordable Housing Non-Housing Community Development	Downtown Longview	Expand economic opportunities for self-sufficiency	CDBG: \$73,238	Businesses assisted: 30 Businesses Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Stabilize and revitalize neighborhoods	2014	2018	Affordable Housing	Highlands Neighborhood Downtown Longview South Kelso North Kelso West Kelso		CDBG: \$121,632 HOME: \$249,421	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 10 Households Assisted Rental units rehabilitated: 13 Household Housing Unit Homeowner Housing Added: 2 Household Housing Unit Other: 1 Other

Table 2 – Goals Summary

### Goal Descriptions

1	<b>Goal Name</b>	Reduce the numbers and shorten homelessness
	<b>Goal Description</b>	Install building-wide sprinkler system in homeless facility. \$130,000 CHOB Shelter - General Operational Support \$21,290 ESS Shelter - General Operational Support \$9,000
2	<b>Goal Name</b>	Promote thriving commercial districts & options
	<b>Goal Description</b>	Provide micro-enterprise assistance through classroom and coaching in four to six week classes. Provide revolving loans to creditable micro-enterprise programs. \$43,165 Provide 150 hours of contracted attorney time to help veterans, domestic violence victims and 3rd party custodial cases. \$10,000 Provide a plan for the Longview Outdoor Gallery for the downtown area. \$4,000 Lower Columbia CAP – CHDO Operational Support \$13,238

<b>3</b>	<b>Goal Name</b>	Stabilize and revitalize neighborhoods
	<b>Goal Description</b>	Install HVAC units in Longview Senior Center \$75,110 CDBG Distribute food and commodities to persons in need. \$36,522 CDBG Self Help Plus Legal Aid \$10,000 CDBG Develop one group home for developmentally disabled adults. \$91,719 HOME ( Foundation for the Challenged Kelso and Longview) Construction of one unit for homeownership. \$157,702 HOME (city-wide)

## AP-35 Projects - 91.420, 91.220(d)

### Introduction

The CDBG Projects were approved by the City Council on March 27, 2014. The Kelso HOME Project was approved on April 15, 2014 and the Longview HOME Projects were approved on April 24, 2014.

#	Project Name
1	Community Opportunity Sprinkler System
2	Microenterprise/Small Business Development Program
3	Longview Senior Center HVAC Improvements
4	Help Warehouse
5	Self Help Plus Pilot Legal Aid for Vulnerable Populations
6	Longview Outdoor Gallery
7	Foundation for the Challenged Home-Kelso
8	Affordable Homeownership 4564 Windemere St.

Table 3 – Project Information

### Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Downtown was the allocation priority for the 2014, given that the Consolidated Plan for 2014-2018 was under development during the solicitation for proposals. Many of the programs selected for 2014 serve low-to-moderate residents citywide and thus have a broad impact. Highlands was selected for a blight removal/housing development activity because it is the one target area that has been designated to receive comprehensive services. Kelso selected Foundation for the Challenged which will provide a group home in a location yet to be determined; however, all of Kelso's neighborhoods are low-to-moderate income and contain smaller designated target areas.

### Obstacles to Addressing Underserved Needs:

- The proportion of persons living in poverty is increasing across the nation. Poverty has become more geographically concentrated in Longview-Kelso due to sustained unemployment.
- Cowlitz County residents report one in every four persons reports a disability to the census. While this is typical of resource-based economies, there is a significant population of disabled persons subsisting on SSI and GAU income supplements.
- High school graduation rates in the City of Longview are below County and State rates, and hamper long-term earnings and progression to higher education for a more skilled workforce.
- The City has a lower percentage than the state for persons 25 years and older that have a college degree or higher, and/or that have some college or an associate's degree. Additional training is needed to provide better skilled workers for area businesses and industry.
- Better coordination and increased resources are needed between economic development

initiatives offering wage progression for low income households and “safety net” programs that offer social service/housing/homeless programs.

- Expansion of the public transit system is needed to increase access to jobs, support services, and public services.
- Rising utility costs stretch the ability of low-income households to heat their homes, get to work, and pay for basic necessities of life.
- Growth in housing costs has far surpassed growth in household incomes over the past two decades.
- Financing challenges to develop affordable housing are increasing, especially given the recent tightening of credit markets following the collapse of the housing and finance markets.
- Rising rents in the rental housing market are placing pressure on tenants.
- Declining federal, state and local assistance make it more difficult to meet underserved needs.
- Long waiting lists for Section 8 Housing Choice Vouchers and other housing assistance exacerbates housing cost burdens for hundreds of households.
- Communication, coordination and collaboration among social service providers is challenging due to scarcity of program dollars, resulting in competing interests.

## AP-38 Project Summary

### Project Summary Information

1	<b>Project Name</b>	Community Opportunity Sprinkler System
	<b>Target Area</b>	Downtown Longview
	<b>Goals Supported</b>	Reduce the numbers and shorten homelessness
	<b>Needs Addressed</b>	Expand economic opportunities for self-sufficiency
	<b>Funding</b>	:
	<b>Description</b>	Install sprinkler system and fire monitoring at 748 14th Avenue for homeless clients. Community House on Broadway is the sponsor of this project.
	<b>Target Date</b>	10/31/2014
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	498 Homeless families
	<b>Location Description</b>	748 14th Avenue, Longview
	<b>Planned Activities</b>	
2	<b>Project Name</b>	Microenterprise/Small Business Development Program
	<b>Target Area</b>	Downtown Longview
	<b>Goals Supported</b>	Promote thriving commercial districts & options
	<b>Needs Addressed</b>	Expand economic opportunities for self-sufficiency
	<b>Funding</b>	:
	<b>Description</b>	Provide micro-enterprise assistance through classroom and coaching in four to six week classes. Provide revolving loans to creditable micro-enterprises in Longview.
	<b>Target Date</b>	12/31/2015
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	30 Business Owners, 20 Moderate Income, 5 at 50% and 5 at 30% Median Income
	<b>Location Description</b>	Downtown Longview

	<b>Planned Activities</b>	
<b>3</b>	<b>Project Name</b>	Longview Senior Center HVAC Improvements
	<b>Target Area</b>	Downtown Longview
	<b>Goals Supported</b>	Stabilize and revitalize neighborhoods
	<b>Needs Addressed</b>	Expand economic opportunities for self-sufficiency
	<b>Funding</b>	:
	<b>Description</b>	Install new HVAC units in Senior Center to heat and cool rooms efficiently. The City of Longview Parks and Recreation Department is sponsor of this project.
	<b>Target Date</b>	10/31/2015
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	750 Low income Seniors
	<b>Location Description</b>	1111 Commerce Ave.
	<b>Planned Activities</b>	
<b>4</b>	<b>Project Name</b>	Help Warehouse
	<b>Target Area</b>	Downtown Longview
	<b>Goals Supported</b>	Stabilize and revitalize neighborhoods
	<b>Needs Addressed</b>	Expand economic opportunities for self-sufficiency
	<b>Funding</b>	:
	<b>Description</b>	Distribute food and USDA commodities to persons in need and deliver food to Senior/Low income apartments. Lower Columbia Community Action Program is sponsoring this project.
	<b>Target Date</b>	7/31/2015
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	801 Families at 30%, 267 at 50%, and 45 families at 80% are expected to be served.
	<b>Location Description</b>	1526 Commerce Avenue
	<b>Planned Activities</b>	Food distribution to food pantries and individuals
<b>5</b>	<b>Project Name</b>	Self Help Plus Pilot Legal Aid for Vulnerable Populations
	<b>Target Area</b>	Downtown Longview

	<b>Goals Supported</b>	Promote thriving commercial districts & options
	<b>Needs Addressed</b>	Expand economic opportunities for self-sufficiency
	<b>Funding</b>	:
	<b>Description</b>	Provide 150 hours of contracted attorney time to help veterans, domestic violence victims, and third-party custodial cases. Sponsored by the Cowlitz-Wahkiakum Legal Aid Program.
	<b>Target Date</b>	7/31/2015
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	15-20 persons below 80% median income will be served.
	<b>Location Description</b>	1338 Commerce Avenue, Suite C, Longview WA.
	<b>Planned Activities</b>	Legal consultation
<b>6</b>	<b>Project Name</b>	Longview Outdoor Gallery
	<b>Target Area</b>	Downtown Longview
	<b>Goals Supported</b>	Promote thriving commercial districts & options
	<b>Needs Addressed</b>	Expand economic opportunities for self-sufficiency
	<b>Funding</b>	:
	<b>Description</b>	Provide a plan for the Longview Outdoor Gallery which describes the administration and funding phases for the downtown area.
	<b>Target Date</b>	7/31/2015
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Planning only.
	<b>Location Description</b>	Downtown
	<b>Planned Activities</b>	Develop an operational plan for the Outdoor Gallery.
<b>7</b>	<b>Project Name</b>	Foundation for the Challenged Home-Kelso
	<b>Target Area</b>	
	<b>Goals Supported</b>	Stabilize and revitalize neighborhoods
	<b>Needs Addressed</b>	Expand economic opportunities for self-sufficiency
	<b>Funding</b>	:

	<b>Description</b>	Develop one group home for 4 developmentally disabled residents.
	<b>Target Date</b>	9/1/2015
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	4 Individuals
	<b>Location Description</b>	Unknown
	<b>Planned Activities</b>	Purchase or develop group home for developmentally disabled persons.
<b>8</b>	<b>Project Name</b>	Affordable Homeownership 4564 Windemere St.
	<b>Target Area</b>	
	<b>Goals Supported</b>	Stabilize and revitalize neighborhoods
	<b>Needs Addressed</b>	Improve the quality of the housing stock
	<b>Funding</b>	:
	<b>Description</b>	Construct a new 3-bedroom, 2 bath house with attached garage on a single-family lot.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1
	<b>Location Description</b>	4564 Windemere Avenue, Longview
	<b>Planned Activities</b>	Home construction

## AP-50 Geographic Distribution - 91.420, 91.220(f)

### Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

**Downtown** Longview is the central business district. As such, most of its housing units are rentals above commercial enterprises. The population is relatively young and extremely low income, with poverty rates in excess of 90% and unemployment exceeding 28%. Educational attainment is the lowest of all Longview census tracts. Housing vacancy rates are extremely low, with average rents around \$735.

This business district was targeted by City Council in 2009 and remains a target area. This area is located in Census Tract 1 (labeled as Census Tract "21" on HUD map), where the percentage of low/moderate residents is 70.76%. Commercial buildings dominate the area, and are generally in need of modernization. Under-utilized space represents untapped potential for economic growth as well as housing. Housing downtown is generally occupied by young, low income persons with low educational attainment.

**North Kelso** consists of approximately 1500 dwelling units and a population of 3,900 persons. It is a young, racially diverse population with relatively good educational attainment, though unemployment is at 19%. The neighborhood is about evenly split between owners and renters, with a 5.2% foreclosure rate and a 9% vacancy rate. This area has the highest concentration of homeowners. Rehabilitation of owner occupied units could assist in stabilizing the neighborhood.

**South Kelso** contains about 2,465 dwellings and around 5,700 residents. It is a young, racially diverse neighborhood with a significant Hispanic population. Poverty is high at 23% and unemployment is around 17%, despite comparable educational levels of its residents to the county as a whole. Rental vacancy rates are low at 3.8%, and moderately priced at \$615 for average rent. The area has a slightly higher proportion of renters than owners, but a large proportion of the housing stock is of poor quality. Rates of foreclosure are relatively high at 6.4%; vacant units represent 8.1% of units. This neighborhood is adjacent to the downtown commercial district, with a regional mall to the east and a large area of industrial employment to the south.

**West Kelso** is racially homogenous and slightly older than the North and South Kelso target areas. It contains approximately 660 dwellings and 1,040 persons. Almost 75% of units are rentals; the area has a 9% vacancy rate. Rents are low, averaging \$499. Poverty is high, at 46%, and unemployment reaches 15.9%. Educational attainment is relatively low. This area experienced the highest rate of home foreclosures within Kelso, at 7.9%. The neighborhood has homes with notable architectural features, and surrounds the West Kelso commercial district, which is currently experiencing the impacts of a large roadway improvement project.

### Geographic Distribution

Target Area	Percentage of Funds
-------------	---------------------

Annual Action Plan  
2014

15

<b>Target Area</b>	<b>Percentage of Funds</b>
Highlands Neighborhood	
Downtown Longview	
Broadway Neighborhood, Longview	
Olympic West, Longview	
South Kelso	
North Kelso	
West Kelso	

**Table 4 - Geographic Distribution**

**Rationale for the priorities for allocating investments geographically**

Downtown Longview has the highest poverty rate of all the targeted areas within the Consortium. Funded activities help revitalize the area and serve low-and-moderate income citizens citywide.

The Highlands has been targeted for comprehensive housing and services since 2009, following development of the Highlands Revitalization Plan. It has one of the highest poverty rates among residential target areas.

The Kelso activity will be located in North, South or West Kelso, but has an undetermined location at this time. The entire city of Kelso qualifies as low-to-moderate income, with West Kelso having the highest poverty level and greatest concentration of low/moderate income households.

**Discussion**

N/A

# Affordable Housing

## AP-55 Affordable Housing - 91.420, 91.220(g)

### Introduction

As the chart below illustrates, the 2014 Annual Plan includes a total of 37 households assisted through all activities, with 34 of these being served with housing assistance of some type. The vast majority of these households are homeless/receiving rental assistance households who are being helped through the local county document recording fee programs aimed at eliminating homelessness.

One Year Goals for the Number of Households to be Supported	
Homeless	32
Non-Homeless	1
Special-Needs	8
Total	41

Table 5 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	32
The Production of New Units	2
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	34

Table 6 - One Year Goals for Affordable Housing by Support Type

### Discussion

Because almost every activity selected for 2014 operates in the Downtown offering services to low-and-moderate income persons, only two activities will create housing—Foundation for the Challenged will receive funding to establish two group homes for eight developmentally disabled persons in Kelso. It is not known if this will entail acquisition and rehabilitation or construction. The other housing activity is Construction of an affordable home in a non-target area.

There are 32 homeless households projected to be served through the county document recording fees and state homeless funds channeled to Cowlitz County through Homeless Prevention and Rapid Rehousing. This program serves, on average, 30 households at a time. The emphasis on rapid rehousing is new in 2014 and projections include a lower number than in previous years, for this reason.

## **AP-60 Public Housing - 91.420, 91.220(h)**

### **Introduction**

The Longview Housing Authority only administers Housing Choice Vouchers, while the Kelso Housing Authority operates 100 units of elderly and family housing in addition to Housing Choice Vouchers. Both authorities operate additional subsidized and unsubsidized housing units for special needs populations, such as substance abuse recovery, domestic violence, and mentally ill persons. These partnerships form a key link in the chain for helping people sustain their housing.

### **Actions planned during the next year to address the needs to public housing**

There are no Consortium actions planned.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

Longview Housing Authority operates a very successful Family Self Sufficiency program that supports families to move towards financial independence and homeownership.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

N/A

### **Discussion**

N/A

## **AP-65 Homeless and Other Special Needs Activities - 91.420, 91.220(i)**

### **Introduction**

The Cowlitz CoC is well on the way towards meeting its goal of reducing homelessness by 50% by 2015, consistent with the State of Washington's goal. Over the past two years a number of new projects have been implemented to create an interconnected "basket of housing and services". An emphasis on rapid rehousing, case management, landlord liaison, and outreach has been the core focus.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The Coordinated Intake and Assessment program will attempt to serve everyone who comes with a housing problem, when it opens in mid-2014. This will vastly improve inter-agency coordination and should be key in reducing length of time spent homeless, due to the assessment of each person's individual needs and identifying the best available match to meet those needs. Outreach through the Urban Rest Stop (Daily Living Essentials Café) and the HOPE barrier-free shelter were new in 2013, but have made serious inroads on building relationships with chronically homeless persons.

#### **Addressing the emergency shelter and transitional housing needs of homeless persons**

Shelter operating support is primarily provided by local private donations and state funds aimed at domestic violence. CDBG dollars are being used in 2014 to sprinker a new building donated to Community House, which is intended as a service center. Operational support is provided through Longview and Kelso document recording fee distributions from Cowlitz County. Significant operational support is also provided directly through county-administered document recording fee funds earmarked for homeless programs.

#### **Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

Implementation and support of Coordinated Entry and Assessment will occur during the first year of the five year plan. This program should assist homeless families, veterans, and chronically homeless persons to secure access to temporary shelter and permanent housing much sooner than occurs under the current system. The Cowlitz CoC is transitioning from a prevention-based system to a rapid rehousing

model, which will also greatly reduce the length of time persons are homeless.

Permanent supportive housing is the best practice and recommended policy approach for people with “high needs” such as chronically homeless persons, veterans and their families and similar populations. Programs such as “certified renter”, landlord liaison, housing retention teams and other supports help to reduce the chance of recidivism. Rapid rehousing is supported as a best practice for ending homelessness for many populations. Where those are high needs households, additional supportive services are proposed to ensure success. A local SOAR initiative is underway to help those who are disabled and very low income to secure SSI benefits so that they can have financial resources for housing.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

Implementation and support of Coordinated Entry and Assessment will occur during the first year of the five year plan. This program should assist families, veterans, and other persons facing homelessness to identify programs and services that can help them to avoid homelessness. A local SOAR initiative is underway to help those who are disabled and very low income to secure SSI benefits prior to exiting a system of care so that they can have financial resources for housing. Mainstream services such as TANF, Assistance with Emergency Needs, Energy Assistance and SNAPs can assist persons from becoming homeless. Information about these resources is available through a local resource guide. All CoC providers refer people facing homelessness to mainstream service providers.

## **Discussion**

A network of housing and service providers has created an inter-connected web of services available to end homelessness. Local and state homeless funds are critical in meeting this need, as the CDBG and HOME entitlements could not sustain all homeless and housing programs. This blending of funds and sharing of priorities is important to continue the progress made.

## **AP-75 Barriers to affordable housing -91.420, 91.220(j)**

### **Introduction**

Most of the barriers to accessing affordable housing can be grouped into one of three categories:

**1. Increased complexity of environmental regulation at all levels** - Federal, State, and local ordinances create new development complexity and often conflict or duplicate requirements between levels of government. This is particularly an issue for affordable housing for issues surrounding infrastructure requirements relating to environmental quality, such as storm water management.

**2. Availability of land for construction**-- Development of affordable housing requires minimizing fixed costs, such as property acquisition. The most affordable sites are not typically located in the most densely population areas, where the need is greatest and other supportive services, infrastructure and transit are available. The most affordable sites in populated areas are often in areas where poverty is already concentrated.

**3. Funding** - One of the consequences of the real estate market meltdown is much tighter lending criteria. Projects must meet a much tougher standard, which is particularly difficult for affordability projects. It is difficult to identify loan programs and other programs with adequate resources for housing development. Since the real estate market crashed, most local and state governments have struggled to maintain basic services. As a result, many state and local programs that were funded as a priority in previous years are seeing reduced levels of funding or no funding at all for particular programs, such as the housing trust fund. This reduction in public revenues is directly attributable to the real estate market debacle.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

A Planning Study for the Highlands is being considered for the next funding cycle. This plan would analyze zoning and comprehensive land use designations to develop a recommendation regarding the best land use pattern for the neighborhood. The findings could unlock a barrier to affordability—land available for construction. Determining whether to increase density or reduce density may have a big impact upon this concern.

Development of an Action Plan to implement the AI analysis would also assist in removing barriers to affordable housing.

### **Discussion**

N/A

## **AP-85 Other Actions - 91.420, 91.220(k)**

### **Introduction**

Throughout the year there are many opportunities to take actions that support the goals of the Consolidated Plan. Some of these are outlined in the sections that follow.

### **Actions planned to address obstacles to meeting underserved needs**

Meeting underserved needs often begins with outreach. Continued support for outreach programs will continue through the current fiscal year. The HOPE barrier-free shelter is one such program, which has faced difficulties over the past year in finding a permanent home due to NIMBY concerns. Continued educational efforts are critical in this regard. A local SOAR initiative is underway that will assist people who are homeless and disabled with securing an income from SSI, which is the second step in meeting underserved needs. There is a group exploring formation of a youth shelter, which is yet another underserved need.

### **Actions planned to foster and maintain affordable housing**

Tenant-based rental assistance provided through local document recording fees for homelessness is routinely deployed to end homelessness. Case management is sometimes offered for high needs households, with the goal as helping the household to be a good tenant and retain their housing.

The Highlands Blighted Redevelopment II project and the Foundation for the Challenged will both foster affordable housing through the creation of a group home for developmentally disabled and a single family unit constructed for a new homeownership opportunity.

### **Actions planned to reduce lead-based paint hazards**

Housing rehabilitation efforts consistently include an assessment of lead-based paint hazards and recommendations on how to abate this contaminant, if found on-site.

### **Actions planned to reduce the number of poverty-level families**

On-going programs that address financial literacy, homeownership, and certified renter classes promote self-sufficiency, which in turn, reduces poverty. Housing retention teams funded through local homeless document fees help high-need households to succeed. A number of community educational events are held each year, each with its own focus on self-sufficiency. Provide local and regional trainings to improve skill sets and innovative approaches to service and housing providers.

### **Actions planned to develop institutional structure**

Continued efforts at interagency coordination will have an impact on development of the institutional structure. A “Housing Pathways Summit” is being planned that would bring key housing and service providers together in a workshop where “tabletop” exercises will help agencies identify opportunities to resolve bottlenecks in the housing and services system. The CHDO will utilize capacity-building funding to expand their ability to serve low income housing needs.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

The implementation of Coordinated Entry and Assessment by its very nature will increase and improve coordination among housing and service providers in “real time” problem-solving situations. Coordination efforts also take place on an on-going basis within the Cowlitz Housing First! Coalition (CoC), as well as the Regional Housing Advisory Committee.

### **Discussion**

Much of the underlying work in the approaches outlined above entail cooperation, coordination, and collaboration among the various housing and service providers throughout the community. Only when the “hold” is placed on a program or budget line item of concern to one party is there an understanding of the importance of collaboration.

## Program Specific Requirements

### AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

#### Introduction

#### Community Development Block Grant Program (CDBG)

##### Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	14,000
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>14,000</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

**HOME Investment Partnership Program (HOME)**  
**Reference 24 CFR 91.220(l)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:
  - Foundation resources, such as Habitat for Humanity
  - WA State Housing Finance Authority – Bonds and Low Income Housing Tax Credits
  - Document recording fees
  - Federal Home Loan Bank – Seattle grant/loan products
  - Participation by third party non-profit housing developers/development funds
  - Sweat equity on the part of the owner of the unit;
  - Direct bank loans to non-profit housing developers
  - Washington State Housing Trust Fund
  - USDA – Loans and rental subsidies
  - Energy/Weatherization – federal and state funds channeled through the local Community Action Program
  - Project-based housing vouchers dedicated by a public housing authority
  
2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

**Resale-** An upfront agreement between the original homebuyer and the City must be signed prior to purchase. The new homebuyer must be low or moderate income, meeting the HOME Program definition, and occupy the property as the family's principal residence during the entire period of affordability. A Deed Restriction running with the land, Deed of Trust, and Promissory Note must be executed and recorded by the Sub-recipient on behalf of the Consortium. A capital improvement list shall be included with the up-front agreement. Prior to any capital improvements being made during the Period of Affordability, the owner shall submit plans and specifications for approval as a capital cost. Capital improvements made without approval will not be credited within the Fair Return calculation.

The original homebuyer must receive a "fair return" on their Investment. "Fair Return" is defined as the return of the homeowner's original investment plus any capital improvements, not to exceed the newly assessed value at the time of sale, plus 60% of the remaining professionally appraised increase in value at the time of sale, during the affordability period. The Consortium shall receive the remaining 40% of the newly assessed value upon the sale. Capital The Resale is triggered in the event that the house is sold or occupied by other than the new purchaser during the period of affordability. Upon a sale the Consortium will enforce the equity sharing provision. Upon a Resale triggered during the Period of Affordability the sub-recipient shall notify the:

Consortium lead agency whom shall 1) agree to the new sale price with consultation from the sub-

recipient and a written determination from a realtor or appraiser; 2) confirm the Fair Return calculation to the seller and equity sharing amounts to the seller and Consortium; 3) the review the income eligibility of the subsequent buyer; and 4) determine whether the subsequent homebuyer will continue the Period of Affordability in effect. The housing must be sold at a price that is affordable to a range of low income homebuyers, as defined by Consortium policy. Upon a Resale, if new HOME funds are provided to the subsequent buyer the Period of Affordability will be based upon HOME regulations. At that time the property may keep Resale provisions in effect or use Recapture provisions, as agreed upon by the sub-recipient. Prepayment of the HOME Investment loan does not terminate the Period of Affordability.

Recapture information is under the last discussion below.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

**Sub-recipient Requirements:** Each sub-recipient may select either Recapture or Resale provisions for their project. All homebuyers in the project must be in the same category, i.e. the sub-recipient cannot mix recapture and resale provisions within the same project. Self-Help projects and Down Payment Assistance projects should use the Recapture provisions; and Habitat for Humanity projects should use the Resale provisions. A direct subsidy to the homeowner must be shown. If the HOME assistance is a grant the Resale approach must be used. Recapture provisions will be enforced through an upfront agreement with the homebuyer, a recorded Deed of Trust, and a Promissory Note.

Resale (rather than recapture) of HOME funds is the preferred method to be used for the HOME Consortium to maintain long term affordability. This allows the affected housing unit to be purchased by another low or moderate income eligible buyer rather than recapturing HOME funds and being sold to person who is above the HOME income guidelines. Resale provisions will be enforced through an upfront agreement with the homebuyer, a recorded Deed Restriction, Deed of Trust, and a Promissory Note.

Under Resale it is the sub-recipients responsibility to try to find another low income buyer if the initial homeowner does not continue to occupy the home during the Period of Affordability. This may be accomplished by working with real estate agents, maintaining a waiting list, and through affirmative marketing and advertisement. For both Resale and Recapture, the new purchaser must be low or moderate income, meeting the HOME Program definition, and occupy the property as the family's principal residence during the entire period of affordability. The sub-recipient shall work with the homeowner to avoid foreclosure, if at all possible.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is

rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

No Refinancing will take place for multi-family housing.

## **Discussion**

**Recapture-** An upfront agreement between the original homebuyer and the City must be signed prior to purchase. This must state the amount of HOME subsidy and the Period of Affordability. The new purchaser must be low or moderate income, meeting the HOME Program definition, and occupy the property as the family's principal residence during the entire period of affordability. A Deed of Trust and Promissory Note must be executed and recorded by the Sub-recipient on behalf of the Consortium. Non-compliance with the residency requirement will require the immediate payback of outstanding HOME funds not forgiven. Pre-payment of the HOME Investment loan does not terminate the Period of Affordability. The Recapture amount shall be forgiven on a pro-rated basis based on the period of affordability, times the number of each remaining (partial and full) years left in that period. The Consortium will collect the HOME Investment due when the house is sold or goes into foreclosure which shall be limited by the net proceeds available (if any).

Additional HOME and CDBG program policies as well as more detailed information regarding compliance with the policies that are partially listed above (edited due to space constraints on this template) are available from the City of Longview, Community Development Department, at 360-442-5081 or online at <http://www.mylongview.com/index.aspx?page=489>.