

W CITY OF **WILMINGTON** NORTH CAROLINA



CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT FOR CDBG AND HOME PROGRAMS

Year Ending June 30, 2013



Submitted to the Citizens of Wilmington
And
U.S. Department of Housing and Urban Development
September 27, 2013

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT
FOR
CDBG AND HOME PROGRAMS

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Reporting Period: July 1, 2012 – June 30, 2013

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I. FINANCIAL STATEMENTS

- Financial Summary Grantee Performance Report
- CDBG Financial Summary Information
- HOME Match Report
- HOME Program Income 2012-13

II. NONSTATE CERTIFICATIONS

III. HOME APPROPRIATIONS LAW

- City of Wilmington HOME Appropriations Policy
- Requirements for Market Analysis for HOME Projects
- Assessing Developer and CHDO Capacity & Fiscal Soundness
- City of Wilmington Project Selection Criteria (Underwriting) Evaluation of proposed HOME funded projects

IV. MAPS



First Program Year CAPER

The First Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

The grantee must submit an updated Financial Summary Report (PR26).

GENERAL

Executive Summary

This module is optional but encouraged. If you choose to complete it, provide a brief overview that includes major initiatives and highlights that were proposed and executed throughout the first year.

CAPER Executive Summary response:

The Consolidated Annual Performance and Evaluation Report (CAPER) assesses the period from July 1, 2012 through June 30, 2013. This is the first program year (PY) of the five year Consolidated Plan. The main focus of the report is a summary of accomplishments in the use of Community Development Block Grant (CDBG) and HOME Investment Partnership Program entitlement grants and program income to support various housing and community development priorities identified in the City's Consolidated Plan. The report also includes the matching funds and leveraged funds, including general fund appropriations, supporting community development and housing in the city.

The City of Wilmington has been a CDBG entitlement community since 1975. Funding comes to the City's Community Development Division, Community Services Department in the form of an annual block grant administered by the U.S. Department of Housing and Urban Development (HUD). CDBG funds can be used with great flexibility to provide "decent housing and a suitable living environment and expand economic opportunities principally for persons of low and moderate income". In addition to the CDBG funds, the City receives HOME funds, also funded through HUD. The HOME block grant is specifically for affordable housing.

In program year (PY) 2012-13, the City received \$792,978 in CDBG entitlement funds and \$501,049 in HOME entitlement funds. In addition, \$36,550 in CDBG program income along with \$209,150 in HOME program income were appropriated; and \$1,723,310 in unexpended prior year HOME funds were carried forward, along with

\$540,502 CDBG funds. In PY2012-13, \$1,287,013 in HOME funds plus \$5,098,292 from other sources was expended on HOME funded activities. Concurrently, a total of \$756,909 in CDBG and \$457,013 in other funds were spent on CDBG eligible activities. One hundred percent of CDBG funds received are used for the benefit of low-to-moderate income persons. Approximately \$22.8 million dollars were leveraged from other sources to support activities, programs and projects eligible for CDBG and HOME funds.

HUD implemented changes to the HOME program in PY12-13 with the adoption of the FY2012 HOME Appropriations Law. Additionally, most of the requirements of this Law were included in the revised HOME Rule which was put into effect for PY 2013. In response to these regulations City Council passed a HOME Appropriations Policy on March 19, 2013. A copy of the policy and related documents are included in the attachments of this report. All HOME funded projects will be subject to these regulations. To that end, staff is working to inform and prepare community partners and affordable housing developers to meet the new requirements for funding housing production.

During PY11-12 several projects were successfully completed including 75 units of affordable rental housing for elderly households at Lake Ridge Commons, eight units for disabled individuals at Greenville Trace, and 48 public housing units in the final phase of the Taylor Estates project, New Brooklyn Heights. Homeownership was advanced with the completion of the Habitat for Humanity Cottages at Cornerstone project and Corbett Street projects. Together, Habitat and the Cape Fear Housing Land Trust successfully complete construction and sale of eight units in the Gideon Point project. Further, the Cape Fear Housing Land Trust completed rehab of one foreclosed upon unit for rental. AMEZ Housing Development Corporation rented one unit that had been on the market for over nine months. Finally, LINC successfully complete the adaptive rehabilitation of the old New Hanover County jail to open the M.E. Roberts II Transitional Living Facility. Moreover, fourteen loans were closed through the City's Homeownership Opportunities Program (HOP). Eligible homeowners received five housing rehabilitation loans, and three grants to preserve and maintain existing housing stock for low to moderate income residents and ensure neighborhood stability. One thousand, three hundred and thirty-four (1334) homeless individuals, including victims of domestic violence, youth and ex-offenders, benefited from funding to local homeless shelters and programs serving the homeless. Finally, CDBG and general funds were used to support the activities of 22 community-based nonprofits providing services to address unemployment, child abuse, at-risk youth, hunger, illiteracy, at-risk and victims of abuse and crime, elder care and homelessness. As a result of this funding 4,303 youth, 111 elderly, and 1,785 at-risk individuals were served.

Projects in progress include Habitat for Humanity and Cape Fear Housing Community Development Corporation efforts to acquire up to eleven vacant lots or vacant houses for infill construction and/or rehabilitation for homeownership. Also underway is a joint Habitat and WARM (Wilmington Area Rebuilding Ministry) project, Neighborhood Revitalization Initiative, to rehab, repair and paint up to 36 homes in the Southside. Funds are available to AMEZ for the development of four vacant lots and one

reconstruction project for sale as homeowner or affordable rental housing as the market dictates. HOME funds have been conditionally allocated for the development of a 60 family rental project –Lockwood Village – by CASA pending receipt of other financing.

This CAPER is prepared using HUD’s guidelines. This report includes all the necessary and required elements of a CAPER including, but not limited to, descriptive narratives, assessment of accomplishments, leveraging, client benefit, affirmatively furthering fair housing, geographic location of CDBG and HOME funded projects/programs, monitoring, and self-evaluation. In addition, the report contains the required IDIS reports and Financial Summary Grantee Performance Report, CDBG Financial Summary Worksheet, HOME Program Income and HOME Match Report.

The availability of the draft PY2012-13 CAPER for comment was advertised on the internet and in the Wilmington Star News newspaper on September 3, 2013. Copies of the draft were made available through the Community Development Division, City Clerk’s and City Manager’s Office and on the City website. A summary report of the CAPER will be presented to the City Council and for public hearing on September 17, 2013.

(Note: the City of Wilmington fiscal year and the HUD program year align)

General Questions

1. Assessment of the one-year goals and objectives:
 - a. Describe the accomplishments in attaining the goals and objectives for the reporting period.
 - b. Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.
 - c. If applicable, explain why progress was not made towards meeting the goals and objectives.
2. Describe the manner in which the recipient would change its program as a result of its experiences.
3. Affirmatively Furthering Fair Housing:
 - a. Provide a summary of impediments to fair housing choice.
 - b. Identify actions taken to overcome effects of impediments identified.
4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.
5. Leveraging Resources
 - a. Identify progress in obtaining “other” public and private resources to address needs.
 - b. How Federal resources from HUD leveraged other public and private resources.
 - c. How matching requirements were satisfied.

CAPER General Questions response:

The City of Wilmington prepared a Consolidated Plan for the period ~~2007-2012~~ 2013-2017. This plan establishes a unified, coordinated vision for the City's community development activities over a five year period. Each year the City prepares an Annual Action Plan which sets out specific goals and objectives to achieve the priorities set forth in the Consolidated Plan.

Below are the goals identified in the Consolidated Plan:

Five-Year Affordable Housing Goals:

- Promote Affordable Rental Housing;
- Preserve Affordable Housing Stock;
- Foster Homeownership Opportunities;
- Sustain Emergency Shelter Programs and Services to Transition Homeless Population to Permanent Housing;
- Prevent homelessness for those people most at-risk of becoming homeless;
- Support Permanent Supportive Housing initiatives for Chronically Homeless, Frail Elderly, Disabled and Other Special Populations;
- Promote Workforce Housing Opportunities for moderate income (80.1%-120% AMI) households; and
- Support education and advocacy that promotes sustainable housing options-homebuyer education, foreclosure counseling, financial skills, etc

Five-Year Community Development Goals:

- Support neighborhood services for at-risk and low-to-moderate income youth, elderly and other special populations
- Preserve and maintain public facilities serving low-to-moderate income neighborhoods and individuals;
- Encourage Job Skills and Job Training Initiatives;
- Foster comprehensive neighborhood planning initiatives to address quality of life and physical conditions in targeted neighborhoods; and
- Address community safety through prevention, education and outreach activities

The Annual Action Plan for FY2012-2013 describes goals and objectives to address the aforementioned priorities. Below is a summary of the programs and projects, along with an explanation of accomplishments and challenges in meeting these goals and objectives. The summary also includes a breakdown of the CPD formula grant funds allocated for and committed to/contracted, as well as how much was spent on grant activities for the year-end June 30, 2013.

Please note the program year and fiscal year are synonymous when used in this report and refer to the period from July 1, 2012 through June 30, 2013.

HOUSING

Goal: Promote Affordable Rental Housing

Lake Ridge Commons/Carlisle Development (formerly Middle Grove/ RHA Housing, Inc.)

PY 12-13 Allocated: \$455,403 HOME carryover **Contract: \$650,000** **Expended: \$301,833.36**

An affordable rental project for elderly households, this project provides an additional 75 units of rental housing within the City of Wilmington. City Council approved allocation of \$350,000 in HOME funds for the project in FY09-10 and another \$300,000 from FY10-11 HOME funds. NCHFA announced award of tax credits in August 2010, for the project. As of May 2011, another partner, Carlisle Development, has joined the project as the lead partner. The project started construction in September 2011 and construction was completed in FY2012-13 with closeout in FY2013-14. The City's \$650,000 investment leveraged a \$9.2 million dollar project.



Lockwood Village/ CASA

PY 12-13 Allocated: \$368,609 HOME **Contract: Pending LIHTC** **Expended:**

Community Alternatives for Supportive Abodes (CASA) proposes to construct a 60 unit multi-family affordable rental project at 4900 South College Road. CASA is a non-profit housing developer with over 20 years experience owning and managing over 290 affordable housing units and developing affordable housing in North Carolina. CASA is requesting \$650,000 in City entitlement funds towards this \$7.5 million project. Multi-year funding is recommended, with \$368,609 allocated from FY2012-13 HOME funds and the remaining \$281,391 to be allocated as follows: \$100,000 in FY2013-14 and \$181,391 in FY2014-15. Funding of this project is contingent upon successful receipt of NCHFA LIHTC and other financing. The project did not receive funding in 2012 LIHTC award cycle and was resubmitted for 2013; therefore, FY2012-13 funds were reprogrammed to Housing Rehabilitation Loan Program. The project received LIHTC in August 2013.

Pine Ridge/ WHA-HEO

PY 12-13 Allocated: \$175,000 CDBG RLF	Contract: Pending LIHTC	Expended: Project Cancelled
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The Housing and Economic Opportunities, (HEO) INC. a 501(c)3, under the Wilmington Housing Authority, proposed to develop a senior affordable rental multi-unit project at 807 John D. Berry Drive. This \$5.4 million dollar project was contingent upon receipt of NCHFA Low Income Housing Tax Credits (LIHTC) and other affordable housing financing, along with \$350,000 in CDBG funds. In addition, funding of this project was contingent upon successful re-zoning by the City of Wilmington and receipt of LIHTC and other financing. On 5/1/2012 Wilmington City Council voted not to re-zone the property to allow the construction of multi-family units.

Community Land Trust Administration & Housing Delivery

PY 12-13 Allocated: \$21,250 General Fund	Contract: \$21,250 General Fund	Expended: \$21,250 General Fund
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In order to foster sustainable affordable housing, the City supports the Cape Fear Housing Land Trust (CFHLT). A total of \$21,250 General Fund plus \$7,643 CDBG carryover was provided for administration and general operations in FY2012-13. Additionally, in FY2010-11 the City conveyed two properties to CFHLT and provided a loan, through the Rehabilitation Loan Fund, for the rehabilitation of one house for sale in the land trust model to a low income homebuyer. The City provided a \$57,400 rehabilitation loan for the 808 N. 6th Street property. As of the end of FY12-13 the rehabilitation is completed and the property is listed for rent.

Since the Land Trust’s inception the City has provided \$218,880 to the Land Trust for administrative cost and to support the formation, incorporation, and development of organizational capacity. In a prior year the City provided \$220,000 in HOME funds to the Land Trust, through Cape Fear Habitat for Humanity (CFHFH) as fiscal agent, for the acquisition of 2.178 acres of land for development of eight units – Gideon Point. The houses were developed by Habitat and successfully sold to eligible homebuyers; and the land has transferred to the Land Trust.

Community Housing Development Organization Set-Aside

PY 12-13 Allocated: \$200,000 HOME	Expended:
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The HOME program requires a 15 percent set-aside for Community Housing Development Organizations (CHDO). These funds are to be used to develop affordable housing. As of the drafting of this CAPER, Wilmington has met this requirement by setting aside an additional \$200,000 for a total a cumulative set-aside of \$2,984,165. This exceeds the cumulative requirement of \$1,518,453. The future allocation, commitment, and expenditure of set-aside funds are subject to changes in HOME regulations as detailed in the FY12 HOME Appropriations Law and the Final HOME Rule 2013.

CHDO-AMEZ Housing Community Development Corporation

PY 12-13 Available:	Contract:	Expended:
\$297,318 CHDO Proceeds		\$40,056 CHDO Proceeds
\$150,000 HOME Set-Aside		
\$268,000 HOME carry-over		

Since its founding in 1993, AMEZ HCDC has constructed and sold 30 new houses and three rehabilitated houses to low-to-moderate income homebuyers. The economic recession impacted the timely sale of the homes. In FY2011-12, one rehabilitated house was sold at 402 S. 17th Street. In FY2012-13, AMEZ HCDC carried forward \$257,795 in CHDO proceeds. Another \$150,000 in FY2012-13 CHDO set-aside was allocated for use in the development of up to four homes for affordable rental housing. AMEZ HCDC has ownership of properties at 701 McRae St. and 905, 909, 913 Grace Street. Demolition of 701 McRae St. has been scheduled and work began early FY2013-14. Plans are underway for development of other properties as rental units. After review of the project development and operating budgets for AMEZ’s proposed scattered site rental projects an additional \$118,000 in prior HOME funds was reprogrammed to AMEZ in FY2012-13.

CHDO-Cape Fear Regional CDC

PY 12-13 Available:	Expended:
\$ 57,219 CHDO Proceeds	\$26 CHDO Proceeds
\$ 50,000 HOME Set-Aside	
\$293,159 HOME carry-over	

Cape Fear Regional Community Development Corporation (CFRCDC) is a recipient of Neighborhood Stabilization Program (NSP) funds through the North Carolina Community Development Initiative (NCCDI) to acquire vacant foreclosed properties for rehabilitation and resale to eligible low-to-moderate income households. Prior year HOME CHDO set-aside of \$293,159, along with \$50,000 FY12-13 HOME set-aside are allocated for the acquisition and redevelopment of at least five vacant foreclosed properties within the city of Wilmington. Currently, CFRCDC is in the process of acquiring property for rehabilitation for affordable rental housing.

Goal: Support Permanent Supportive Housing initiatives for Chronically Homeless, Frail Elderly, Disabled and Other Special Populations

Greenville Trace/ RHA Health Services, Inc.

PY 12-13 Allocated:	Contract:	Expended:
\$17,500 HOME carryover	\$175,000 HOME	Project completed

This is an eight unit rental housing project for disabled individuals, funded by the City of Wilmington, NC Housing Finance Agency and RHA Health Services, Inc. City Council approved allocation of \$87,500 in HOME funds for the project in FY09-10 and another \$87,500 in FY10-11 HOME funds. The project began construction in June 2011 and was completed in June 21, 2012. The project closed out in FY12-13.



Goals:

- *Foster Homeownership Opportunities;*
- *Promote Workforce Housing Opportunities for moderate income households;*
- *Support education and advocacy that promotes sustainable housing options, homebuyer education, foreclosure counseling, financial skills, etc.*

Cape Fear Habitat for Humanity

PY 12-13 Allocated:	Contract:	Expended:
\$203,880 HOME carryover	\$203,880 HOME	\$73,500 HOME

Using the Habitat model Cape Fear Habitat for Humanity (CFHFH) provides housing for families earning 30 to 60 percent of the area median income (AMI). CFHFH constructs about 12 houses per year and has no problem finding qualified homebuyers using Habitat underwriting and intensive case management. Often Habitat homebuyers pay less for the mortgage than they were paying for rent. Habitat carried over \$203,880, FY2011-12, HOME funds to acquire lots for in-fill construction or houses for rehabilitation of up to six units of housing. Habitat acquired three properties in the fiscal year; and is in the process of acquiring additional properties per the funding agreement.

Homeownership Opportunities Program (HOP) includes prior year funds and reprogrammed funds.

PY12-13 Available:	Expended:
\$491,453 GF/RL/Other	\$ 43.00 GF/RL/Other
\$ 125,001 CDBG	\$762,896 HOME
\$ 763,142 HOME	

Working in partnership with local banks the City offers the Homeownership Opportunities Program (HOP) to low to moderate income homebuyers. CDBG, HOME and General Funds are used to provide second mortgages at zero percent interest to eligible homebuyers. Homebuyers must attend a homebuyer education class. HOME affordability period requirements apply to all HOP loans. During FY2012-13, CD Housing staff processed and closed fourteen loans with HOME funds. The average loan amount was \$49,135. In FY2012-13, \$81,590 in CDBG program income/revolving funds were allocated for the HOP program, along with \$50,000 in HOME entitlement funds. In addition, \$163,597 in General Fund Revolving Funds was available for HOP, along with

prior year HOME funds of \$105,000. Funds were reprogrammed from the HOME program to meet HOME commitment requirements and to fund eligible HOP loans.
(GF/RL/Other = general fund, revolving loan fund, other funds)

Goal: Preserve Affordable Housing Stock

Cape Fear Habitat for Humanity in partnership with WARM

Neighborhood Revitalization Initiative (NRI)

PY 12-13 Allocated:	Contract:	Expended:
\$150,000 CDBG	\$150,000 CDBG	

In FY2012-13 Cape Fear Habitat For Humanity (CFHFH) and Wilmington Area Rebuilding Ministry (WARM) proposed a target neighborhood strategy in the Southside area. This NRI supports WARM’s efforts to make critical home repairs to up to 15 eligible homes. CRHFH will focus on the acquisition and rehabilitation or reconstruction of up to six homes in the area for sale to low-income homebuyers. Habitat will also make major home repairs to up to five owner occupied homes. Finally, as part of this comprehensive approach CFHFH will implement a neighborhood beautification program “A Brush with Kindness” to paint up to 10 homes. Critical home repair projects have been identified and work is in process. Habitat is in the process of acquiring homes for rehabilitation/reconstruction.

Housing Rehabilitation Loans

PY12-13 Available:	Expended:
\$417,745 GF/RL/Other	\$86,832 GF/RL/Other
\$105,585 HOME	\$88,784 HOME

Low to moderate income home owners may apply to the City for a loan to rehabilitate their home. Loans are available at an interest rate of zero to two percent. The maximum rehabilitation loan is \$75,000 or \$85,000 if the project requires reconstruction/replacement of the unit. During FY2012-13, five rehabilitation loans were closed, and 11 are in processing. The average amount of rehabilitation loan was \$35,523. Please note in order to meet HOME commitment requirements \$607,415 prior year HOME funds were reprogrammed to HOP loans.

GF/RL/Other = general fund, revolving loan fund, other funds)

Limited Assistance Grants/Emergency Repair Grants

PY12-13 Available:	Expended:
\$19,552 CDBG carry-over	\$12,476 CDBG

Elderly and/or disabled home owners with incomes at or below 60 percent Area Median Income is eligible to receive grants up to \$7,500 through the Limited Assistance Grants program. In FY2012-13, three grants were made with Limited Assisted Grant funds.

Demolition and Voluntary Relocation

PY12-13 Available:	Expended: \$2,535 CDBG
\$57,788 CDBG carry-over	

Grants for demolition (\$12,253) of blighted properties in conjunction with the City’s housing rehabilitation program. Voluntary relocation grant funds for (\$16,943.26) home

owners when needed during the rehabilitation. In addition, CDBG funds were carried forward for voluntary demolition and/or clearance of minimum code cases (\$28,951.35).

PUBLIC FACILITIES

Goals:

- *Prevent homelessness for those people most at-risk of becoming homeless;*
- *Sustain Emergency Shelter Programs and Services to Transition Homeless Population to Permanent Housing;*
- *Support neighborhood services for at-risk and low-to-moderate income youth, elderly, and other special populations;*
- *Preserve and maintain public facilities serving low-to-moderate income neighborhoods and individuals;*
- *Address community safety through prevention, education, and outreach activities*

M.E. Roberts Transitional Living Facility: Completed 9/20/2012

PY 11-12 Allocated:	Contract:	Expended:
\$250,000 CDBG carry-over	\$479,052.69	\$119,723 CDBG
\$229,053 Other carry-over		\$ 24,667 Other
		Projected Completed

There continues to be a great need for transitional housing, especially for ex-offenders coming out of state and federal prisons (reportedly 25,000 per year in North Carolina, more than 2,800 in New Hanover County--43 percent of which are homeless). The City's specific objective was a collaboration with LINC, New Hanover County, North Carolina Housing Finance and the N.C. Department of Corrections to develop a transitional housing program specifically for the re-entry of homeless individuals, including supportive services for employment, education, family reunification, substance abuse, health and mental health. The M.E. Roberts Transitional Center houses 40 individuals; and LINC continues to work with nearly 250 additional at-risk youth and ex-offenders. The project is outside the city limits, but the collaborative efforts between the City and the County and the location of the clientele enable the City to participate well within the federal regulations. With a 12 percent recidivism rate this transitional housing project and the LINC operational program help to decrease crime in the Wilmington - New Hanover area. A total of \$550,000 in CDBG and other City community development funds were allocated to this project. The total budget for this project was \$1,360,436. In addition to the funding for construction, the City secured a \$300,000 grant from the U.S. Department of Justice to support program activities at the new facility. This project was completed and closed out in FY2012-13.

Domestic Violence Shelter and Services, Inc

PY 12-13 Allocated:	Contract:	Expended:
\$44,190 CDBG carry-over		

Funds for improvements and repairs to the shelter kitchen. The project has been delayed due to unanticipated costs for plumbing and electrical code issues that increased the budget.

Brigade Boys & Girls Club

PY 12-13 Allocated:	Contract:	Expended:
\$40,000 CDBG carry-over		

Funds allocated to assist with replacing the pool filtration equipment and reconstruction of the pool house and other related repairs. Funds are provided as a loan at no interest to be amortized over 15 years or the useful life of the equipment, whichever is less. The Brigade Boys and Girls Club center served 1158 youth in FY12-13.

NorthSide Arts Education and Community Center/DREAMS

PY 12-13 Allocated:	Contract:	Expended:
\$99,359 CDBG carry-over	\$223,796 CDBG	\$73,787 CDBG
	\$236,761 CDBG-R	Project Completed

Funds (\$167,115) were identified to assist with the rehabilitation of the former City garage for re-use as a community center. Cape Fear Area Resource Centers decided not to pursue the project and requested that DREAMS, a nonprofit arts education and community program for youth, take over the project to develop an arts education and community center. Council agreed to the change in FY08-09. In FY09-10 another \$150,000 was allocated to the project with a recommendation for a like amount from FY10-11 entitlement funds. To ensure the timely expenditure of CDBG-R funds the City amended the 2010-2011 Annual Plan to reprogram these funds to the DREAMS Community Arts Education Center project and to reprogram \$236,761 in CDBG funds for the M.E. Roberts project. The FY11-12 Annual Plan allocated another \$55,000 to complete the project. The project was closed out in FY12-13 and is in operation providing programming for 1357 at-risk youth.

NorthSide Site Revitalization

PY 12-13 Allocated:	Contract:	Expended: \$48,624 CDBG
\$112,693 CDBG		
\$142,442 CDBG carry-over		

Designated in 2004 as a Neighborhood Revitalization Strategy Area, the NorthSide community has been the focus of several redevelopment initiatives as described earlier in the narrative responses to general questions. One area selected for comprehensive redevelopment is the site of the former City garage, public works operations center and warehouse. Initially Cape Fear Area Resource Center (CFARC) was identified to redevelop this site into a community resource center to include office space for a variety of non-profit and government human service agencies, youth services, job training services, and other community service functions. As part of this initiative funds have

been allocated to DREAMS for redevelopment of the former City garage into an arts education and community center, and to Coastal Boxing (formerly Psalms 23) to rehab old warehouse space into a boxing center. However, in FY2010-11 CFARC ceased operations at the site. Community Boys & Girls Club (CBGC) took over the space formerly occupied by CFARC. In FY2011-12, the City proposed to complete the revitalization by developing a site plan for the grounds surrounding the NorthSide Community Center and DREAMS Arts Education and Community Center. A cross departmental City staff team, working with DREAMS, Coastal Boxing Center and CBGC, will develop a plan to address the existing blight caused by dilapidated buildings, fencing and overgrown landscaping. The plan will provide for the beautification and function of the grounds surrounding the DREAMS Arts Education and Community Center, Coastal Boxing Center and CBGC. The site plan will address the need for parking and green space. As of the end of FY12-13 an Environmental Review has been prepared for the site and cost estimates developed. The project was put out to bid in the first month of FY13-14. As of June 30, 2013, \$81,043 is available for this project; funds were expended on repairs to the roof at DREAMS Center and Coastal Boxing and funds were also moved to HOP.

PUBLIC SERVICES

There is a limitation on the amount of CDBG funds that can be used for public services. The maximum amount is 15 percent of the entitlement and program income. In FY2012-13, \$161,835 in CDBG funds were allocated to public services as follows:

Good Shepherd, Wilmington Interfaith Housing Network

PY 12-13 Allocated:	Contract:	Expended:
\$92,650 CDBG	\$109,000 CDBG/Gen Fund	\$109,000 CDBG/Gen Fund
\$16,350 Gen Fund		

The City provided funding for supportive services to approximately 1,000 homeless individuals and families, including shelter, food and consultative case management towards self-sufficiency. In FY2012-13 Good Shepherd and Wilmington Interfaith Housing Network (WIHN) served 816 individuals.

First Fruit

PY 12-13 Allocated:	Contract:	Expended:
\$ 7,135 CDBG	\$20,188 CDBG/Gen Fund	\$20,188 CDBG/Gen Fund
\$13,053 Gen Fund		

The City provided funding for supportive services to approximately 1,000 homeless individuals and families, including shelter, food and consultative case management towards self-sufficiency. In FY2012-13 First Fruit served 64 individuals.

Domestic Violence Shelter and Services, Inc.

PY 12-13 Allocated:	Contract:	Expended:
\$29,750 CDBG	\$35,000 CDBG/Gen Fund	\$35,000 CDBG/Gen Fund
\$ 5,250 Gen Fund		

CDBG funds were used to assist with the provision of shelter and services to approximately 100 victims of domestic violence. In FY2012-13 the Shelter served 295 victims of domestic violence who would have otherwise been homeless or in harm's way.

Leading Into New Communities

PY 12-13 Allocated:	Contract:	Expended:
\$32,300 CDBG	\$38,000 CDBG/Gen Fund	\$950 CDBG
\$ 5,700 General Fund		\$ 37,050 Gen Fund

The City supports LINC's work with ex-offenders with CDBG funding to assist 120 ex-offenders to find employment and housing. In FY2012-13, LINC served 151 ex-offenders. In FY12-13 funds were reprogrammed to allow LINC to use General Funds as a match for a federal grant.

Costal Horizons- Open House Youth Shelter

PY 12-13 Allocated:	Contract:	Expended:
\$37,050 General Fund	\$37,050 CDBG/Gen Fund	\$31,350 CDBG
		\$ 5,700 General Fund

CDBG and General funds were allocated to support the operations of an emergency shelter for youth ages 6 to 18. Coastal Horizon offers shelter and supportive services to youth who are homeless or in need of a safe residence pending placement in a secure home. In FY2012-13, 70 youth were housed at the Coastal Horizon Open House Youth Shelter. In FY12-13 funds were reprogrammed to allow LINC to use General Funds as a match for a federal grant.

PLANNING, ADMINISTRATION, AND DIRECT SERVICE DELIVERY

CDBG and HOME funds have a maximum cap for planning and administration. Up to 20 percent of the CDBG grant, plus program income can be expended on planning and administration each year. For HOME the administrative and planning cap is 10 percent of the entitlement and program income. In addition, staff and other costs associated with the delivery of housing services may be expended to the grant.

Planning and Administration

PY 12-13 Available:	Expended:
\$ 60,000 HOME	\$ 60,000 HOME
\$200,000 CDBG	\$205,000 CDBG
\$220,316 GF/RL/Other	\$220,316 GF/RL/Other

(GF/RL/Other = general fund, revolving loan fund, other funds)

Housing Service Delivery

PY 12-13 Available:

\$205,000 CDBG

\$ 4,408 other

Expended:

\$205,000 CDBG

\$ 4,408 other

Staff and other costs associated with the delivery of housing, such as loan processing, rehabilitation inspections and other costs.

Property Disposition

PY 12-13 Available:

\$45,090 CDBG carry-over

Expended:

\$ 1,032 CDBG

Funds allocated to offset expenses associated with disposition of properties held by the City as a result of foreclosure of home owner loans. Expenses incurred include, but are not limited to, boarding and security, minor repairs and maintenance and other costs associated with preparation of property for sale or conveyance to eligible developer or homebuyer.

2. Describe the manner in which the recipient would change its program as a result of its experiences.

The City of Wilmington's accomplishments over the past year continue to support the overall goals of the Five-year Consolidated Plan approved by the City Council in May 2012. Using the Plan as a guiding tool allows for more effective management, oversight and evaluation of progress toward program goals and expenditures. CDBG and HOME dollars, as well as the funds and resources they leverage, continue to be utilized to provide programs in an integrated way. That said it is the goal of the Community Development Division (CDD) management and staff to strive for continuous improvement in all facets of program administration and delivery.

Local governments are lagging in recovery from the economic recession; revenues are slow to recover while the need for services continues to increase. This is particularly true in community development programs which address the needs of low-to-moderate income families and individuals with housing, public facilities and community services. Revenues for community development are declining due to cuts in HOME funds, program income, and state and local funding. For the fifth consecutive year the City budget did not include a general fund appropriation to supplement the CDD's homeownership loan program (HOP), or lead abatement and minor repair/maintenance grants. That said, the City Council did continue support for community services agencies and for a portion of CDD administration.

During FY12-13 CDD staff members have continued to enhance their skills and credentials through training. The senior housing counselor and housing counselor both successfully maintain the HUD Housing Counselors Certification. Likewise, the senior rehabilitation technician and rehabilitation technician both successfully maintained their

Certified Renovator License. The rehabilitation technician attended required training to maintain his Lead Inspector's License. CD staff members attended training offered by HUD at the Greensboro Field Office: Short-Term Lease Purchase and HOME, IDIS/E-Con; Market Analysis FY12 HOME Appropriations, and Small Scale Rental Development. Staff members also attended IDIS for CDBG and HOME in Rocky Mt., NC.

As part of CDD's continuous improvement of procedures and processes staff began conversations with CHDOs and HUD technical assistance providers to develop the capacity in CHDOs to develop and manage rental properties instead of or in addition to homeownership projects. Changes in HOME regulations will require more rigorous underwriting and market analysis to ensure that units are not built without a viable market. If housing units are built for homeownership and not sold within a 6-9 month period, depending on applicable regulations, the units must be converted to rental. With this in mind, local CHDOs sent staff to training on developing and managing small scale affordable rental housing held at the Greensboro HUD Field Office.

3. Affirmatively Furthering Fair Housing:

- a. Provide a summary of impediments to fair housing choice
- b. Identify actions taken to overcome effects of impediments identified.

The City's Homeownership Opportunities Program (HOP), Homeowner Rehabilitation, Limited Assistance Grants and other housing programs are offered city-wide to eligible applicants. Recipients of the City's housing loans or grants are informed about Fair Housing Laws. In addition, all participants in the City's homebuyer education workshops receive information on Fair Housing Laws. These individuals may seek and secure financing through the private sector or other nonprofits, as well as the City's programs, and will have the benefit of Fair Housing education.

In FY 2009-10 the City completed an update to the Analysis of Impediments to Fair Housing. The last AIFH was completed in 2003. The updated plan includes recommended strategies to address the gap in service, administration, and education as a result of the loss of the New Hanover County Human Relations Commission.

City of Wilmington Fair Housing Plan

I. Background

As part of the Consolidated Plan grantees are required to certify that they will Affirmatively Further Fair Housing (AFFH). Compliance with this certification requires the city to conduct an analysis of impediments to fair housing choice within the jurisdiction. Furthermore, the city is required to identify and implement appropriate

actions to address or eliminate identified impediments, and to maintain records of actions to document AFFH. Towards that end, City Council adopted an *Analysis of Impediments to Fair Housing Choice in the City of Wilmington and New Hanover County* and a related *Fair Housing Plan for the City of Wilmington* on June 15, 2010.

II. Impediments

The AIFH identified the following Impediments to Fair Housing Choice in the City of Wilmington:

A. Lack of affordable housing, specifically for disabled and low-income populations

Service providers report that demand exceeds the supply of accessible, subsidized units for disabled individuals. The lack of affordable rental housing, especially for elderly, disabled and other special populations is well documented, by the Consolidated Plan, and practitioners. The FY13-17 Five-Year Consolidated Plan Housing Market Assessment reported that 71 percent of priority need owner households are housing cost-burdened; and 69 percent of priority need renter households are cost-burdened. In both cases minority households are disproportionately housing cost-burdened.

B. Lack of fair housing enforcement by a local agency or department

Currently, the City of Wilmington and New Hanover County do not have a fair housing department or agency to receive complaints, or promote education and outreach. Lack of effective enforcement is a potential barrier to fair housing in the City and County. Without a local presence and efforts of a local fair housing agency it is more difficult to raise awareness of the law and rights granted under the law. Many who are aware of their rights may not be aware of how or where to file a complaint. This lack of a central location for filing complaints and obtaining information about fair housing may constitute a barrier to fair housing. Additionally, a lack of education by both citizens and housing professionals may lead to discrimination or a violation of fair housing laws.

C. Disparity and inequality in lending

Analysis of 2008 HMDA data reveals a disparity in the loan origination patterns and denial rates of minorities and non-minorities in the Wilmington MSA. Despite similar income levels, minorities have a higher rate of denial than non-minorities. The data however is limited in scope and further investigation would be necessary to determine if discrimination is present. Note that the perception of lending bias, or undue burdens on minorities seeking home loans could be a barrier to fair housing.

III. Actions to Address Impediments

A. Lack of affordable housing, specifically for disabled and low-income populations

Action: Provide CDBG & HOME Funds to Support Affordable Housing

The Annual Action Plan for expenditure of Community Development Block Grant and HOME Investment Partnership funds identifies initiatives for affordable housing development for low and moderate income, including disabled, residents.

Action: Seek Additional Funds for Development of Affordable Housing

City community development staff will continue to seek to leverage resources to increase the funds available for the development of affordable housing within the city, such as projects utilizing Low Income Housing Tax Credits (LIHTC).

B. Lack of fair housing enforcement by a local agency or department

Action: Outreach and Education

The city will maintain a prominent webpage providing information about Fair Housing Law and explaining what constitutes discrimination. In addition, brochures and flyers will be developed to provide information on the Fair Housing Act. Two community development staff members will serve as points of contact to ensure the materials are up to date and accurate, and to actively disseminate brochures and flyers throughout the community, especially to the disabled, elderly and minority citizens.

The city will continue to offer home buying classes, which include information on credit, budget and fair housing laws. Further, the city supports nonprofit home buyer counseling and education offered through Cape Fear Regional CDC.

Action: Referral

Included in the outreach and education materials and webpage will be links and specific instructions on how to file a complaint with the state and federal agencies responsible for processing complaints. Additionally, the community development staff points of contact will be available to assist in making referrals to the appropriate enforcement agencies.

C. Disparity and inequality in lending

Action: Continue Bank Partners in the HOP Program

Area banks partner with the city to provide financing to low and moderate home buyers through the city's Home Opportunities Program (HOP). The city will continue to encourage area banks and realtors to participate in affordable housing initiatives offered by the city and other organizations.

Action: Continue AFFH in all City Support Housing Programs

City housing loan and grant program guidelines require the city, its grantees and/or borrowers to actively engage in affirmatively furthering fair housing, including displaying the equal housing opportunity logo.

Below is a summary of the Impediments to Fair Housing identified in the City's 2009-10 Fair Housing Plan and the actions taken in PY2012-13 to mitigate these impediments.

I. Impediment to Fair Housing: Lack of Affordable Housing, specifically for special populations including, but not limited to, disabled and elderly.

Actions Taken to Overcome Impediments to Fair Housing:

Affordable Rental Housing –67 units in progress

- Lockwood by CASA in process of developing 60 unit family rental w/ LIHTC
- AMEZ in process of developing scattered site rental at five vacant lots.
- CFRCDC in process of developing duplex for rental.
- Projects in planning/construction stage, no beneficiaries to report.

Affordable Rental Housing – 332 units available for low-to-moderate income households, including special populations

- LakeRidge Commons (formerly Middle Grove) provides 75 elderly units financed with HOME, LIHTC and other funds.
- Taylor West/New Brooklyn Home provides 48 units affordable rental housing financed with LIHTC, CDBG and other funds for low-to-moderate income households.
- Rental Incentive Loan - two rental units in affordability period.
- ARC of NC provides 16 units of affordable rental housing for disabled
- Hopewood provides 16 units of affordable rental housing for disabled
- Willow Pond provides 12 units of affordable rental housing, 75% of units are designated for victims of domestic violence.
- The Pointe at Taylor Estates provides 48 units of affordable rental housing for low-to-moderate income households
- Robert R. Taylor Senior Homes provides 96 units of affordable rental housing for low-to-moderate income elderly
- First Fruit Ministries provides 9 units of affordable rental housing for homeless women
- Greenville Trace provides 8 units of affordable rental housing for the disabled.
- Cape Fear Housing Land Trust renting one unit in NorthSide area
- AMEZ rented one unit (1314 Church St.)

FH Table 1. The table below provides Race & Income Characteristics for Beneficiaries of Affordable Rental Housing projects currently occupied and monitored under the affordability period.

	ARC NC	HOPE	HPTE	HRTSH	WILL	NBH	RHA	FFM/PF	LKR	SUBTOTAL
Total	21	19	48	103	19	53	8	24	80	375
By Race										
Asian					2					2
African American	11	3	46	83	10	51	4	18	32	258
White	9	14	2	18	7	1	4	4	44	103
Native American										0
Multi-racial	1	2						2		5
Other				2					4	6
By Ethnicity										
Hispanic		1		2	3					6
By Income										
0-30% AMI	21	18	30	70	16	38	8	24	19	244
31-50% AMI		1	11	26	3	13			19	73
51-80% AMI			7	7		2			38	54
81% > AMI										0
Family Status										
Female HH	21	6	39	75	19	49	6	24	59	298
Elderly	1	1		72				1	51	126
Disabled	14	18	21	83		1	8	24	39	208
*AMI= Average Median Income										
*HH= Households										
ARC: ARC of NC										
HOPE: Hopewood										
HPTE: The Pointe at Taylor Estates										
HRTSH: Robert R. Taylor Senior Homes										
WILL: Wilmington Interfaith Hospitality Network Willow Pond										
NBH: New Brooklyn Homes/Taylor West at Taylor Estates										
RHA: RHA Health Services- Greenville Trace										
FFM: First Fruit Ministries										
LKR: Lakeridge										

Homeownership Opportunities 10 units sold; 11 units in progress

- Corbett Street, final of four units of affordable housing completed and occupied.
- Cape Fear Housing Land Trust (CFHLT) in partnership with Habitat for Humanity completed eight units of affordable housing in Gideon Point project.
- Habitat for Humanity’s Cornerstone development closed final unit (3825 Prices Lane) of 32 unit project.
- Cape Fear Regional CDC will acquire up to five vacant houses for rehabilitation and sale to low-to-moderate income homebuyers.
- Cape Fear Habitat will acquire up to six vacant lots or houses for construction/rehabilitation for affordable homeownership. Three vacant lots/houses acquired in FY12-13.
- Units in progress are projects in planning/construction stage, no beneficiaries to report.

FH Table 2. The table below provides Race & Income Characteristics for Beneficiaries of Affordable Housing units sold and monitored under the affordability period.

	HFHGP	HFHCC	HFHSS	SUBTOTAL
Total	8	4	1	8
By Race				
Asian				0
African American	7	4	1	7
White	1			1
Native American				0
Multi-racial				0
Other				0
By Ethnicity				
Hispanic				0
By Income				
0-30% AMI				0
31-50% AMI	2	3	1	6
51-80% AMI	6	1		7
81% > AMI				0
Family Status				
Female HH	7	4	1	7
Elderly				0
Disabled				0

*AMI= Average Median Income

*HH= Households

HFHCS: Habitat for Humanity Gideon Point

HFCC: Habitat for Humanity Cottages at Cornerstone

HFHCS: Habitat for Humanity Scattered Sites

Affordable Homeownership- 14 loans; Preserve Affordable Housing Stock -5 rehab loans closed, 1 Home Repair Grant/Urgent Repair Grant and 3 Limited Assistance Grants/Emergency Repair Grants

- Homeownership Opportunities Program (HOP) provided 14 second mortgage loans in partnership with partner banks to low and moderate income households using HOME funds.
- Housing Rehabilitation Loans- closed five loans for housing rehabilitation for low-to-moderate income homeowners residing in substandard housing.
- Three households received emergency repairs through Limited Assistance Grants.
- North Carolina Housing Finance Agency Urgent Repair Program provided grants for one low income household to receive urgent emergency repairs.

FH Table 3. The table below provides Race & Income Characteristics for Beneficiaries of Affordable Housing loans and grants closed and monitored.

The table below provides Race & Income Characteristics for Beneficiaries of Affordable Housing loans and grants closed and monitored.

	HOP	LAG	URP	HRL	SUB TOTAL
Total	14	3	1	5	23
By Race					
Asian					0
African American	2	3	1	4	10
White	12				12
Native American					0
Multi-racial					0
Other				1	1
By Ethnicity					
Hispanic					0
By Income					
0-30% AMI	1			4	5
31-50% AMI	2	3	1	2	8
51-80% AMI	11				11
81% > AMI					0
Family Status					
Female HH	6	2	1	6	15
Elderly		3		4	7
Disabled	1	2	1	1	5

*AMI= Average Median Income

*HH= Households

HOP: Homeownership Opportunities Program

LAG: Limited Assistance Grants

URP: Urgent Repair Grants

HRL: Housing Rehabilitation Loan

II. Impediment to Fair Housing: Lack of Fair Housing Enforcement by local agency or department: Potential barrier to fair housing.

Actions Taken to Overcome Impediments to Fair Housing:

Outreach, Education and Referral

The city maintains a prominent webpage providing information about Fair Housing Law and explaining what constitutes discrimination. In addition, brochures and flyers have been developed to provide information on the Fair Housing Act. Two community

development staff members serve as points of contact to ensure the materials are up to date and accurate, and to actively disseminate brochures and flyers throughout the community, especially to the disabled, elderly and minority citizens.

The city continues to offer home buying classes, which include information on credit, budget and fair housing laws. Further, the city supports nonprofit home buyer counseling and education offered through Cape Fear Regional CDD. Also, both city housing financial counselors are HUD certified housing counselors.

Included in the outreach and education materials and webpage are links and specific instructions on how to file a complaint with the state and federal agencies responsible for processing complaints. Additionally, the community development staff points of contact are available to assist in making referrals to the NC Human Rights Commission and/or the HUD Office of Fair Housing.

III. Impediments to Fair Housing: Disparity and inequality in lending: A perception of lending bias, or undue burdens on minorities seeking home loans could be a barrier to fair housing.

Actions Taken to Overcome Impediments to Fair Housing:

Homebuyer Education and Counseling

The City offers six-hour homebuyer education workshops one or two times each month. Participants receive a host of information on how to locate a home, work with a realtor, secure financing, understand mortgage, maintain the house, Fair Housing Law, credit and personal/family budgeting. In FY 2012-13, eleven classes were conducted for 106 participants. Materials, food, contract labor, and other expenditures for the workshops are paid for with origination fees collected at loan closing.

Workforce Housing

Collaborative efforts involving several City departments along with private housing developers, the Affordable Housing Coalition of Southeastern NC (AHCSENC), realtors, lenders, and public employees are continuing to formulate and implement workforce housing initiatives. Another initiative to promote workforce housing coming out of the AHCSENC, was the Wilmington Regional Association of Realtors' one-hour educational program offered to employees through the area's major employers.

Real Estate Broker Education

In FY2009-10, the CDD initiated a certificate program for real estate brokers to better prepare them to serve the needs of low-to-moderate income and workforce homebuyers in the Wilmington housing market. These homebuyers are often unaware of the real estate process and may not understand fully all the programs and benefits available to them. While the City offers homebuyer education and counseling to prospective homebuyers, it was determined that real estate brokers could better serve these homebuyers with a similar education and information program, hence the creation of the HOP Certified Brokers program. The City offers a workshop to real estate brokers to

provide information about current City and other programs available for low-to-moderate income homebuyers, some of the unique needs of first-time low/moderate income households, fair housing and other pertinent information. Real estate brokers successfully completing this program will have established a rapport with City CDD housing finance counselors and other community-based housing providers that are resources for low/moderate income homebuyers. In FY2012-13, 11 real estate agents/brokers attended and successfully completed three workshops held.

Homeownership Opportunities Program

Working in partnership with local banks the City offers the Homeownership Opportunities Program (HOP) to low to moderate income homebuyers. CDBG, HOME and General Funds are used to provide second mortgages at zero percent interest to eligible homebuyers. Homebuyers must attend a homebuyer education class. HOME affordability period requirements apply to all HOP loans. During the FY2012-13, CD Housing staff processed and closed 14 loans with HOME funds. The average loan amount was \$49,135.

Below is a summary of public facilities and public service projects and program Beneficiaries with Income and Race Characteristics.

PUBLIC FACILITIES

- Brigade Boys and Girls Club project in process to replace pool filtration equipment and pool equipment shed, serving over 1158 youth
- Domestic Violence Shelter rehabilitation of kitchen in process, 155 women and children housed at the shelter in FY11-12.
- NorthSide Facilities: Coastal Boxing hurricane damage repairs to roof and HVAC. DREAMS roof repairs to complete phase one of adaptive rehabilitation of former city garage into NorthSide Arts Education and Community Center, serving over 1334 youth.

FH Table 4. The table below provides Race & Income Characteristics for Beneficiaries of Public Facilities Project funded with CDBG funds in FY2012-13.

	DV	GS/WHN	FFM/PS	LINC	CHYS	SUB TOTAL
Total	155	816	40	152	70	1233
By Race						
Asian		2				2
African American	77	301	26	84	11	499
White	73	488	11	63	57	692
Native American	1	11				12
Multi-racial	4	8	3	5	2	22
Other		6				6
By Ethnicity						
Hispanic	5	15		1	10	31
By Income						
0-30% AMI	153	816	40	152	19	1180
31-50% AMI	2	0				2
51-80% AMI						0
81% > AMI						0
Family Status						
Female HH	151	87	31			269
Elderly		20	1			21
Disabled	17	116	31	1		165
*AMI= Average Median Income						
*HH= Households						
DV: Domestic Violence Shelter						
GS/WHN: Good Shepherd Homeless Shelter/Wilmington Interfaith Hospitality Network						
FFM: First Fruit Ministries						
LINC: Leading Into New Communities						
CHYS: Coastal Horizons Youth Shelter						

PUBLIC SERVICES

- Good Shepherd/Wilmington Interfaith Housing Network served 816 homeless individuals providing supportive services and shelter
- Leading Into New Communities (LINC) assisted 151 ex-offenders to find employment, housing, mental health and health services.
- Domestic Violence Shelter and Services, Inc. provided shelter and supportive services to 155 households with 295 victims, includes children and other household members, of domestic violence.
- Coastal Horizons Youth Shelter served 70 homeless youth providing supportive services and shelter.

FH Table 5. The table below provides Race & Income Characteristics for Beneficiaries of Public Services funded with CDBG funds in FY2012-13.

	DV	GS/WIHN	FFM/PS	CHYS	SUB TOTAL
Total	155	816	40	70	1022
By Race					
Asian		2			2
African American	77	301	26	11	415
White	73	488	11	57	629
Native American	1	11			12
Multi-racial	4	8	3	2	17
Other	.	6			6
By Ethnicity					
Hispanic	5	15		10	30
By Income					
0-30% AMI	153	816	40	19	955
31-50% AMI	2	0			2
51-80% AMI					0
81% > AMI					0
Family Status					
Female HH	151	87	31		269
Elderly	.	20	1		21
Disabled	17	116	31		164

*AMI= Average Median Income

*HH= Households

DV: Domestic Violence Shelter

GS/WIHN: Good Shepherd Homeless Shelter/Wilmington Interfaith Hospitality Network

FFM: First Fruit Ministries

CHYS: Coastal Horizons Youth Shelter

4. Describe Other Action in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

An analysis of the Five-Year Consolidated Plan for FY13-17 housing market analysis, needs assessment, and public input showed an increase in the percent of the population in the city of Wilmington living below poverty, especially among Black/African American households, and in the number of children and youth. Other findings in the plan indicate continued and growing housing cost-burden for both owners and renters, especially among minority demographics. Finally, over half of elderly owners and renters live in housing units in need of repair. Low wages contribute to this ongoing problem as the gap between the “haves” and the “have not’s” widens with more households living in poverty or housing cost-burdened.

The resources available through HOME and CDBG are not sufficient to address the aforementioned problems.

Other actions described or mentioned in the Action Plan that have been taken during the program year include, but are not limited to, the following:

General Fund Grants

The Wilmington City Council budgeted \$332,537 to support the work of 22 community-based nonprofit agencies providing a variety of services to meet the underserved needs within the community. General fund grants supported programs for drug treatment, elder care, child abuse prevention and victim services, parenting training, child and youth tutoring and recreation, food banks, literacy, emergency shelter, youth and homeless job skills development, and others.

5. Leveraging Resources

- a. Identify progress in obtaining ‘other’ public and private resources to address needs.
- b. How Federal resources from HUD leveraged other public and private resources
- c. How matching requirements were satisfied

In FY2012-13 a total of \$756,909 in CDBG funds and program income was expended on eligible CDBG activities. Likewise, \$1,287,013 in HOME funds was expended on eligible housing activities and projects. These funds leveraged an additional \$22,849,677 in general funds, loan funds, private foundations and other sources for community development initiatives. The Wilmington leveraging ratio for CDBG is 1:20.48 and for HOME 1:5.7. This means that for every \$1 in CDBG funds expended on an activity \$20 in other funds were expended, and for every \$1 in HOME funds expended \$ 5.70 in other funds were expended. The leveraging ratio for CDBG and HOME totaled is \$1:\$11.

Table 1 Leverage Funds

Leveraged Funds 2012-13			
Activity	CDBG	HOME	Total
Housing	\$ 71,481	\$ 7,342,549	\$ 7,414,030
Public Services	\$ 15,183,174		\$ 15,183,174
Public Facilities	\$ 72,750		\$ 72,750
Administration	\$ 179,723	\$ -	\$ 179,723
Total	\$ 15,507,128	\$ 7,342,549	\$ 22,849,677

Managing the Process

1. Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.

CAPER Managing the Process response:

Community development staff members attended training on CDBG and HOME Program requirements. Staff members use HUD guidelines and other resource materials to ensure compliance with program and comprehensive planning requirements.

The city uses a request for proposals (RFP) to solicit projects and programs for CDBG and HOME funds. Applicants must describe how the proposed project or program meets HUD national objectives and eligible activities, as well as how the proposals addresses the priorities identified in the Five-Year Consolidated Plan. Staff members review the proposals using HUD guidelines to ensure that the projects or programs meet national objectives, are eligible activities, and address priority needs in the Consolidated Plan.

Recommended projects and programs are included in the Annual Action Plan and submitted to the public for comment and to City Council for adoption. Upon HUD acceptance of the Annual Action Plan a scope of work, budget and standard program requirements are incorporated into funding agreements with sub-recipients, contractors, and/or developers. Funding is provided on a reimbursement basis. To receive funds each sub-recipient must support its reimbursement requests with invoices, payroll information, quarterly progress reports, and an annual audit. Agencies not in compliance will have their reimbursement withheld.

A 2009 survey of community-based agencies was used to ascertain the needs and priorities within the community for use in drafting the Annual Action Plan. Other plans and studies are reviewed to gather pertinent information about community development needs, issues, and trends. Finally, consideration is given to input and information gathered throughout the year through community development staff members' participation on various agencies.

Citizen Participation

1. Provide a summary of citizen comments.
2. In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment

(including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.

*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

CAPER Citizen Participation response:

The availability of the draft PY2012-13 CAPER for comment was advertised on the internet and in the Wilmington Star News newspaper on September 3, 2013. Copies of the draft were made available through the Community Development Division, City Clerk's and City Manager's Office and on the City website.

A public hearing was held on September 17, 2013. There were no comments received at the public hearing or during the public comment period.

Institutional Structure

1. Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.

CAPER Institutional Structure response:

In Wilmington, as in most cities, housing is made available in response to market demand. The gap in the Wilmington market is the availability of affordable housing, rental and homeownership, for households below 80 percent area median income. The market delivery system for housing consists of the private sector and the public sector. In order to address the need for affordable housing the City of Wilmington works closely with the private sector and the non-profit and public sector to leverage our resources. Community development staff members continue to improve efficiency and effectiveness by seeking partnerships, leveraging funding, and building networks among various public and private housing providers, such as area banks, the Wilmington Housing Authority, Wilmington Regional Association of Realtors, Habitat for Humanity, Cape Fear Community Housing Land Trust and AMEZ Housing Development Corporation to name a few.

Along these lines the City of Wilmington joined in with a consortium of local jurisdictions to successfully apply for a Regional Plan for Sustainable Development grant through HUD. This initiative, branded as FOCUS, will result in the development of a regional plan that addresses HUD's six livability principles. As a result of the planning process and the adopted plan the participating jurisdictions will have a framework to begin working more collaboratively to address a number of issues, including equitable access to affordable housing.

Monitoring

1. Describe how and the frequency with which you monitored your activities.
2. Describe the results of your monitoring including any improvements.
3. Self Evaluation
 - a. Describe the effect programs have in solving neighborhood and community problems.
 - b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.
 - c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.
 - d. Indicate any activities falling behind schedule.
 - e. Describe how activities and strategies made an impact on identified needs.
 - f. Identify indicators that would best describe the results.
 - g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.
 - h. Identify whether major goals are on target and discuss reasons for those that are not on target.
 - i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

CAPER Monitoring response:

Community Development's (CD) monitoring strategy for the CDBG and HOME programs consists of the use of standard City of Wilmington financial practices together with the standards and procedures derived from the Code of Federal Regulations and objectives. These guide us in successfully measuring fiscal, regulatory and programmatic performance and compliance of all activities identified for funding in the Annual Action Plan. Our policies are effective in establishing project eligibility and compliance with primary and national objectives, as well as compliance with other areas of grant administration. These policies provide the most effective methods of reviewing, evaluating, and monitoring performance of all Sub-Recipients, Contractors, Grantees, and Developers' project elements. The policies utilize methods such as risk analysis to guide the selection process and follow-up procedures such as progressive sanctions to effectively identify, prevent, and remedy problem areas. Community Development compliance staff and the City of Wilmington's finance staff members conducted annual site visits to every applicable housing and community development project funded by CDBG and HOME. CD monitoring visits were scheduled using an electronic calendar system allowing agencies multiple choices in selecting a monitoring assessment, automatic notifications, and the ability to reschedule while providing a database for record keeping. Follow-up letters/notices were prepared for each visit; any problem areas were identified with recommendations to mitigate, including additional inspections (if applicable). Community development staff and finance staff worked in close unity to

ensure proper mitigation. Sub-recipients and Developers were also required to provide quarterly reports which were reviewed by staff and follow-up provided, as needed and on-going technical support. Construction projects funded by HOME and CDBG funds were closely monitored for compliance with Federal Labor Regulations including Davis Bacon and all applicable federal, state, and local regulations, standards, and ordinances. See Site Inspection Section.

Community Development continued to recommend fair housing guidance and training to agencies and review leases to ensure compliance with regulations. CD staff continued to ensure environmental processes were followed and notified all subject housing agencies of the Presidential Policy Directive 9 regarding HUD funded properties and emergency management planning procedures regarding vulnerable populations that include disabled, aged, youth, and other low income households.

Self Evaluation:

Below are the priority community needs identified in the Five-year Consolidated Plan and the activities funded in PY2012-13 along with an evaluation of progress made in meeting these needs through the funded activities.

Affordable Rental Housing 152: 67 units in progress, 85 complete

Funds were allocated to support the development 152 new affordable rental units. In order to maximize entitlement resources and take advantage of opportunities to partner with projects seeking funding the City recommended funding for projects over two years contingent upon the receipt of future entitlement funds. Therefore, the funds allocated for projects in FY10-11 support projects that did not, in most cases, break ground until FY11-12 and were completed in FY12-13. Funds were allocated to support two tax credit projects – 60 units Lockwood Village by CASA, and 75 elderly units Lake Ridge Commons (formerly Middle Grove). Eight units at Greenville Trace were completed for developmentally disabled using NCHFA I-400 funds along with HOME funds. AMEZ owns five vacant lots which may be developed for affordable rental. Currently, AMEZ is in pre-development on one unit on McRae St. . CFRCDC is in the process of acquiring a property for rehabilitation as a duplex for affordable rental. Additionally, AMEZ rented one unit on Church Street and Cape Fear Housing Land Trust rented a unit on 6th street. Both these units were converted from homeownership to affordable rental. More affordable rental projects are needed.

Homeownership Opportunities - 9 units sold; 11 units in progress

The final one of four units of affordable housing was sold on sites at Corbett Street with the completion of the infrastructure funded in FY09-10. Cape Fear Housing Land Trust (CFHLT) in partnership with Habitat for Humanity completed the development of eight units of affordable housing in the Gideon Point project. Funds were provided to Cape Fear Regional CDC (CFRCDC) for five units and Habitat for six units to acquire vacant lots for infill construction or existing vacant housing for rehabilitation for homeownership. This strategy is aimed at supporting affordable homeownership by

leveraging NSP funds awarded to CFRCDC and by utilizing the Habitat model to leverage volunteers, sweat equity, and favorable financing. Habitat has acquired three vacant/rehab lots thus far, and has options on five additional properties. Additionally, the strategy helps preserve existing vacant housing and stabilize neighborhoods by attending to vacant lots with residential development when feasible.

Homeownership Opportunities - 14 loans; 106 workshop attendees

The City's Homeownership Opportunities Program provided 14 loans to low and moderate income households. Potential homebuyers enroll in homebuyer education workshops offered two times each month. Workshop participants may secure financing from other sources. A barrier to homeownership for many families is poor credit. More recently, the economic recession, especially increasing unemployment, are barriers for lower income homebuyers. While showing some improvement New Hanover County, including Wilmington, and the surrounding counties continue to experience unemployment at a higher rate than the state and national average. The HOP program is supporting affordable homeownership in the city by providing financing and education to individuals who, due to their income, might otherwise not become homeowners.

Preserve Affordable Housing Stock- 4 grants; 5 loans closed

A consequence of limited available developable land in the city is high land cost, which is a barrier to affordable housing. Housing owned by lower income residents, if not maintained, is at risk of being uninhabitable and thus lost for use as affordable housing. The City offers housing rehabilitation loans to low income homeowners to make necessary repairs to maintain safe, decent and affordable housing. In FY12-13 five households received housing rehabilitation loans.

To preserve affordable housing stock the City offers grants and loans for maintenance and rehabilitation. Grants are made available to low income elderly homeowners who are at risk of losing their homes due to deferred maintenance. Proper maintenance of housing stock protects the quality of life and property value in city neighborhoods and fosters a diverse community. In FY2012-13 three households received CDBG Emergency Repair Grants and one household received an Urgent Repair Grant.

Sustain Emergency Shelter Programs and Services to Transition Homeless Population to Permanent Housing - 1,334 individuals

Although discharge agreements exist with several health, mental health and other institutions serving homeless individuals there is no local organization to enforce the agreements. Wilmington's homeless service providers continue to receive individuals discharged from various institutions. Continued reductions in funding and services through state mental health institutions are also a barrier to providing appropriate supportive services to homeless. Nonetheless, 1,334 individuals received services through agencies funded with CDBG and General funds. (data from Good Shepherd/WIHN; First Fruit; LINC; 10 Year Plan; Domestic Violence Shelter; Phoenix Employment Ministry)

Sustain Emergency Shelter Programs and Services to Transition Homeless Population to Permanent Housing - 1052 individuals; 70 youth shelter

The City continues to support emergency shelters to serve homeless individuals and families. In addition to CDBG and HOME funds, the City provides general funds to support homeless shelters and the 10 Year Plan to End Chronic Homelessness. This plan identifies the needs, barriers, and strategies to address chronic homelessness in the three county area. City general funds help support the operation of a youth shelter, operated by Coastal Horizons, which served 70 youth in FY2012-13.

Sustain Emergency Shelter Programs and Services to Transition Homeless Population to Permanent Housing –274 households from shelter to housing; Facilities: 66 beds; 12 units

Victims of domestic violence and ex-offenders are included in special populations benefiting from transitional housing assistance with supportive services. The goal is to move these at-risk individuals into safe and productive lives within the community. Providing decent housing and supportive services also enhances the quality of life for the community at-large through reduced recidivism of ex-offenders. Additionally, Good Shepherd and Wilmington Interfaith Hospitality Network have engaged a strategy to move clients from emergency shelter to transitional housing. Over the year ending June 30, 2013, these organizations have successfully housed 274 households in transitional housing. (data from Good Shepherd, WIHN, Domestic Violence)

Lead-based Paint

1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

CAPER Lead-based Paint response:

Lead-based paint can be found in homes built before 1978, when it was banned for residential use, and it is very common in housing built before 1950. This includes almost all the homes rehabilitated with CDBG or HOME funds or processed thru the HOP program. In operating these programs, the City makes the assumption that lead-based paint will be present. The staff takes appropriate precautions to safeguard the health of occupants, workers, (both paid and volunteer) and prospective homebuyers..

In an attempt to offset some of the lead control costs, the City partnered with the NC Department of Health and Human Services in lead-based paint control grant. The grant provides an average of \$8,000 per unit for lead hazard control compared to the \$20,000 general fund grants. Another limitation of the NCHHS grant is the requirement that funds only be used in low/moderate income households where children ages six and under are present. Many of the traditional applicants for the City’s rehab loans are elderly and do not have young children in the household.

The following activities took place during the program year:

Staff conducted thirty-two inspections of properties with the potential of a lead-based paint hazard. Nine cases were determined to require a lead-based paint test with a risk assessment.

New regulations (RRP) from the adopted by the State of North Carolina have required additional training and certifications be obtained by staff and both Rehabilitation Specialist have received the training and required certifications, as well as the City of Wilmington. Contractors on the City's List of contractors eligible to perform rehabilitation work in target housing and child occupied facilities have also received this training and certifications. At this time all contractor on the City's list of Contractors have obtained their appropriate credentials', except one who is trying to find an approved trainer.(They are not allowed to bid on LBP related projects)

All Wilmington properties built prior to 1978 have LBP hazard potential. During the "final specifications" process, a risk assessment is performed to determine the presence of lead hazards. A number of cases do not get to the testing stage due to various reasons, i.e., client decides not to purchase the property (HOP), cost of rehabilitation is too great, and other disqualifying factors.

Obstacles that the City rehabilitation staff encountered with lead-based paint include the extreme cost to abate some homes, excessive time involved to complete specifications requiring risk assessment, and contractors who are slow to incorporate their lead training and techniques into their on-the-job performance requirements. Other obstacles this cycle have been the long distance involvement of the State Director of the HUD Lead Grant to the State of North Carolina, the time /distance relationship has hindered the timely review and approval of specification's and numerous program "guideline" changes have been difficult, at best, to relate to the Lead investigative services provider and blend into the program. This precipitated an issuance of a request for an update to the investigative services provider fee schedule, which has just recently been approved.

HOUSING

Housing Needs

*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe Actions taken during the last year to foster and maintain affordable housing.

CAPER Housing Needs response:

In January 2002, the city started the Wilmington Affordable Housing Coalition (AHC), now the Affordable Housing Coalition of Southeastern North Carolina. The City continues to support this effort as a member. Membership includes individuals from the

non-profit and private sector, including affordable housing and supportive services providers, lenders, developers, and local government representatives.

The AHC initiated the affordable rental housing website “capefearhousing.org.” In addition, the Coalition was instrumental in the creation of the Cape Fear Housing Land Trust and the regional 10 Year Plan to End Chronic Homelessness. In FY2010-11 the AHC received IRS 501 © 3 status. Ongoing activities include the "affordablehousingcoalition.com" website, brochure, and advocacy efforts.

Origination fees collected by the City are used to help offset the cost to provide training for potential homeowners. City housing counselors conducted 11 Homeownership classes and trained 106 individuals. In addition, 11 brokers received HOP Broker Certification to better enable them to serve low to moderate home buyers, especially those using HOP financing.

Specific Housing Objectives

1. Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.
2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.
3. Describe efforts to address “worst-case” housing needs and housing needs of persons with disabilities.

CAPER Specific Housing Objectives response:

Worst case housing needs are defined by HUD as low-income renter households who pay more than half their income for rent, live in seriously substandard housing (which includes homeless people) or have been involuntarily displaced. The Wilmington Housing Authority (WHA) is primarily responsible for addressing “worse case needs” in the City of Wilmington. According to the WHA 2013 Annual Plan the Authority is authorized to hold a portfolio of 1624 units of conventional public housing. In FY2012-13, WHA has 1,929 Housing Choice Vouchers/Section 8 vouchers.

Affordable rental housing for lower income households is addressed through several housing objectives. Sixteen individuals with disabilities are housed by The Arc of North Carolina rental project and nine households with disabilities have affordable rental housing at Greenville Trace; 96 elderly households receive safe decent affordable rental

housing in the Robert R. Taylor Senior Homes and 75 elderly households are served by Lake Ridge Commons Senior housing ; 48 lower income families rent apartments at The Pointe at Taylor Estates; and likewise, 48 low income families rent apartments at New Brooklyn Homes. Victims of domestic violence, who are presumed homeless, and up to three homeless families will have continued access to affordable rent at the 12 unit Willow Pond project which was rehabilitated in FY2009-10.

The City supported affordable homeownership with a number of strategies, including providing funding to acquire lots or houses for rehabilitation for eleven units of housing for homeownership to be built or rehabilitated/reconstructed by CHDO's, and Cape Fear Habitat for Humanity. Additionally 14 loans to homebuyers were provided through the City's Homeownership Opportunities Program. Further, the Cape Fear Housing Land Trust in partnership with Habitat for Humanity completed the development of eight units of affordable housing in the Gideon Point project.

TABLE 2a – Income of Beneficiaries Served in Housing Programs Funded with CDBG, HOME, Revolving Funds, NCHFA** or City General Funds FY 2012-13

	Limited Assistance Grants	Rehab Loans	New Construction CHDO's Nonprofit	HOP Loans	TOTAL
Owners					
Non-Elderly					
0-30% AMI		1		1	2
31-50% AMI		1	6	2	9
51-80% AMI		1	7	11	19
81% > AMI					0
Total Non-Elderly	0	3	13	14	30
Elderly					
0-30% AMI		1		0	1
31-50% AMI	3			0	3
51-80% AMI		1		0	1
81% > AMI				0	0
Total Elderly	3	2	0	0	5
Total Owners	3	5	13	14	35
Disabled					
0-30% AMI		2			2
31-50% AMI	2	1			3
51-80% AMI				1	1
81% > AMI					0
Total Disabled	2	3		1	6

*AMI= Average Median Income

CHDO: Community Housing Development Organization (AMEZ & Cape Fear CDC)

Nonprofits: Habitat for Humanity

HOP: Home Ownership Pool

TABLE 2b Income of Individuals/Households Served in Rental Housing Programs Funded by HOME and CDBG FY2012—13

Income Category	The Point at Taylor Estates	Robert R. Taylor Senior Homes	First Fruit Ministries	Hopewood	ARC of NC	RHA	WIHN Willow Pond	New Brooklyn Homes	Lakeridge	TOTAL
Renters										
0-30% AMI	30	70	24	18	21	8	16	38	19	244
31-50% AMI	11	26		1			3	13	19	73
51-80% AMI	7	7						2	42	58
81% > AMI										0
Total Renters	48	103	24	19	21	8	19	53	80	375
Disabled	0	83	24	18	14	8		1	39	187
Elderly	0	72	1	1	1		1	0	51	127
Total Elderly	0	72						0	39	72
Total Disabled/Elderly	0	155	25	19	15	8	1	1	90	314

*AMI= Average Median Income

Table 3 - Housing Production Targets for 2013-17

Objective:	Key Five-Year Targets	FY12-13 Targets	FY12-13 Actual
Increase and maintain the supply of safe, decent rental housing units available for low-income households, focusing on households earning 50% or less of the AMI.	Construct- 200 rental units; Rehab 25 rental units	Construct- 114 rental units; Rehab 7 rental units	75 multifamily LIHTC units; 3 scattered site units in progress
FY12-13 Strategies:	Resources to be used:		Resources used:
Pine Ridge 50 Unit Senior Affordable Rental; Lockwood Village 60 unit multi-family affordable family rental; CFRCDC up to 7 single-family affordable rental units; AMEZ CDC up to 4 single-family affordable rental units. Close-out Lake Ridge.	CDBG; HOME; Revolving Loan; LIHTC; Private funds		\$40,056 CHDO Proceeds
Objective:	Key Five-Year Targets	FY12-13 Targets	FY12-13 Actual
Increase opportunities for low income households (less than 80% AMI) to become homeowners through mortgage subsidy programs	50 households w/mortgage subsidy i.e. HOP, NCHFA, etc.	10 HH mortgage subsidy i.e. HOP, NCHFA, etc.	14 HOP Loans; 3 Down Payment Asst Loans
FY12-13 Strategies:	Resources to be used:		Resources used:
Continue HOP partnership with local banks;	CDBG; HOME; Revolving Loan Fund; General Fund		HOP-\$687,89 HOME; DPA-\$75,000 HOME

Objective:	Key Five-Year Targets	FY12-13 Targets	FY12-13 Actual
Increase opportunities for low income persons to become homeowners, focusing on very low-income and low income households	30 new construction/rehab units	20 new construction/rehab units	8 units Gideon Pt; 1 unit CFHFH; 2 units in progress CFHFF; 1 CFHLT*
FY12-13 Strategies:	Resources to be used:		Resources used:
CFHLT/CFHFH-Gideon Pointe-8 units affordable homeownership; CFHLT rehab 2 units affordable housing; CFRCDC- rehab up to 5 vacant foreclosed properties for homeownership; CFHFH infill rehabilitate or rebuild up to 6 units for homeownership	HOME; NSP; Private Funds		\$73,500 HOME
Objective:	Key Five-Year Targets	FY12-13 Targets	FY12-13 Actual
Preserve and improve existing affordable owner housing for low-income owners, focusing on elderly, disabled and other special needs populations	50 units rehabilitated	8 Rehab loans; 15 critical repairs; 5 major rehabs	5 COW Rehab loans; 0 NRI; 3 Emergency Repair Grts
FY12-13 Strategies:	Resources to be used:		Resources used:
Continue City Rehabilitation Loan Program; CFHFH/WARM- NRI program: critical repairs up to 15 units; rehab/reconstruct up to 6; 5 major rehabilitations to owner-occupied	CDBG; HOME; Private Funds; Volunteer Labor		\$86,832 CDBG RL; \$88,784 HOME; \$12,476 CDBG
Objective:	Key Five-Year Targets	FY12-13 Targets	FY12-13 Actual
Provide Emergency Shelter and Services to Homeless	5000 units of service	1000 units of service	1,122 units of service
FY12-13 Strategies:	Resources to be used:		Resources used:
Good Shepherd/WIHN; Domestic Violence Shelter & Services; Coastal Horizon Youth Shelter	CDBG; CoC; ESFP; Private Funds		\$161,434 CDBG; \$27,300 Gen Fund

Objective:	Key Five-Year Targets	FY12-13 Targets	FY12-13 Actual
Provide Case Management and Services to Transition Homeless to Permanent Housing	200 units annually of service to transition homeless	200 units of service to transition homeless	1,334 units service/case management; 274 transitioned to housing
FY12-13 Strategies:	Resources to be used:		Resources used:
Good Shepherd/WIHN; Domestic Violence Shelter & Services; Coastal Horizon Youth Shelter; United Way 10 Year Plan; First Fruit; LINC	CDBG; HOME; CoC; ESFP; Private Funds; General Funds; US DOJ		\$169,519 CDBG; \$139,649 GF
Objective:	Key Five-Year Targets	FY12-13 Targets	FY12-13 Actual
Develop Transitional and Permanent Supportive Housing opportunities for homeless and special needs populations	25 units	48 units	48 units
FY12-13 Strategies:	Resources to be used:		Resources used:
Complete M.E. Roberts II; Complete Greenville Trace	CDBG; HOME; NCHFA; Private Funds		\$119,723 CDBG; \$24,667 other
Objective:	Key Five-Year Targets	FY12-13 Targets	FY12-13 Actual
Increase opportunities for successful homeownership and or prevent homelessness through housing counseling, financial literacy, and financial counseling for renters	1000 households receive counseling/education program service	175 households receive counseling/education program service	314 CFRCDC; 106HOP
FY12-13 Strategies:	Resources to be used:		Resources used:
City of Wilmington Homebuyer Education & Counseling; AMEZ & CFRCDC Foreclosure Prevention Counseling	HOP fees; General Funds; NCHFA		\$18,896 GF; \$9,691 HOP Fees

TABLE 4– HOP ACCOMPLISHMENTS 2012-13

Address	General Fund HOP	CDBG Fund HOP	HOME Fund HOP	Other Funds
2209 Jefferson Street			\$ 46,202.00	\$ 69,303.00
2324 Shirley Road			\$ 50,800.00	\$ 76,800.00
2011 Shirley Road			\$ 51,600.00	\$ 77,400.00
6211 Wrightsville Avenue			\$ 49,200.00	\$ 73,800.00
2730 S. 17th Street			\$ 30,800.00	\$ 46,200.00
2237 Jefferson Street			\$ 39,400.00	\$ 59,100.00
904 Haymarket Lane			\$ 55,000.00	\$ 82,500.00
331 Virginia Avenue			\$ 45,334.00	\$ 68,000.00
2015 Shirley Road			\$ 57,960.00	\$ 86,940.00
3803 New Holland Drive			\$ 68,000.00	\$ 102,000.00
3132 Camden Circle			\$ 58,000.00	\$ 87,000.00
5313 Greenlead Drive			\$ 46,000.00	\$ 69,000.00
921 Taiga Lane			\$ 58,800.00	\$ 88,200.00
717 Bragg Drive			\$ 30,800.00	\$ 46,200.00
Total	\$ -	\$ -	\$687,896.00	\$ 1,032,443.00

TABLE 4A– DOWNPAYMENT ASSISTANCE 2012-13

Address	General Fund HOP	CDBG RL HOP	HOME HOP	Other Funds
3825 Prices Lane			\$ 25,000.00	\$ 78,000.00
502 Maides Avenue			\$ 25,582.00	\$ 75,000.00
3921 Prices Lane			\$ 25,000.00	\$ 70,000.00

TABLE 4B– OWNER-OCCUPIED REHABILITATION LOANS 2012-13

Address	HOME	CDBG	Prior Year Expenditures	Lead Paint Grant	Total
309 Anderson street		\$ 30,941.30	\$ 1,290.00		\$ 32,231.30
2005 East Lake Shore Drive		\$ 24,904.55	\$ 1,050.00		\$ 25,954.55
610 Bladen Street		\$ 23,676.20			\$ 23,676.20
114 North 5th Street		\$ 7,309.50		\$ 2,888.34	\$ 10,197.84
1922 Wolcott Avenue	\$ 88,784.00			\$ 735.00	\$ 89,519.00
Total	\$ 88,784.00	\$ 86,831.55	\$ 2,340.00	\$ 3,623.34	\$ 181,578.89

Public Housing Strategy

1. Describe actions taken during the last year to improve public housing and resident initiatives.

CAPER Public Housing Strategy response:

The Housing Authority of the City of Wilmington continued to make significant strides in enhancing the quality and quantity of the affordable housing options it offers throughout the 2013-2014 fiscal year. Priorities were established to ensure significant enhancements were made to its current public housing portfolio while plans were made for the development of new construction projects to meet the ever increasing needs of the community.

Below are some of the significant milestones for the Wilmington Housing Authority in its 2013-14 fiscal year.

- Assisted 4 families in achieving homeownership. The Individual Development Account (IDA) program was utilized to help all of these families. Seven families have an active IDA account that are saving for down payment assistance.
- Opened our waiting list for Public Housing for the first time in 3 years. 1000 families were put on the Public Housing wait list, showing the continuing need for affordable housing. In 2012 over 3000 families applied to be placed on the Housing Choice Voucher (Section 8) Waiting List. 494 families remain on the Section 8 Waiting List until funding is available for a voucher to be housed.
- Continue to utilize our Youth Build grant of \$800,000 awarded by the Department of Labor. Forty youth between the ages of 16-24 were enrolled in October, 2011. The group completed building their first house in June, 2012.
- Received a Public Housing & Housing Choice Voucher Family Self Sufficiency grant from the Department of Housing and Urban Development (HUD) to be used to continue to fund the salary of 2 family self-sufficiency coordinators for our public housing residents and our voucher families.
- Renovation work continues at Solomon Towers involving lobby renovations which included a computer lab, and TV lounge, as well as a new irrigation system. In addition, each hallway is being renovated from floor to ceiling, including new lighting. Renovations will cost approximately \$350,000.
- Completed installation of Video surveillance equipment with last year's safety grant at the Houston Moore development, along with Solomon Towers, Rankin Terrace, and Creekwood South.
- Continue to build our Transformation Plan with our \$200,000 Choice Neighborhood Initiative Planning Grant to redevelop the Hillcrest Housing Development, with a projected Implementation Grant submission date of Fall, 2014. The WHA will ask for \$30M to redevelop Hillcrest with hopes to leverage up to \$90M to revitalize the SouthSide.
- A grant was awarded from North Carolina Housing Finance Agency in the amount of \$412,000 to construct eight (8) units of permanent supportive housing, Supportive Housing I, to be located on Dawson Street.
- Completed interior demolition of the 32 units at Eastbrook. Began the rehabilitation to the 32 units which will be used as public housing when complete.
- Completed our Creekwood Tax Credit project of \$13M as 138 units were fully gutted and rehabbed, adding to the 60 units completed last year with ARRA funds and creating a brand new affordable tax credit development in Creekwood South.
- WHA contracts with the Wilmington Police Department to ensure full-time police officers are assigned to work exclusively in and around WHA neighborhoods.

- WHA received a Rental Assistance Demonstration (RAD) award from HUD to construct forty (40) new two-bedroom townhouse style apartments in three buildings on Dawson Street.

Barriers to Affordable Housing

1. Describe actions taken during the last year to eliminate barriers to affordable housing.

CAPER Barriers to Affordable Housing response:

The 2012-13 Annual Action Plan identified several barriers to affordable housing and proposed strategies to attend to some of these barriers. Below is a summary of actions taken and progress made in addressing these barriers.

- The lack of affordable rental housing for lower income families, elderly and disabled people is a barrier to affordable housing. Leveraging other funds to maximize the resources available to increase the stock of affordable rental units is one strategy to address this barrier. Several projects supported by the City effectively leveraged tax credits and other financing, such as the Lake Ridge Commons projects and CASA – Lockwood Village.
- Availability of affordable land is a major barrier to affordable housing. Subsidizing nonprofit housing developers to purchase property and build single-family, stand-alone homes has become increasingly expensive. The City will look more toward providing financial incentives for projects with multiple units. This could be accomplished through funding one facet of the project, such as acquisition, infrastructure or impact fees. Additionally, funding Habitat, AMEZ and CFRCDC to acquire infill properties and rehabilitate/reconstruct for affordable homeowner or rental housing helps ensure housing is available for low-to-moderate income households and not lost to gentrification.
- The cost of addressing lead-based paint (LBP) hazard control remains an issue for rehabilitation of housing constructed before 1978. General funds for lead abatement grants was not appropriated in the FY12-13 budget. During FY09-10, the available general funds were depleted. In an attempt to offset some of the lead control costs, the City partnered with the NC Department of Health and Human Services in lead-based paint control grant. The grant provides an average of \$8,000 per unit for lead hazard control compared to the \$20,000 general fund grants. Another limitation of the NCHHS grant is the requirement that funds only be used in low/moderate income households where children ages 6 and under are present. Many of the traditional applicants for the City's rehab loans are elderly and do not have young children in the household.

- The lack of education and marketing continues to be a barrier to affordable housing. The City continues to support the efforts of the Affordable Housing Coalition for Southeast North Carolina, especially the Annual Housing Summit, and educational efforts of the City of Wilmington in partnership with Wilmington Regional Association of Realtors. In addition, the City offers a Homeowner Opportunities Program (HOP) Certified Brokers Program. The HOP Certified Brokers Program is designed to educate realtors about the City's housing programs and to foster a network of dedicated real estate professionals to refer to low-to-moderate homebuyers.
- Continued high unemployment increases the number of households in need and erodes confidence among those in a position to develop or purchase housing. Finally, state and local governments are experiencing a decline in revenues which reduces the resources available to support community development initiatives and services. In response to these barriers the City will continue to maximize leverage and support NCHFA Tax Credit Projects which provide financing for the development of affordable housing within the city limits. Additionally, the HOP program provides second mortgages at no/low interest, along with down payment assistance when available to help low-to-moderate income and workforce income households purchase affordable housing, including foreclosed units.
- HUD no longer assists with financing, through the Continuum of Care, for transitional housing. This is a barrier to affordable housing. The City continues to support transitional housing with funding for the M. E. Roberts Transitional Living Facility and Willow Ponds projects. Concurrently, CDBG and General Funds are used to support transitional and emergency shelter programs provided by LINC, Good Shepherd, Domestic Violence Services and Shelter, and Coastal Horizons.
- NIMBY (Not in My Backyard) attitudes when coupled with the limited availability of developable land makes affordable housing projects subject to opposition from neighboring property owners expressing concern over the perceived negative impact of affordable housing developments on property values. A Housing Summit jointly hosted by the City of Wilmington and the Affordable Housing Coalition is planned for the fall 2013. One of the goals of the Summit is to bring diverse sectors of the housing industry to build networks and educate attendees on the changes in the housing market and the need for affordable housing and equitable access to housing.
- Increase in number of households in poverty, especially African American families, is a barrier to affordable housing as these households struggle to maintain decent housing within their budget. Development of affordable housing and housing subsidy are necessary to ensure access to decent housing for low-income households.
- Increasing cost of housing over time compared to wages. Over the period from 2000 -2009 median housing values increased by 71 percent in the city, greatly outpacing increases in median income over the same period at 26 percent.

- Increased demand for rental property drives up the market rate for rental property contributing to the housing cost-burden for low income renters. According to a January 24, 2012 article in the Wilmington Star News Wilmington area apartment rents increased by 5.2 percent in 2011 compared to 2010; nationally the increase was 4.7 percent. This demonstrates the need for LIHTC projects for families, as well as elderly, in the city.
- A deficient in the availability of permanent resources to sustain current efforts to move homeless individuals and households into transitional housing and permanent supportive housing is a barrier to affordable housing for homeless. The City's Rental Incentive Loan Program guidelines and underwriting criteria have been revised, in the Annual Action Plan FY13-14, to give priority to applicants developing permanent supportive housing for special populations.

HOME/ American Dream Down Payment Initiative (ADDI)

1. Assessment of Relationship of HOME Funds to Goals and Objectives
 - a. Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.
2. HOME Match Report
 - a. Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.
3. HOME MBE and WBE Report
 - a. Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).
4. Assessments
 - a. Detail results of on-site inspections of rental housing.
 - b. Describe the HOME jurisdiction's affirmative marketing actions.
 - c. Describe outreach to minority and women owned businesses.

CAPER HOME/ADDI response:

Assessment of HOME funds to Goals and Objectives

HOME projects fell into the following HOME-eligible HOME ACTIVITY TYPES: (1) housing rehabilitation; (2) homebuyer activities; (3) rental housing; and (4) tenant based rental assistance.

Below is a summary of progress made using HOME funds:

- Fourteen low income homebuyers received HOP- HOME financing to purchase a home
- One of six houses constructed by AMEZ- CHDO rented to low-to-moderate income household. Houses constructed over past four years.

- Project completed - 32 newly constructed homes at Cornerstone Cottages sold to low-to-moderate income homebuyers.
- Project completed - four units on Corbett Street by Habitat for Humanity.
- Project completed – eight units of affordable rental housing for disabled secured matching financing, construction complete- Greenville Trace.
- Project completed - Cape Fear Housing Land Trust/Habitat for Humanity, Gideon Point project, eight units of affordable housing sold under the land trust model.
- Project close-out in process for seventy-five unit elderly rental project, Lake Ridge, occupied.
- CHDO projects in process – AMEZ Housing CDC reconstruction one unit at 701 McRae.
- CHDO projects in process – Cape Fear Regional CDC rehabilitation of one unit on 5th Avenue into duplex for rental.
- One Owner-Occupied Housing Rehabilitation Loan through City Rehab Loan Program
- In progress- Lockwood Village by CASA, 60 unit multi-family LIHTC project
- In progress – Habitat for Humanity acquisition of infill for rehabilitation/reconstruction – three properties under construction

TABLE 5a– Income of Individuals Served in Housing Programs Funded with HOME FY 2012-13

Income Category	New Construction CHDO's Nonprofit	HOP Loans	Housing Rehab Loans	TOTAL
Owners				
Non-Elderly				
0-30% AMI		1		1
31-50% AMI	6	2		8
51-80% AMI	7	11		18
81% > AMI				0
Total Non-Elderly	13	14	0	27
Elderly				
0-30% AMI				0
31-50% AMI				0
51-80% AMI			1	0
81% > AMI				0
Total Elderly	0	0	1	0
Total Owners	13	14	1	27
Disabled				
0-30% AMI				0
31-50% AMI				0
51-80% AMI		1		1
81% > AMI				0
Total Disabled	0	1	0	1

*AMI= Average Median Income

CHDO: Community Housing Development Organization (AMEZ & Cape Fear CDC)

HOP: Home Ownership Pool

TABLE 5b Income of Individuals Served in Rental Housing Programs Funded by HOME FY2012-13

Income Category	The Point at Taylor Estates	Robert R. Taylor Senior Homes	First Fruit Ministries	Hopewood	ARC of NC	RHA	WIHN Willow Pond	New Brooklyn Homes	Lakeridge	TOTAL
Renters										
0-30% AMI	30	70	24	18	21	8	16	38	19	187
31-50% AMI	11	26		1			3	13	19	41
51-80% AMI	7	7						2	42	14
81% > AMI										0
Total Renters	48	103	24	19	21	8	19	53	80	242
Diabled	0	83	24	18	14	8		1	39	147
Elderly	0	72	1	1	1		1	0	51	76
Total Elderly	0	72						0	39	72
Total Disabled/Elderly	0	155	25	19	15	8	1	1	90	223
*AMI= Average Median Income										
CHDO: Community Housing Development Organization (AMEZ & Cape Fear CDC)										
HOP: Home Ownership Pool										
NCHFA: North Carolina Housing Finance Agency										

**Table 6– Summary of HOME
Appropriated/Available Funds; Expenditures; Carry-over
FY2012-13**

	As of 06/30/13	As of 06/30/13	As of 06/30/13	
	2012-13 HOME Funds Appropriated	HOME Funds Available From Prior Years	Appropriated HOME Funds Total Expenditures FY 2012-13	HOME Funds Carry-over to FY2013-14
HOUSING				
CASA-Lockwood Village	\$ 144,225.00	\$ -	\$ -	\$ 144,225.00
Community Land Trust - Delivery Costs	\$ -	\$ 359.72	\$ -	\$ 359.72
Housing Rehabilitation	\$ 88,784.00	\$ 16,800.53	\$ 88,784.00	\$ 16,800.53
HOP & Downpayment Assistance	\$ 217,190.00	\$ 545,952.00	\$ 762,896.00	\$ 246.00
Habitat For Humanity Acquisition	\$ -	\$ 203,880.00	\$ 73,500.00	\$ 130,380.00
Habitat - Gideon Pointe	\$ -	\$ 6,608.73	\$ -	\$ 6,608.73
Lake Ridge Commons	\$ -	\$ 386,981.59	\$ 301,833.38	\$ 85,148.21
CHDO Undesignated	\$ -	\$ 39.27	\$ -	\$ 39.27
CHDO - AME Zion	\$ 150,000.00	\$ 268,000.00	\$ -	\$ 418,000.00
CHDO - CDC	\$ 50,000.00	\$ 293,158.78	\$ -	\$ 343,158.78
Tennant Based Rental Assistance	\$ -	\$ 1.02	\$ -	\$ 1.02
SUBTOTAL	\$ 650,199.00	\$ 1,721,781.64	\$ 1,227,013.38	\$ 1,144,967.26
ADMINISTRATION & PLANNING				
Administration - Other	\$ -	\$ 1,528.00	\$ -	\$ 1,528.00
Administration	\$ 60,000.00	\$ -	\$ 60,000.00	\$ -
SUBTOTAL	\$ 60,000.00	\$ 1,528.00	\$ 60,000.00	\$ 1,528.00
Grand Total	\$ 710,199.00	\$ 1,723,309.64	\$ 1,287,013.38	\$ 1,146,495.26

Table 6a Summary of HOME Funded Projects w CHDO Proceeds; Private Bank Funds

	As of 06/30/13	As of 06/30/13	As of 06/30/13		Current Year Private Funds	As of 06/30/13	As of 06/30/13	Current Funds	Available 06/30/13	
		Appropriated	HOME Funds	Available	Expenditures Provided by Banks	Total Funds Available	Total Expenditures FY 2012-13	Available	Balance 06/30/13	
	2012-13	HOME Funds	HOME Funds	Available						
	HOME Funds	Available	Total Expenditures	CHDO						
	Appropriated	From Prior Years	FY 2012-13	Proceeds						
HOUSING										
CASA-Lockwood Village	\$ 144,225.00	\$ -	\$ -	\$ -	\$ -	\$ 144,225.00	\$ -	\$ 144,225.00		
Housing Rehabilitation	\$ 88,784.00	\$ 16,800.53	\$ 88,784.00	\$ -	\$ -	\$ 105,584.53	\$ 88,784.00	\$ 16,800.53	\$ -	
HQP & Downpayment Assistance	\$ 217,190.00	\$ 545,952.00	\$ 762,896.00	\$ -	\$ 1,922,927.00	\$ 2,686,089.00	\$ 2,686,823.00	\$ 246.00	\$ -	
Habitat For Humanity Acquisition	\$ -	\$ 203,880.00	\$ 73,500.00	\$ -	\$ -	\$ 203,880.00	\$ 73,500.00	\$ 130,380.00	\$ -	
Habitat - Gideon Pointe	\$ -	\$ 6,608.73	\$ -	\$ -	\$ -	\$ 6,608.73	\$ -	\$ 6,608.73	\$ -	
Lake Ridge Commons	\$ -	\$ 386,981.59	\$ 301,833.38	\$ -	\$ 3,175,365.35	\$ 3,562,346.94	\$ 3,477,198.73	\$ 85,148.21	\$ -	
CHDO Undesignated	\$ -	\$ 39.27	\$ -	\$ -	\$ -	\$ 39.27	\$ -	\$ 39.27	\$ -	
CHDO - AME Zion	\$ 150,000.00	\$ 268,000.00	\$ -	\$ 297,317.65	\$ -	\$ 715,317.65	\$ -	\$ 715,317.65	\$ 297,261.65	
CHDO - CDC	\$ 50,000.00	\$ 293,158.78	\$ -	\$ 57,218.72	\$ -	\$ 400,377.50	\$ -	\$ 400,377.50	\$ 57,192.72	
SUBTOTAL	\$ 650,199.00	\$ 1,721,420.90	\$ 1,227,013.38	\$ 354,536.37	\$ 5,098,292.35	\$ 7,824,448.62	\$ 6,325,305.73	\$ 1,499,142.89	\$ 314,454.37	
Administration - Other	\$ -	\$ 1,528.00	\$ -	\$ -	\$ -	\$ 1,528.00	\$ -	\$ 1,528.00	\$ -	
Administration	\$ 60,000.00	\$ -	\$ 60,000.00	\$ -	\$ -	\$ 60,000.00	\$ 60,000.00	\$ -	\$ -	
SUBTOTAL	\$ 60,000.00	\$ 1,528.00	\$ 60,000.00	\$ -	\$ -	\$ 61,528.00	\$ 60,000.00	\$ 1,528.00	\$ -	
Grand Total	\$ 710,199.00	\$ 1,722,948.90	\$ 1,287,013.38	\$ 354,536.37	\$ 5,098,292.35	\$ 7,885,976.62	\$ 6,385,305.73	\$ 1,500,670.89	\$ 314,454.37	

Table 6b Summary of CHDO Proceeds

	Available CHDO Proceeds	As of 06/30/13 CHDO Proceeds Total Expenditures FY 2012-13	Available CHDO Proceeds Balance 06/30/13
HOUSING			
CHDO - AME Zion	\$ 297,317.65	\$ 40,056.00	\$ 257,261.65
CHDO - CDC	\$ 57,218.72	\$ 26.00	\$ 57,192.72
SUBTOTAL	\$ 354,536.37	\$ 40,082.00	\$ 314,454.37
Grand Total	\$ 354,536.37	\$ 40,082.00	\$ 314,454.37

Table 7

HOME MATCH REPORT—See Appendix

On-Site Inspections

All applicable agencies were monitored for finance and program adherence to regulations and reporting, and included on-site inspections for compliance with Housing Quality Standards inspections (HQS) and other applicable codes. A sampling of client files were inspected for required disclosures, income verification, income backup documentation, verification of homelessness (if, applicable), proper leases, demographics, required rents, authorized signatures, background clearance, tenant selection policy, eviction notices (if, applicable), house rules for reasonability, tenant listings, eligibility, and fiscal compliance. Technical assistance was provided and is continually provided by CD and Finance staff throughout the affordability period to Sub-recipients, Grantees, Contractors, Agents, and Developers. In addition, agencies are referred to workshops and other training opportunities, as available. The following is a summary of programmatic compliance comments that are in resolution: HEO, Incorporated Taylor Estates, income eligibility and recertification lease language conflicts with HOME and Low Income Housing Tax Credits. Lakeridge Commons fair housing training and HQS, Willow Pond HQS, Hopewood HQS, ARC Housing occupancy rates. In addition, Housing Rehab Staff are on-site at regular contractor meetings to ensure that the construction activities have been completed to coincide with the draw down requests, and are issued a memo of compliance from CD staff prior to any release of funds. CD,

Finance, and Rehab staff provides technical assistance throughout the project to facilitate mitigation with various issues. Also, CD staff facilitates various training workshops and meetings with Grantees, Sub-recipients, Developers, Contractors, and Agents as follows: Environmental, preconstruction meetings, pre-bid meetings, Davis Bacon, Fair Housing, public notice, and conditional funding agreement and requirements. During the construction phase of the projects CD and/or Rehab staff inspect site for compliance with required posted notices and Davis Bacon employee interviews.

Below is a chart of projects subject to affordability period:

ARC of NC	16 Units
First Fruit Ministries	9 Units
HEO The Pointe	48 Units
HEO Taylor Senior	96 Units
Lakeridge Commons	75 Units
LINC M. E. Roberts	40 Units
WHFD Hopewood	16 Units
WHA New Brooklyn Homes	48 Units
WIHN-Willow Pond	12 Units
RHA- Greenville Trace	8 Units

Affirmative Marketing

The City of Wilmington Citizen Participation Plan prescribes the actions for consulting with, informing and soliciting comments and input from citizens in the planning, preparation, and amendment of community development plans and evaluations.

In order to ensure that we engage the participation of minorities and women in the development, implementation and evaluation of community development programs and initiatives the City maintains a database of community partner agencies, which represent and serve minority, women, and other special populations. These agencies are provided with information and updates to distribute to their respective constituencies concerning various community development programs. Community partners are invited to provide input through surveys, at public meetings, and hearings, as well as one-on-one consultation. In addition these agencies are regularly contacted to assess community need, ascertain issues of concern, and solicit participation in various community development programs.

The City of Wilmington continues efforts to foster non-discrimination and equal opportunity in housing. To that end, housing programs assisted with federal or local funds are made widely known through-out the community through advertising in local media outlets, as well as ongoing contact with community-based organizations, social service agencies, partnering banks and real estate professionals, the Wilmington Housing Authority, and area churches. The Fair Housing Logo is displayed on all Community Development housing and other materials. All CDBG and HOME assisted housing

projects are required to have an affirmative marketing plan, as referenced in funding agreements.

MBE/WBE Outreach Efforts

The City of Wilmington has a comprehensive plan to address and enhance minority and women owned business enterprises. Below are the strategic steps as outlined in the plan:

- Work with minority-focused and small business groups that support MWBE and small business inclusion in the solicitation of bids. These groups include the Community Development Corporation (CDC), Small Business Technology Development Center (SBTDC) at the University of North Carolina at Wilmington, the Black Chamber of Commerce, the Hispanic Chamber of Commerce, the Community Action Group, Partners for Economic Inclusion, Greater Wilmington Chamber of Commerce, Wilmington Small Business Network, and others as they become available and known to the City.
- Link web sites where possible so those MWBE firms can gain broad access to bidding information, business development resources, and training opportunities.
- Place more emphasis on the importance of soliciting certified MWBE firms and small businesses for subcontracting opportunities at pre-bid conferences and in the bid documents. Examine specifications to identify special subcontracting opportunities and strongly encourage prime contractors to solicit bids for subcontracts from MWBE firms.
- Provide detailed information to majority contractors concerning the City's MWBE Policy and Procurement Policy and provide information on N.C.G.S. 143-129 by holding meetings with the contractors.
- Assess the effectiveness of the MWBE Program and identify opportunities to enhance it by evaluating MWBE participation and compliance and reviewing the "good faith efforts" provided in bid packages. Feedback will be given to bidders regarding their "good faith efforts" submitted in the bid packages.
- Identify subcontracting opportunities unique to each construction contract and project and concentrate heavily on targeting certified MWBE firms and small businesses that have expressed an interest in City of Wilmington projects. Identify these opportunities and contact interested businesses no later than 10 days prior to the bid opening and provide a list of prime contractors who are pre-qualified to bid on the project.
- Build new business relationships through networking and continue networking with other North Carolina cities and counties to find out how their Outreach Program and MWBE program is working and sharing "best practices" and ideas to improve the program.
- Participate in educational opportunities throughout the community through seminars and training sessions, to share the City's MWBE Program with interested businesses and organizations.
- Be visible through participation in trade shows and business organizations of interest to MWBE firms, majority contractors and small businesses, and provide

- information to the general public about the MWBE Program, and continue outreach efforts to the business community.
- Enhance the City's web page by better defining the MWBE policy, listing good faith efforts, and creating links to MWBE resources, and creating awareness of specific subcontracting opportunities.
 - Make available to minority-focused agencies, a list of subcontracting opportunities when they are identified, no later than 10 days prior to the bid opening, and a list of prime bidders that subcontractors may wish to contact for subcontracting consideration.
 - Review the feasibility of using a reciprocal certification program with other municipalities to "grow" our list of MWBE certified vendors because many of our contractors are from out of town.
 - Purchasing staff will interview subcontractors during routine visits to construction sites to determine contractor compliance.
 - Establish a database specifically for MWBE firms and majority contractors to ensure that those firms wishing to do business with the City have access to up to date information.
 - Help build relationships between minority and majority contractors.
 - Advertise in minority-focused media, upcoming bid opportunities.
 - Work with Architects and Engineers to make subcontracting opportunities more noticeable and more easily understood by potential contractors and subcontractors.
 - All CDBG and HOME assisted construction projects are required to certify compliance with MWBE policies and advertisements for solicitation of bids.

HOMELESS

Homeless Needs

*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Identify actions taken to address needs of homeless persons.
2. Identify actions to help homeless persons make the transition to permanent housing and independent living.
3. Identify new Federal resources obtained from Homeless SuperNOFA.

CAPER Homeless Needs response:

In program year 2012-13 the City continued support for the 10-Year Plan to End Chronic Homelessness in the Cape Fear Region. Developed in 2007, the City of Wilmington led a collaborative effort with New Hanover County, Brunswick County and Pender County to develop the plan. The City provided \$50,000 in general funds to support the

administration and implementation of the plan under the direction of the United Way of the Cape Fear Area. The plan focuses on strategies for prevention and engagement, services and support, and permanent housing. A number of projects funded through the City's CDBG and HOME programs have roots in the 10 Year Plan, including the Community Land Trust, and M.E. Roberts II Transitional Living Facility.

The City addressed specific homeless needs through funding and support for the following activities:

- Close-out M.E. Roberts Transitional Living Facility
- \$109,000 (\$92,650 CDBG) Good Shepherd/Wilmington Interfaith Housing Network serving 757 homeless individuals; transitioning 174 to housing.
- \$35,000 (\$29,750) Domestic Violence Shelter serving 295 victims of domestic violence
- \$38,000 (\$950 CDBG) Leading Into New Communities work with 151 ex-offenders.
- \$37,050 (\$31,350 CDBG) Coastal Horizons to serve 70 homeless youth.
- \$20,188 (\$7,135 CDBG) First Fruit to provide transitional housing and supportive services to 40 homeless women and children.

In addition to the aforementioned initiatives, the City continues to monitor First Fruit Ministries, which is still in its affordability period and serves 24 homeless. Likewise, the City monitors affordability at The Arc of North Carolina and Hopewood, both provide 16 units of permanent supportive housing.

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

CAPER Specific Housing Prevention Elements response:

The Tri-County Homeless Interagency Council (TRI-HIC) has identified permanent supportive housing as the highest need and recommends that chronically homeless individuals would be best served in a permanently supportive (housing) environment. The Tri-County area of New Hanover, Brunswick and Pender has one of the largest and most active homeless councils in the State. Members of the Council appear each year before the City Council to discuss their needs and plans.

Beginning in 1996, the TRI-HIC developed its first plan that engages primary stakeholders in the tri-county area, both public and private, in a coordinated effort to create a comprehensive system of care for homeless individuals and families, and those at risk of becoming homeless. The outgrowth of that strategic plan was the development of a *10 Year Plan to End Chronic Homelessness and Reduce Homelessness in the Cape Fear Region* that was formally implemented in May 2008. Responsibility for the 10 Year Plan initiative and implementation of the strategies outlines within it was assigned to

United Way of the Cape Fear Area. United Way hired a full-time strategic director to manage the plan. The 10 Year Plan document is a working blueprint, subject to review, adaptation and revision, as new housing capacity, programs and services are developed and as experience and research indicates new needs and opportunities for development and improvement. In June 2010, the 10 Year Plan strategic director and Executive Board took direct action to align the plan with the new federal strategic plan to end homelessness: *Opening Doors*. Accordingly, veterans and family homelessness members were added to the 10 Year Plan Executive Board and a Veterans Homelessness Strategy Team was created.

The vision for combating homelessness in the tri-county area includes providing opportunities for individuals and families to attain maximum personal self-sufficiency and permanent housing through the design and implementation of a Continuum of Care for the homeless that is supported by the entire tri-county community. Available in the Council's Continuum of Care plan is a very detailed description of existing services for the prevention of homelessness, emergency shelters, transitional housing programs, needs of homeless individuals and families (including subpopulations), programs designed to help homeless people make the transition to permanent housing and independent living through building, renovation or leasing of permanent supportive housing units. The Council applies each spring for federal funding through the HUD Homeless Continuum of Care Super NOFA, which notifies its applicants in December each year of funding approval.

Programs funded at this time include transitional housing for homeless substance abusers, veterans, chronically homeless, and victims of domestic violence; Shelter plus care housing for homeless disabled persons; permanent supportive housing apartment complexes and scattered site permanent supportive housing leasing for chronically homeless people. Each year a new project of permanent supportive housing is submitted to HUD as part of the Homeless Continuum of Care application.

The Cape Fear United Way also administers the Emergency Food and Shelter Program for the prevention of homelessness in New Hanover County.

Additionally, United Way, as fiscal agent for the 10 Year Plan, was awarded a \$50,000 Blue Cross and Blue Shield of North Carolina Foundation *Health of Vulnerable Populations* grant that funded a benefits advocacy (SOAR) caseworker to represent homeless clients in obtaining Social Security Disability benefits, SSI, Medicare and Medicaid. In addition, UNCW agreed to contribute \$10,000 in unspent Kate B. Reynolds Foundation Healthy Carolinians grant funds to the project to allow the caseworker to purchase baseline mental health examinations for clients with little or no medical treatment history.

The return on investment on the BCBSNC Foundation grant and Healthy Carolinians funding was highly significant. During the grant period (January 1, 2010-June 30, 2011), the Cape Fear SOAR team caseworker garnered SSI and SSDI claims allowances for 52 chronically homeless people, generating almost \$200,000 in retroactive benefits and \$500,000 in ongoing annual benefit payments. Securing ongoing benefits for this group of 52 clients also guaranteed ongoing Medicaid and/or Medicare coverage that allowed each of them to establish a primary care provider and receive covered medical services. Medicaid enrollments also resulted in approximately \$175,000 in retroactive indigent care write-off reimbursements to New Hanover Region Medical Center during the grant timeline. Accordingly, NHRMC agreed to assume responsibility for funding of the SOAR caseworker position in FY2012 through a dedicated donation to United Way and the 10 Year Plan.

Since 2012 the NHRMC contributed \$187,000 to fund the SOAR Caseworker Project and United Way and Coastal Disability Advocates each contributed \$3,333 – a total of \$193,666. The return on investment has been phenomenal. Through August 2013, the SOAR caseworker had obtained SSI/SSDI claims awards for nearly 160 chronically homeless clients in an average processing time of approximately 133 days. To date, those claims awards have provided more than \$3 million dollars in mainstream cash resources to disabled clients. Annual payout for the current 160 clients now exceeds \$1.6 million. In addition, Medicaid entitlement has provided more than \$349,000 in retroactive indigent care reimbursement to NHRMC.

Many of the awarded SOAR clients have obtained housing, contributing to the nearly 70% reduction in the number of chronically homeless people documented by the Continuum of Care's annual point-in-time count from 2007 to 2013. In addition, the Medicaid entitlement obtained as the result of SSI entitlement has created better health outcomes for the clients by allowing them to establish medical homes for ongoing treatment or chronic conditions. It has also decreased ongoing indigent care write off costs to NHRMC and other providers. The overall SOAR project, including direction of and support for the SOAR strategy team, medical center and contractor relations and state SOAR coordinator liaison is managed by the 10 Year Plan strategic director.

In FY12/13 United Way and the 10 Year Plan agreed to serve as the Continuum, of Care's fiscal agent for the new Emergency Solutions Grant and Rapid Re-housing. As such, United Way assured effective administration of \$271,000 in HUD funding made available through the State of North Carolina. United Way and the 10 Year Plan will serve as fiscal agent for the FY13/14 ESG process as an attempt is being made to consolidate the Lead Agent and Fiscal Agent processes under a HEARTH Act approved governance model beginning in FY14/15.

Utilizing funds obtained through its last two homelessness awareness fundraising events – the Pajama Party – the 10 Year Plan launched a pilot Homeless Medical Respite Program during the month of June 2013. In partnership with the disability Resource Center (dRC), NHRMC, a Good Shepherd center and New Hanover HealthNet, the pilot project served four medically needy, homeless, post-surgical clients and established a blueprint for a program to obtain more substantial funding as a permanent homeless medical respite program. The pilot project's key casework partner, dRC, has been invited by a local grantor focused on improving the health of underserved populations to apply for that funding in the January 2014 grant cycle.

The 10 Year Plan has also implemented and continues to manage a *Make A Change* donation meter program to reduce panhandling and substance abuse and to divert previously panhandled funds to homelessness services agencies in Wilmington.

Finally, the 10 Year Plan staff continues to manage the *Circles of Support* mentoring program for homeless people who obtain housing. A total of 23 Circles of Support have been created by the 10 Year Plan since 2011. Only one of the circles resulted in failure. The balance of those clients remained in stable housing for at least one year. The 10 Year Plan is currently operating ten mentor circles with a goal of expanding the number to between 15 and 20 circles as a maintenance level.

One domestic violence emergency shelter and several transitional housing programs provide short-term and long-term intervention to prevent homelessness. CoastalCare, the State of North Carolina's designated Managed Care Organization (MCO) for the Cape Fear area, addresses mental health issues for numerous low-income housing providers. Their counseling and treatment programs help the tenants in transitional and permanent housing from becoming homeless.

The City supports the efforts of the 10 Year Plan to End Chronic Homelessness. It also supports the Tri-County Homeless Interagency Council in its efforts to provide supportive and transitional housing, to implement a HEARTH Act compliant Continuum of Care, and to prevent homelessness in New Hanover and surrounding counties. The City is also very involved in helping to develop a Homeless Management Information System (HMIS) for eastern North Carolina. The local HMIS group is very active in the statewide effort to have one consistent system. The City supports the local and statewide efforts.

Emergency Shelter Grants (ESG)

1. Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations such as those living on the streets).
2. Assessment of Relationship of ESG Funds to Goals and Objectives

- a. Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.
 - b. Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.
3. Matching Resources
- a. Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.
4. State Method of Distribution
- a. States must describe their method of distribution and how it rated and selected its local government agencies and private nonprofit organizations acting as subrecipients.
5. Activity and Beneficiary Data
- a. Completion of attached Emergency Shelter Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.
 - b. Homeless Discharge Coordination
 - i. As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.
 - c. Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.

CAPER ESG response:

The City of Wilmington does not receive ESG Grant.

COMMUNITY DEVELOPMENT

Community Development

1. Assessment of Relationship of CDBG Funds to Goals and Objectives
 - a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.

- b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.
 - c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.
2. Changes in Program Objectives
 - a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.
3. Assessment of Efforts in Carrying Out Planned Actions
 - a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.
 - b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.
 - c. Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.
4. For Funds Not Used for National Objectives
 - a. Indicate how use of CDBG funds did not meet national objectives.
 - b. Indicate how did not comply with overall benefit certification.
5. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property
 - a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.
 - b. Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.
 - c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.
6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons
 - a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.
 - b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.
 - c. If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.
7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit
 - a. Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.

8. Program income received
 - a. Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.
 - b. Detail the amount repaid on each float-funded activity.
 - c. Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.
 - d. Detail the amount of income received from the sale of property by parcel.
9. Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:
 - a. The activity name and number as shown in IDIS;
 - b. The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;
 - c. The amount returned to line-of-credit or program account; and
 - d. Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.
10. Loans and other receivables
 - a. List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.
 - b. List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.
 - c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.
 - d. Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.
 - e. Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.
11. Lump sum agreements
 - a. Provide the name of the financial institution.
 - b. Provide the date the funds were deposited.
 - c. Provide the date the use of funds commenced.
 - d. Provide the percentage of funds disbursed within 180 days of deposit in the institution.
12. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year

- a. Identify the type of program and number of projects/units completed for each program.
- b. Provide the total CDBG funds involved in the program.
- c. Detail other public and private funds involved in the project.

13. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies

- a. Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.

CAPER Community Development response:

1. Assessment of Relationship of CDBG Funds to Goals and Objectives

- a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.
- b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.
- c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.

CDBG project activities meet one of the HUD national objectives to 1) benefit low and moderate income persons or 2) prevent or eliminate slums and blight. Furthermore, the City utilized CDBG funds on eligible activities within the following categories: 1) housing, 2) public facilities and improvements and 3) public services. Specific objectives were funded and implemented by the City and our community partners to address the community development priorities identified in the City's Five-year Consolidate Plan. Below is a summary of progress on specific objectives:

- Four Housing Rehabilitation/Repair Loans were closed with low-to-moderate income households/or organizations serving these households.
- Over 757 homeless individuals received supportive services and shelter with Good Shepherd/Wilmington Interfaith Housing Network
- Assisted 151 ex-offenders to through Leading Into New Communities (LINC) work with ex-offenders
- Assisted 40 homeless individuals with supportive services and transitional housing through the First Fruit Dreams program.
- Provide transitional housing and supportive services to 24 homeless women, including two families, provide services to 40 individuals.
- Provided emergency shelter and related services to 70 youth in Coastal Horizons Open House shelter.

- Provided shelter and supportive services to 295 victims of domestic violence through Domestic Violence Shelter and Services (DVS), Inc.
- Completed close-out on adaptive rehabilitation of former county jail into 40 bed transitional housing facility for ex-offenders, M.E. Roberts II operated by LINC, Inc..
- Provided emergency repair grant to three very low income, elderly households.
- In-Process: Public Facility Improvements at Brigade Boys & Girls Club-pool repairs; DVS Kitchen Rehabilitation; NorthSide 10th & Fanning Site Improvements/Blight Removal.

Map of 2012-13 CBDG and HOME Activities

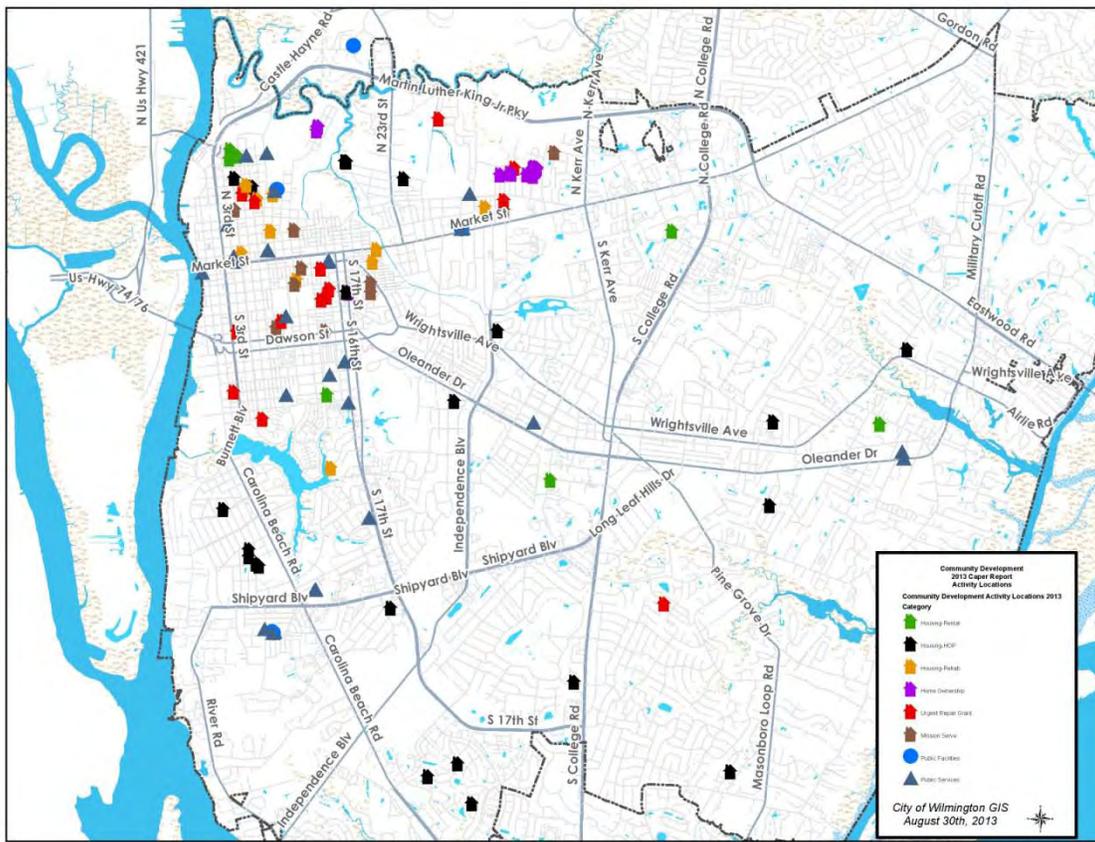


Table 8 Summary of CDBG- Funded Activities 2012-13
Appropriated/Available; Expenditures; Carry-over

	As of 06/30/13	As of 06/30/13	As of 06/30/13	As of 06/30/13
	2012-13 CDBG Funds Appropriated	CDBG Funds Available From Prior Years	Appropriated CDBG Funds Total Expenditures FY 2012-13	CDBG Funds Carry-Over to FY2013-14
HOUSING				
Project Delivery Costs	\$ 205,000.00	\$ -	\$ 205,000.00	\$ -
Disposition	\$ -	\$ 45,090.18	\$ 1,031.78	\$ 44,058.40
HOP & Downpayment Assistance	\$ 32,323.00	\$ 92,678.30	\$ -	\$ 125,001.30
Limited Assistance Grants	\$ -	\$ 19,551.66	\$ 12,476.00	\$ 7,075.66
Habitat/WARM	\$ 150,000.00	\$ -	\$ -	\$ 150,000.00
Housing Relocation	\$ -	\$ 16,943.26	\$ -	\$ 16,943.26
Housing Demolition	\$ -	\$ 12,253.00	\$ -	\$ 12,253.00
Comm. Partner Home Repair	\$ -	\$ 0.11	\$ -	\$ 0.11
Rental Rehab	\$ -	\$ 15,073.00	\$ -	\$ 15,073.00
SUBTOTAL	\$ 387,323.00	\$ 201,589.51	\$ 218,507.78	\$ 370,404.73
PUBLIC IMPROVEMENTS				
Voluntary Demolition & Lot Clear	\$ -	\$ 28,591.35	\$ 2,535.00	\$ 26,056.35
L.I.N.C. Transitional Housing	\$ -	\$ 119,723.32	\$ 119,723.32	\$ -
Public Facilities-Boys & Girls Club	\$ -	\$ 9,986.58	\$ -	\$ 9,986.58
Public Facilities-Brigade B&G Club	\$ -	\$ 40,000.29	\$ -	\$ 40,000.29
Public Facilities (Northside)	\$ 80,370.00	\$ 49,297.00	\$ 48,624.05	\$ 81,042.95
Public Facilities-Domestic Violence	\$ -	\$ 44,190.00	\$ -	\$ 44,190.00
Public Facilities-Dreams	\$ -	\$ 25,571.80	\$ -	\$ 25,571.80
SUBTOTAL	\$ 80,370.00	\$ 317,360.34	\$ 170,882.37	\$ 226,847.97
PUBLIC SERVICES				
Coastal Horizons	\$ 31,350.00	\$ -	\$ 30,117.33	\$ 1,232.67
Domestic Violence	\$ 29,750.00	\$ -	\$ 26,656.67	\$ 3,093.33
First Fruit	\$ 7,135.00	\$ -	\$ 7,135.00	\$ -
Joint Project- Good Shep. & WIN	\$ 92,650.00	\$ 20,846.49	\$ 104,659.84	\$ 8,836.65
LINC	\$ 950.00	\$ 56.75	\$ 950.00	\$ 56.75
SUBTOTAL	\$ 161,835.00	\$ 20,903.24	\$ 169,518.84	\$ 13,219.40
ADMINISTRATION & PLANNING				
Administration	\$ 200,000.00	\$ -	\$ 198,000.00	\$ 2,000.00
SUBTOTAL	\$ 200,000.00	\$ -	\$ 198,000.00	\$ 2,000.00
Reprogramable	\$ -	\$ 648.69	\$ -	\$ 648.69
Grand Total	\$ 829,528.00	\$ 540,501.78	\$ 756,908.99	\$ 613,120.79

Table 8a Summary of CDBG Funded Activities w/ other funds FY2012-13

	As of 06/30/13	As of 06/30/13	As of 06/30/13	Other Grants General Funds	Current Year Prorate Funds Available & Expenditures Provided by Banks	As of 06/30/13	As of 06/30/13	Available Revolving Cash	
	CDBG Funds Appropriated	CDBG Funds Available From Prior Years	CDBG Funds Appropriated Total Expenditures FY 2012-13	Revolving Loan Funds Other Fees Available URP & Lead Paint Grt	Expenditures Provided by Banks	Total Funds Available	Total Expenditures FY 2012-13	Current Funds Available	Balance 06/30/13
HOUSING									
Project Delivery Costs	\$ 205,000.00	\$ -	\$ 205,000.00	\$ 4,408.50	\$ -	\$ 209,408.50	\$ 209,408.50	\$ -	\$ -
Disposition	\$ -	\$ 45,090.18	\$ 1,031.78	\$ -	\$ -	\$ 45,090.18	\$ 1,031.78	\$ 44,058.40	\$ -
Housing Rehabilitation	\$ -	\$ -	\$ -	\$ 417,744.82	\$ -	\$ 417,744.82	\$ 86,831.55	\$ 330,913.27	\$ 330,913.27
HOP & Downpayment Assistance	\$ 32,323.00	\$ 92,678.30	\$ -	\$ 491,453.08	\$ -	\$ 616,454.38	\$ 42.95	\$ 616,411.43	\$ 491,410.13
Limited Assistance Grants	\$ -	\$ 19,551.66	\$ 12,476.00	\$ -	\$ -	\$ 19,551.66	\$ 12,476.00	\$ 7,075.66	\$ -
Habitat/WRM	\$ 150,000.00	\$ -	\$ -	\$ -	\$ -	\$ 150,000.00	\$ -	\$ 150,000.00	\$ -
Housing Relocation	\$ -	\$ 16,943.26	\$ -	\$ -	\$ -	\$ 16,943.26	\$ -	\$ 16,943.26	\$ -
Housing Demolition	\$ -	\$ 12,253.00	\$ -	\$ -	\$ -	\$ 12,253.00	\$ -	\$ 12,253.00	\$ -
Comm. Partner Home Repair	\$ -	\$ 0.11	\$ -	\$ 299.80	\$ -	\$ 299.91	\$ -	\$ 299.91	\$ -
Rental Rehab	\$ -	\$ 15,073.00	\$ -	\$ 51,621.27	\$ -	\$ 66,694.27	\$ -	\$ 66,694.27	\$ 51,621.27
SUBTOTAL	\$ 387,323.00	\$ 201,589.51	\$ 218,507.78	\$ 985,527.47	\$ -	\$ 1,554,439.98	\$ 309,790.78	\$ 1,244,649.20	\$ 873,944.67
PUBLIC IMPROVEMENTS									
Voluntary Demolition & Lot Clear	\$ -	\$ 28,591.35	\$ 2,535.00	\$ -	\$ -	\$ 28,591.35	\$ 2,535.00	\$ 26,056.35	\$ -
L.I.N.C. Transitional Housing	\$ -	\$ 119,723.32	\$ 119,723.32	\$ 24,666.55	\$ 72,750.12	\$ 217,139.99	\$ 217,139.99	\$ -	\$ -
Public Facilities-Boys & Girls Club	\$ -	\$ 9,986.58	\$ -	\$ -	\$ -	\$ 9,986.58	\$ -	\$ 9,986.58	\$ -
Public Facilities-Brigade B&G Club	\$ -	\$ 40,000.29	\$ -	\$ -	\$ -	\$ 40,000.29	\$ -	\$ 40,000.29	\$ -
Public Facilities-(Northside)	\$ 80,370.00	\$ 49,297.00	\$ 48,624.05	\$ -	\$ -	\$ 129,667.00	\$ 48,624.05	\$ 81,042.95	\$ -
Public Facilities-Domestic Violence	\$ -	\$ 44,190.00	\$ -	\$ -	\$ -	\$ 44,190.00	\$ -	\$ 44,190.00	\$ -
Public Facilities-Dreams	\$ -	\$ 25,571.80	\$ -	\$ -	\$ -	\$ 25,571.80	\$ -	\$ 25,571.80	\$ -
SUBTOTAL	\$ 80,370.00	\$ 317,350.34	\$ 170,882.37	\$ 24,666.55	\$ 72,750.12	\$ 495,147.01	\$ 268,299.04	\$ 226,847.97	\$ -
D. PUBLIC SERVICES									
Coastal Horizons	\$ 31,350.00	\$ -	\$ 30,117.33	\$ 5,700.00	\$ -	\$ 37,050.00	\$ 35,817.33	\$ 1,232.67	\$ -
Domestic Violence	\$ 29,750.00	\$ -	\$ 26,666.67	\$ 5,250.00	\$ -	\$ 35,000.00	\$ 31,906.67	\$ 3,093.33	\$ -
First Fruit	\$ 7,135.00	\$ -	\$ 7,135.00	\$ 13,053.00	\$ -	\$ 20,188.00	\$ 20,188.00	\$ -	\$ -
Joint Project- Good Shep. & WIN	\$ 92,650.00	\$ 20,846.49	\$ 104,659.84	\$ 16,350.00	\$ -	\$ 129,846.49	\$ 121,009.84	\$ 8,836.65	\$ -
L.I.N.C.	\$ 950.00	\$ 56.75	\$ 950.00	\$ 49,296.00	\$ -	\$ 50,302.75	\$ 49,187.01	\$ 1,115.74	\$ -
SUBTOTAL	\$ 161,835.00	\$ 20,903.24	\$ 169,518.84	\$ 89,649.00	\$ -	\$ 272,387.24	\$ 258,108.85	\$ 14,278.39	\$ -
ADMINISTRATION & PLANNING									
Administration	\$ 200,000.00	\$ -	\$ 198,000.00	\$ 220,315.95	\$ -	\$ 420,315.95	\$ 377,723.10	\$ 42,592.85	\$ -
SUBTOTAL	\$ 200,000.00	\$ -	\$ 198,000.00	\$ 220,315.95	\$ -	\$ 420,315.95	\$ 377,723.10	\$ 42,592.85	\$ -
Reprogrammable	\$ -	\$ 648.69	\$ -	\$ -	\$ -	\$ 648.69	\$ -	\$ 648.69	\$ -
Grand Total	\$ 829,528.00	\$ 539,853.09	\$ 756,908.99	\$ 1,300,158.97	\$ 72,750.12	\$ 2,742,290.18	\$ 1,213,921.77	\$ 1,528,398.41	\$ 873,944.67

Table 8b Summary of General Fund, Revolving Loan Funds, and Other Funding

		As of 06/30/13	As of 06/30/13	Available
	Other Grants	General Funds	General Funds	Revolving Cash
	General Funds	Revolving Loan Funds	Revolving Loan Funds	
	Revolving Loan Funds	Other Fees Available	Other Fees Available	Balance
	Other Fees Available	Total Expenditures	8/29/2013	06/30/13
	URP & Lead Paint Grt	FY 2012-13	FY 2012-13	
HOUSING				
Project Delivery Costs	\$ 4,408.50	\$ 4,408.50	\$ -	\$ -
Implementation of Loan Module	\$ 15,617.82	\$ 6,479.67	\$ 9,138.15	\$ -
Community Land Trust - Delivery Costs	\$ 21,250.00	\$ 21,250.00	\$ -	\$ -
Housing Rehabilitation	\$ 417,744.82	\$ 86,831.55	\$ 330,913.27	\$ 330,913.27
HOP & Downpayment Assistance	\$ 491,453.08	\$ 42.95	\$ 491,410.13	\$ 491,410.13
Homeownership Services	\$ 33,334.63	\$ 9,691.01	\$ 23,643.62	\$ -
Lead-Based Paint Grants	\$ 191,711.57	\$ 35,265.42	\$ 156,446.15	\$ -
Comm. Partner Home Repair	\$ 299.80	\$ -	\$ 299.80	\$ -
Rental Rehab	\$ 51,621.27	\$ -	\$ 51,621.27	\$ 51,621.27
Urgent Repair Grants	\$ 12,128.71	\$ 5,275.00	\$ 6,853.71	\$ -
SUBTOTAL	\$ 1,239,570.20	\$ 169,244.10	\$ 1,070,326.10	\$ 873,944.67
ECONOMIC DEVELOPMENT				
Community Lending Program	\$ 350,499.73	\$ 82,460.00	\$ 268,039.73	\$ 268,039.73
SUBTOTAL	\$ 350,499.73	\$ 82,460.00	\$ 268,039.73	\$ 268,039.73
PUBLIC IMPROVEMENTS				
L.I.N.C. Transitional Housing	\$ 24,666.55	\$ 24,666.55	\$ -	\$ -
SUBTOTAL	\$ 24,666.55	\$ 24,666.55	\$ -	\$ -
PUBLIC SERVICES				
Ability Garden	\$ 3,063.00	\$ 3,063.00	\$ -	\$ -
American Red Cross	\$ 9,500.00	\$ 9,500.00	\$ -	\$ -
Brigade Boys & Girls Club	\$ 23,750.00	\$ 23,751.00	\$ (1.00)	\$ -
Cape Fear CDC	\$ 18,896.00	\$ 18,896.00	\$ -	\$ -
Cape Fear Literacy Council	\$ 9,500.00	\$ 9,500.00	\$ -	\$ -
Carousel Center	\$ 9,500.00	\$ 9,499.73	\$ 0.27	\$ -
Coastal Horizons	\$ 5,700.00	\$ 5,700.00	\$ -	\$ -
Community Arts Center	\$ 53,700.00	\$ 53,700.00	\$ -	\$ -
Communities in Schools CF	\$ 9,000.00	\$ 9,000.00	\$ -	\$ -
Domestic Violence	\$ 5,250.00	\$ 5,250.00	\$ -	\$ -
Dreams of Wilmington	\$ 16,625.00	\$ 16,625.00	\$ -	\$ -
Elderhaus	\$ 19,000.00	\$ 19,000.00	\$ -	\$ -
First Fruit	\$ 13,053.00	\$ 13,053.00	\$ -	\$ -
Food Bank	\$ 14,250.00	\$ 14,250.00	\$ -	\$ -
Joint Project - Child Advo & Comm B&G	\$ 30,850.00	\$ 30,850.00	\$ -	\$ -
Joint Project- Good Shep. & WIN	\$ 16,350.00	\$ 16,350.00	\$ -	\$ -
Kids Making It	\$ 14,250.00	\$ 14,250.00	\$ -	\$ -
LINC	\$ 49,296.00	\$ 48,237.01	\$ 1,058.99	\$ -
Phoneix Employment Agency	\$ 9,000.00	\$ 9,000.00	\$ -	\$ -
United Way	\$ 15,000.00	\$ 15,000.00	\$ -	\$ -
WIL Residential Adolescnt	\$ 9,000.00	\$ 9,000.00	\$ -	\$ -
Wilmington Industrial Development	\$ 83,071.00	\$ 83,071.00	\$ -	\$ -
Wilmington Black Expo	\$ 1,000.00	\$ -	\$ 1,000.00	\$ -
Second Chance Reentry Grant	\$ 221,989.36	\$ 192,360.50	\$ 29,628.86	\$ -
SUBTOTAL	\$ 660,593.36	\$ 628,906.24	\$ 31,687.12	\$ -
ADMINISTRATION & PLANNING				
Wilmington Downtown	\$ 62,930.00	\$ 62,930.00	\$ -	\$ -
Administration	\$ 220,315.95	\$ 179,723.10	\$ 40,592.85	\$ -
SUBTOTAL	\$ 283,245.95	\$ 242,653.10	\$ 40,592.85	\$ -
Grand Total	\$ 2,558,575.79	\$ 1,147,929.99	\$ 1,410,645.80	\$ 1,141,984.40

2. Changes in Program Objectives

- a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.

No changes in program objectives occurred during the FY2011-12

3. Assessment of efforts in carrying out planned actions

- a. Indicate how grantee pursued all resources indicated in the Consolidated Plan
- b. Indicate how grantee provided certifications of consistency in a fair and impartial manner
- c. Indicate how grantee did not hinder Consolidated Plan Implementation by action or willful inaction

The Five-year Consolidated Plan is updated annually to identify specific objectives to address the priority needs described in the Consolidated Plan. Request for proposals are issued on an annual or biennial timeline to solicit nonprofit and other partners to assist in addressing the priorities identified. Partners bring expertise, commitment and other resources to the table. Collaboration with various public and private sector stakeholders ensures that the City leverages available resources to the maximum benefit of the citizens.

All requests for certifications of consistency with the Consolidate Plan are reviewed by community development staff and submitted to the City Manager for signature. The only criteria for providing certifications of consistency is the verification that the proposed project addresses a need identified in the Consolidated Plan or HUD national objective.

The City works closely with the HUD regional office to ensure that we meet all requirements for expending funding in accordance with timelessness and other guidelines. The City is in good standing with HUD. In addition, the City financial statements and associated transactions, including CDBG and HOME, are audited annually.

4. For funds not used for national objectives

- a. Indicate how use of CDBG funds did not meet national objectives.
- b. Indicate how did not comply with overall benefit certification.

The City complied with the overall benefit certification, and all the CDBG programs met a National Objective.

5. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property

- a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.
- b. Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act

or Section 104(d) of the Housing and Community Development Act of 19074, as amended, and whether or not they were displaced, and the nature of their needs and preferences.

- c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.

CITY OF WILMINGTON RELOCATION POLICY FOR VOLUNTARY HOMEOWNER REHABILITATION

Homeowners and their household occupying houses to be rehabilitated with HOME, Community Development Block Grant and any other federal funds as described in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and who voluntarily agree to participate, shall be eligible for a temporary relocation grant (subject to funding availability). The household income (U.S. Census Bureau definition) must not exceed 80 percent of the area median income as adjusted for family size. A copy of this Relocation Policy will be provided to loan and grant applicants during the initial application phase.

Temporary relocation benefits (grants) will be paid in accordance with the following schedule:

- A. Monthly rent, not to exceed (6-month maximum):
 - \$700.00 per month for household sizes up to 2 persons
 - \$750.00 per month for household sizes of 3-4 persons
 - \$800.00 per month for household sizes of 5 or more persons

Note: If the individual or household moves into a dwelling unit that is also occupied by other individuals, the above allowances will be reduced by 50%. In addition, no payments under section "B" will be made.

- B. Furniture storage not to exceed \$200.00 per month (6-month maximum).
- C. Furniture moving allowance not to exceed \$1,200.00 (includes move out and move back in).

It is the homeowner's responsibility to arrange for all aforementioned services and to present the City of Wilmington with original invoices, statements, or bills before payments are made in accordance with this Relocation Policy. The City of Wilmington's sole responsibility is to make payments in accordance with this policy. The City of Wilmington is not responsible for any loss or damage to persons or property, and no warranty of any kind is expressed or implied herein.

The total amount of relocation assistance payable under this policy shall not exceed \$8,000.00.

6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate income persons
 - a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons
 - b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.
 - c. If any jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.

The Community Lending program was inactive during FY11-12, while City Management evaluated the city’s overall economic development strategy.

7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit
 - a. Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low-and moderate-income.

Housing programs verify income to ensure low/mod benefit. Funding for Good Shepherd/WIHN, LINC, M.E. Roberts Center and Domestic Violence Shelter and Services, Inc provide services for limited clientele who are presumed to be extremely low income due to homelessness and domestic violence. Funding for NorthSide Site Improvement is based on area benefit due to the location within a low/mod census tract - at least 51 percent of households are low/mod income, and HUD designated neighborhood revitalization strategy area.

8. Program income received
 - See Appendix I Financial Statements
9. Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:
 - See Appendix I Financial Statements
10. Loans and other receivables
 - See Appendix I Financial Statements
11. Lump sum agreements
 - See Appendix I Financial Statements
12. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year
 - a. Identify the type of program and number of projects/units completed for each program
 - b. Provide the total CDBG funds involved in the program.
 - c. Detail other public and private funds involved in the project.

**TABLE 9a– Race & Income Characteristics
of CDBG and HOME Program Beneficiaries (Individuals)**

Note: Family status may or may not apply to all clients served.

	AMEZ	ARC NC	BBG	DR	DV	FFM/PS	FFM/PF	GS/MHN	HFHCC
Total	55	21	1158	1334	155*	40	24	816	1
By Race									
Asian			4	14				2	1
African American	19	11	586	881	77	26	18	301	
White	30	9	271	200	73	11	4	488	
Native American	5		5	7	1			11	
Multi-racial		1	165	145	4	3	2	8	
Other			127	87				6	
By Ethnicity									
Hispanic	1		78	97	5			15	
By Income									
0-30% AMI	6	21	517	1134	153	40	24	816	
31-50% AMI	9		301		2			0	1
51-80% AMI	32		220						
81% > AMI	8		120						
Family Status									
Female HH	36	21			151	31	24	87	1
Elderly	5	1				1	1	20	
Disabled	1	14		5	17	31	24	116	
AMI= Average Median Income									
*HH= Households									
AMEZ: AMEZ Community Housing Development									
ARC: ARC of NC									
BBG: Brigade Boys and Girls Club									
DR: Dreams									
DV: Domestic Violence Shelter									
FFMPPF: First Fruit Ministries -Public Facilities - FFMPS -First Fruit Ministries Public Services									
GS/WIHN: Good Shepherd Homeless Shelter/Wilmington Interfaith Hospitality Network									
HFHCC: Habitat for Humanity Cottages at Cornerstone									

**TABLE 9b– Race & Income Characteristics
of CDBG and (Individuals)**

	HFHGP	HFHSS	HOP	HOPE	HPTE	HRL	HRTSH
Total	8	1	14	19	48	5	103
By Race							
Asian							
African American	7	1		3	46	4	83
White	1		14	14	2		18
Native American							
Multi-racial				2			
Other						1	2
By Ethnicity							
Hispanic				1			2
By Income							
0-30% AMI			1	18	30	4	70
31-50% AMI	2	1	2	1	11	2	26
51-80% AMI	6		1		7		7
81% > AMI							
Family Status							
Female HH	7	1	6	6	39	6	75
Elderly				1		4	72
Disabled			1	18	21	1	83
*AMI= Average Median Income							
*HH= Households							
HFHCS: Habitat for Humanity Gideon Point							
HFHSS: Habitat for Humanity Scattered Sites							
HOP: Homeownership Opportunities Program							
HOPE: Hopewood							
HPTE: The Pointe at Taylor Estates							
HRL: Housing Rehabilitation Loan							
HRTSH: Robert R. Taylor Senior Homes							

**TABLE 9c– Race & Income Characteristics
of CDBG and HOME Program Beneficiaries (Individuals)**

	LINC	NBH	RHA	WILL	CHYS	Total 9a+9b+9c
Total	152	53	8	19	70	3949
By Race						
Asian				2		23
African American	84	51	4	10	11	2225
White	63	1	4	7	57	1265
Native American						29
Multi-racial	5				2	337
Other						223
By Ethnicity						
Hispanic	1			3	10	213
By Income						
0-30% AMI	152	38	8	16	70	3118
31-50% AMI		13		3		374
51-80% AMI		2				285
81% > AMI						128
Family Status						
Female HH		49	6	19		565
Elderly						105
Disabled	1	1	8			342
AMI= Average Median Income						
*HH= Households						
LINC: Leading Into New Communities						
NBH: New Brooklyn Homes/Taylor West at Taylor Estates						
RHA: RHA Health Services						
URP: Urgent Repair Grants						
WILL: Wilmington Interfaith Hospitality Network Willow Pond						

Table 10: CDBG Activity Delivery Expenditures by Program Activity

Loan Program	P.I. Used for Loans/Grants Expenditures	CDBG Entitlement Expenditures For Loans/Grants	HOME Entitlement Used for Loans/Grants Expenditures	Urgent Repair Misc Revenue, Old UDAG Lead, Etc. Used for Loans/Grants Expenditures	General Funds Used for Loans/Grants Expenditures	Total CDBG Rental Rehab, P.I. & Home Loans/Grants Expenditures	CDBG Activity Delivery Charges	General Fund Activity Delivery Charges	CDBG Revolving Loan Fund Activity Delivery Charges
Rental Rehabilitation						0.00			
ECONOMIC DEVELOPMENT									
Business Loans						0.00			
HOP CDBG									
Low Mod						0.00			
Grants									
Low Mod		12,476.00		36,642.76		49,118.76	56,183.29		
HOME Rehab									
Low Mod			88,784.00			88,784.00	3,276.36		
HOP General Fund									
Low Mod						0.00			
**\Non Low Mod						0.00			
CDBG REHAB & Pub Fac. Rehab									
Low Mod	86,831.55			-		86,831.55	98,742.78		4,408.50
HOME DPA									
Low Mod			75,000.00			75,000.00			
HOP HOME									
Low Mod			687,896.00			687,896.00	46,797.57	9,207.66	
HOME CONSTRUCTION									
Low Mod			375,333.38			375,333.38			
Subordinate Financing						0.00			
Totals	86,831.55	12,476.00	1,227,013.38	36,642.76	0.00	1,362,963.69	205,000.00	9,207.66	4,408.50

13. Neighborhood Revitalization Strategies – for grantees that have HUD –approved neighborhood revitalization strategies
 - a. Describe the progress against benchmarks for the program year.

The NorthSide Community Plan was approved by HUD in the fall of 2004 as the City's NorthSide Neighborhood Revitalization Strategy Area. The Plan is a long-range neighborhood revitalization plan consisting of goals, objectives and action steps to guide the community's future. Six themes are the basis of the plan:

- Crime Prevention
- Economic Development
- Attractive Community
- Housing
- Community Facilities and Programs
- Transportation

The NorthSide Neighborhood Association (NSNA) is critical to the success of the Plan. The Plan is the community's plan, and it is their responsibility to achieve the overall goals. The City of Wilmington is a partner with the community to assist in the implementation. The City of Wilmington is listed as the lead agency on more than half of the year-two action steps, but the NSNA is responsible for partnering with the City for most of the steps.

The NorthSide Plan lists action steps to achieve the objectives and goals of the Plan that are meant to improve the community's quality of life. The action steps include who is

responsible for implementing each step, how the step will be funded and a timeline to complete the step.

The City was successful in implementing the majority of the action steps, including marketing the NorthSide area through the Economic Development office; compiling information for the NorthSide marketing plan; enforcing code violations; sponsoring housing program outreach meetings; developing brochures about existing recreation programs on the NorthSide; educating residents about the benefits of historic preservation; and holding community watch program meetings.

Northside Site Improvements will eliminate blight at property surrounding DREAMS Arts Education and Community Center (formerly NorthSide Community Center), and Community Boys & Girls Club, Inc., located within the NorthSide revitalization area.

Antipoverty Strategy

1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.

CAPER Antipoverty Strategy response:

A comparison of poverty status as reported by the U.S. Census Bureau, American Community Survey (ACS) for 2005 and 2009, one year estimates, shows an increase in the percent of population living below the poverty level (16.8 to 24 percent). The table below contains data from the ACS which point to an increase in the number of children and youth under age 18 living below the poverty level. Correspondingly, the number and percentage of Black or African American living in poverty also increased over the period (27.3 to 44 percent). It should be noted that the percentage of people 65 years and older remained constant over the period; and the percentage of elderly living below the poverty level is the smallest amount of the age categories.

Wilmington city, NC Poverty Status 2005 & 2009							
	2005			2009			% Change Below Poverty Level
	Total	# Below Poverty Level	% Below Poverty Level	Total	# Below Poverty Level	% Below Poverty Level	
Population	91,115	15,264	16.8%	97,807	23,229	24%	52%
Age:							
Under 18 years	18,863	3,385	17.9%	19,228	5,963	31%	76%
Related Children under 18 years				19,186	5,921	31%	
18-64 years	59,730	10,940	18.3%	65,678	16,285	25%	49%
65 years and over	12,522	939	7.5%	12,901	981	8%	4%
Sex:							
Male	42,710	5,986	14.0%	46,449	9,488	20%	59%
Female	48,405	9,278	19.2%	51,358	13,741	27%	48%
Race:							
White	68,671	9,682	14.1%	71,229	11,860	17%	22%
Black or African American	17,267	4,713	27.3%	22,966	10,146	44%	115%
Data Source: 2005 & 2009 US Census, American Community Survey							

Within the scope of this Five-Year Plan, the most effective ways to fight poverty will be to:

- Promote economic development, especially workforce readiness, including basic literacy skills development/training, for those populations experiencing the greatest need.
- Advocate for living wages to eliminate the mismatch between wages and cost of living.
- Address barriers to employment such as poor credit, criminal record, and lack of childcare or transportation.
- Link affordable housing locations to access transportation and employment centers.
- Make affordable housing options equitably available to low income households.
- Provide for basic a safety net to ensure families basic needs are met, including food security and safe, decent shelter.
- Ensure that low-income youth have access to quality after-school and summer programs to receive tutoring and other support in a healthy and safe environment.

Any gains made in the fight against poverty will require the persistent efforts of the entire community.

NON-HOMELESS SPECIAL NEEDS

Non-homeless Special Needs

*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).

CAPER Non-homeless Special Needs response:

Greenville Trace - eight unit project for disabled individuals. This project was completed in FY2011-12.

Specific HOPWA Objectives

*Please also refer to the HOPWA Table in the Needs.xls workbook.

1. Overall Assessment of Relationship of HOPWA Funds to Goals and Objectives
Grantees should demonstrate through the CAPER and related IDIS reports the progress they are making at accomplishing identified goals and objectives with HOPWA funding. Grantees should demonstrate:
 - a. That progress is being made toward meeting the HOPWA goal for providing affordable housing using HOPWA funds and other resources for persons with HIV/AIDS and their families through a comprehensive community plan;
 - b. That community-wide HIV/AIDS housing strategies are meeting HUD's national goal of increasing the availability of decent, safe, and affordable housing for low-income persons living with HIV/AIDS;
 - c. That community partnerships between State and local governments and community-based non-profits are creating models and innovative strategies to serve the housing and related supportive service needs of persons living with HIV/AIDS and their families;
 - d. That through community-wide strategies Federal, State, local, and other resources are matched with HOPWA funding to create comprehensive housing strategies;
 - e. That community strategies produce and support actual units of housing for persons living with HIV/AIDS; and finally,
 - f. That community strategies identify and supply related supportive services in conjunction with housing to ensure the needs of persons living with HIV/AIDS and their families are met.
2. This should be accomplished by providing an executive summary (1-5 pages) that includes:
 - a. Grantee Narrative
 - i. Grantee and Community Overview
 - (1) A brief description of your organization, the area of service, the name of each project sponsor and a broad overview of the range/type of housing activities and related services
 - (2) How grant management oversight of project sponsor activities is conducted and how project sponsors are selected
 - (3) A description of the local jurisdiction, its need, and the estimated number of persons living with HIV/AIDS

- (4) A brief description of the planning and public consultations involved in the use of HOPWA funds including reference to any appropriate planning document or advisory body
- (5) What other resources were used in conjunction with HOPWA funded activities, including cash resources and in-kind contributions, such as the value of services or materials provided by volunteers or by other individuals or organizations
- (6) Collaborative efforts with related programs including coordination and planning with clients, advocates, Ryan White CARE Act planning bodies, AIDS Drug Assistance Programs, homeless assistance programs, or other efforts that assist persons living with HIV/AIDS and their families.

ii. Project Accomplishment Overview

- (1) A brief summary of all housing activities broken down by three types: emergency or short-term rent, mortgage or utility payments to prevent homelessness; rental assistance; facility based housing, including development cost, operating cost for those facilities and community residences
- (2) The number of units of housing which have been created through acquisition, rehabilitation, or new construction since 1993 with any HOPWA funds
- (3) A brief description of any unique supportive service or other service delivery models or efforts
- (4) Any other accomplishments recognized in your community due to the use of HOPWA funds, including any projects in developmental stages that are not operational.

iii. Barriers or Trends Overview

- (1) Describe any barriers encountered, actions in response to barriers, and recommendations for program improvement
- (2) Trends you expect your community to face in meeting the needs of persons with HIV/AIDS, and
- (3) Any other information you feel may be important as you look at providing services to persons with HIV/AIDS in the next 5-10 years

b. Accomplishment Data

- i. Completion of CAPER Performance Chart 1 of Actual Performance in the provision of housing (Table II-1 to be submitted with CAPER).
- ii. Completion of CAPER Performance Chart 2 of Comparison to Planned Housing Actions (Table II-2 to be submitted with CAPER).

CAPER Specific HOPWA Objectives response:

The City of Wilmington does not receive HOPWA funding.

OTHER NARRATIVE

Include any CAPER information that was not covered by narratives in any other section.

CAPER Other Narrative response:

Economic Development

Wilmington Downtown, Inc. (WDI) is under contract to administer a loan guarantee fund utilizing unrestricted “old UDAG” and general funds of \$445,209. In FY2012-13 \$62,930 in was expended for administration of the loan program.

As of June 30, 2013, \$268,040 in CDBG and unrestricted funds was available in the Community Lending Program.

General Fund Agencies:

In addition to the 15 percent allocation of CDBG funds to public services, the City Council provided \$332,537 in funding to support 22 community-based nonprofit agencies. These agencies provide a variety of services to meet the needs of low-to-moderate income households within the city. Below is a summary of funding and services provided by these agencies:

\$1,233: **Coastal Horizons** to provide emergency shelter for 150 runaway, homeless, displaced, abused, neglected youth ages 6-18. In FY11-12, 70 youth benefited from these services. In addition there 423 individuals assisted using the Rape Crisis Center. Additional funds (\$30,177) from CDBG.

\$30,850: **Child Advocacy and Parenting Place** in partnership with Community Boys & Girls club to provide academic tutoring, mentoring, life skills and community service learning opportunities to 100 low-income children. In FY12-13, 162 youth/families served through Grandparent Support program, and the Parent Aides program.

\$19,000: **Elderhaus, Inc.** to provide qualified, caring supervision and socialization to frail elders and provide respite for their caregivers in a safe, secure setting; and to provide 42 elders with transportation to the center. In FY12-13, 111 elders received transportation to the center.

\$9,500: **The Carousel Center** to provide a warm, non-hospital, non-threatening environment to counsel and identify appropriate treatment to 60 victims of child abuse and neglect, and provide necessary data to law enforcement. In FY12-13, 539 clients received care.

\$14,250: **Kids Making It Woodworking** to provide a youth-run micro enterprise that offers mentorship, vocational instruction, job placement services, youth/family

counseling, and entrepreneurial training to 70 at-risk teens. In FY12-13, 78 youth were served.

\$23,750: **Brigade Boys & Girls Club** to provide programs for 500 youth such as: Arts; Character & Leadership Development; Health & Life Skills; Education & Career Development; Sports, Fitness & Recreation. In FY12-13, 1158 youth served.

\$14,250: **Food Bank of NC** to obtain nutritious donated and purchased food through a network of wholesale, retail, agricultural and individual food drive sources to distribute to low-income households through 49 community-based organizations. In FY12-13, 2.3 million pounds of food distributed through 40 organizations.

\$9,500: **Cape Fear Literacy Council** to provide individualized, 1-to-1 tutoring and small group instruction for 500 adults working to improve their reading, writing, spelling, math, and English language skills. In FY12-13, 555 adults were served.

\$9,500: **American Red Cross** to support emergency assistance provided to local disaster victims. Funds used for direct assistance, volunteer training, relief supplies and staff support. In FY12-13, 100 individuals served.

\$16,625: **DREAMS** to expand and improve outreach program at City recreation centers and public housing sites, thus increasing the commitment and participation of 120 at-risk youth. In FY12-13, 1357 youth served.

\$9,000: **Communities In Schools of Cape Fear, Inc.** WIRE Afterschool Program offers after-school services for low income youth and youth at-risk of academic failure. CIS is a national program designed to increase the graduation rate by surrounding at risk students with a community of support empowering them to stay in school and achieve in life. In FY12-13, 145 high school students served.

\$9,000: **Wilmington's Residential Adolescent Achievement Place, Inc. (WRAAP)** provides afterschool programming to improve academic performance, including tutoring, parenting training, social service referrals, and meals and food for participating youth and families. In FY12-13, 52 youth and households served.

\$9,000: **Phoenix Employment Services of Wilmington, Inc.** provides employment counseling, training and placement for homeless individuals. In FY12-13, 44 individuals served.

\$18,896: **Cape Fear Regional Community Development Corporation** provided homebuyer, credit and foreclosure prevention counseling to 314 households in FY12-13.

\$15,000: **United Way Blue Ribbon Commission (BRC) to End Youth Violence**, a newly formed initiative modeled after the Harlem Youth Zone to address the needs of at-risk youth in low income neighborhoods. The BRC is targeting a low income

neighborhood located in the NorthSide, a Neighborhood Strategic Revitalization Area. In FY12-13, 52 youth were served.

\$50,000: **United Way 10 Year Plan to End Chronic Homelessness**, a regional plan to address chronic homelessness in Cape Fear Region (New Hanover, Pender and Brunswick Counties). City Council appropriates funds to help support the administration of the initiative. See Homeless Section of CAPER for more detail.

\$3,063: **Ability Garden**, provide therapeutic gardening opportunities promoting the positive aspects of a personal engagement with nature. In FY12-13 served 623 individuals.

\$13,053: **First Fruit**, provides supportive services, including case management and job placement, and transitional housing for homeless women and families. In FY12-13, 40 individuals participated in program. Additional funding (\$7,135) from CDBG.

APPENDIX

**Financial Summary
Grantee Performance Report
Community Development Block Grant Program**

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

OMB Approval No. 2506-0077 (Exp.3/31/94)

Public Reporting Burden for this collection of information is estimated to average 12 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2506-0077) Washington, D.C. 20503. Do not send this completed form to either of these addresses.

1. Name of Grantee	2. Grant Number	3. Reporting Period
City of Wilmington	B-12-MC-37-0010	From 7/1/12 To 6/30/13

Part I: Summary of CDBG Resources

1. Unexpended CDBG funds at end of previous reporting period (Balance from prior program years)			1,021,323.04
2. Entitlement Grant from form HUD-7082			792,978.00
3. Surplus Urban Renewal Funds			
4. Section 108 Guaranteed Loan Funds (Principal Amount)			
5. Program Income received by:	Grantee (Column A)	Subrecipient (Column B)	
a. Revolving Funds	248,670.56		
b. Other (identify below. If more space is needed, use an attachment)			
Non-Revolving Loan Payments	39,114.95		
c. Total Program Income (Sum of columns a and b)			287,722.51
6. Prior Period Adjustments (if column is a negative amount, enclose in brackets)			
7. Total CDBG Funds available for use during this reporting period (sum of lines 1 through 6)			2,102,023.55

Part II: Summary of CDBG Expenditures

8. Total expenditures reported on Activity Summary			865,927.99
9. Total expended for Planning & Administration			215,778.95
10. Amount subject to Low/Mod Benefit Calculation (line 8 minus line 9)			650,149.04
11. CDBG funds used for Section 108 principal & interest payments			
12. Total expenditures (line 8 plus line 11)			865,927.99
13. Unexpended balance (line 7 minus line 12)			1,236,095.56

Part III: Low/Mod Benefit This Reporting Period

14. Total Low/Mod credit for multi-unit housing expenditures			
15. Total from all other activities qualifying as low/mod expenditures			650,149.04
16. Total (line 14 plus line 15)			650,149.04
17. Percent benefit to low/mod persons (line 16 divided by line 10 this reporting period)			100%

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form HUD-4949.3(06/24/93)
ref Handbook 6510.2

CDBG Financial Summary Information
FY 2012-2013

a.	Program Income (line 5a)	
	1. HOP Loan Fund	\$121,900.72
	Economic Development	\$ 4,943.71
	Rehab Loan Fund	<u>\$121,826.13</u>
	Total	<u>\$248,670.56</u>
	2. There were no float loans for which repayments were received during the reporting year	
	3. Other loan repayments by category (line 5b)	
	Non-revolving loan payments	\$39,114.95
	Total	<u>\$39,114.95</u>
b.	There were no float-funded activities outstanding at the end of the reporting period	
c.	Rehabilitation loans	
	Number of Loans	<u>Principle Balance at 6/30/13</u>
	119	\$2,873,502.81
d.	Economic Development Loans	
	Number of Loans	<u>Principle Balance at 6/30/13</u>
	2	\$32,014.29
e.	Home Ownership Loans	
	Number of Loans	<u>Principle Balance at 6/30/13</u>
	65	\$1,758,565.49
f.	Non-Revolving Loans	
	Number of Loans	<u>Principle Balance at 6/30/13</u>
	7	\$ 996,250.96
g.	There was no loans for which the balance was written off during the period:	
	2 properties are being held for resale	
	Unexpended Balance Shown on CAPR (Line 13 HUD 4949.3 dated 6/24/93)	\$ 1,236,095.56
	Total	<u>\$ 1,236,095.56</u>
	Add: LOC Balance(s)	\$ 768,417.03
	Cash on Hand	
	Grantee program acct	\$ 9,146.43
	Revolving fund cash balances-rehab	\$ 328,457.76
	Revolving ED Cash Balance	\$155,647.09
	UDAG Repayment for ineligible ED Loan	\$ (24,225.25)
	Revolving HOP Cash Balance	\$137,417.45
	Add: Drawdown in transit	\$
		\$
	Subtract: Difference in Entitlement	\$ (18.00)
	Grantee CDBG Program Liabilities (including any reimbursements due to the grantee from program funds)	\$ (138,621.76)
	64,078.51)	<u>_____</u>

Total Reconciling Balance \$1,236,220.75
Unreconciled Difference (non-cash Expenditures) 125.19

HOME MATCH REPORT

Total HOME Match Credit FY 2012-13

Total Yield Forgone on HOP GF Loans	\$ -
Total Maintenance Grant Match Expenditures	\$ -
Total Lead-Based Grant Match Expenditures	\$ 4,680.42
Total Urgent Repair Grant Match Expenditures	<u>\$ 5,275.00</u>
Total Match Credit FY 2012-13	<u>\$ 9,955.42</u>

1. Excess Match From Prior Federal Fiscal Year	\$ 893,423.09
2. Match Contributed During Current Federal Fiscal Year	<u>\$ 9,955.42</u>
3. Total Match Available for Current Federal Fiscal Year	\$ 903,378.51
4. Match Liability for Current Federal Fiscal Year	<u>\$ 0.00</u>
5. Excess Match Carried Over to Next Federal Fiscal Year	<u>\$ 903,378.51</u>

HOME PROGRAM INCOME 2012-2013

City of Wilmington DUNS 072007845

Program Income through 6/30/12	2,561,323.26
Less Program Income Expenditures through 6/30/12	<u>(2,482,172.76)</u>
Program Income Balance 7/1/12	79,150.50

Program Income Generated 2012-13	<u>179,727.21</u>
Available Program Income 2012-13	258,877.71

Less Program Income Expenditures 2012-13	<u>258,877.21</u>
Balance of Program Income on Hand 6/30/13	<u><u>0.50</u></u>

USE OF PROGRAM INCOME

DPA-27	Bowden	25,000.00
HHO-41	Hayes	46,202.00
HHO-42	Carson	50,800.00
HHO-43	Alphin	44,846.75
HHO-47	Egnew	25,757.08
HHO-53	Palumbo	25,727.13
HHO-54	Holmes	30,800.00
	Admin	9,744.25
Total		<u><u>258,877.21</u></u>



CPMP Non-State Grantee Certifications

Many elements of this document may be completed electronically, however a signature must be manually applied and the document must be submitted in paper form to the Field Office.

<input type="checkbox"/> This certification does not apply.
<input checked="" type="checkbox"/> This certification is applicable.

NON-STATE GOVERNMENT CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about -
 - a. The dangers of drug abuse in the workplace;
 - b. The grantee's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
 - a. Abide by the terms of the statement; and
 - b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -
 - a. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

8. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
9. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
10. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.



Signature/Authorized Official

9-20-13

Date

<table border="1"><tr><td>Sterling B. Cheatham</td></tr></table>	Sterling B. Cheatham
Sterling B. Cheatham	
Name	
<table border="1"><tr><td>City Manager</td></tr></table>	City Manager
City Manager	
Title	
<table border="1"><tr><td>PO Box 1810</td></tr></table>	PO Box 1810
PO Box 1810	
Address	
<table border="1"><tr><td>Wilmington, NC 28401</td></tr></table>	Wilmington, NC 28401
Wilmington, NC 28401	
City/State/Zip	
<table border="1"><tr><td>910-341-7810</td></tr></table>	910-341-7810
910-341-7810	
Telephone Number	



Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

11. **Maximum Feasible Priority** - With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
12. **Overall Benefit** - The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2010, 2011, 2012, (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
13. **Special Assessments** - It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

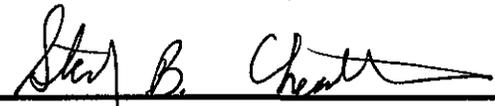
Excessive Force -- It has adopted and is enforcing:

14. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
15. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

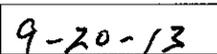
Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

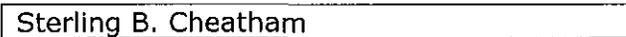
Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K and R, of title 24;

Compliance with Laws -- It will comply with applicable laws.

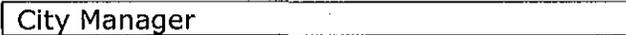


Signature/Authorized Official


Date



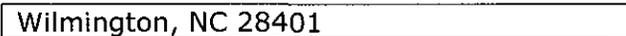
Name



Title



Address



City/State/Zip



Telephone Number

<input type="checkbox"/> This certification does not apply.
<input checked="" type="checkbox"/> This certification is applicable.

**OPTIONAL CERTIFICATION
CDBG**

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having a particular urgency as specified in 24 CFR 570.208(c):

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities, which are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.



Signature/Authorized Official

9-20-13

Date

Sterling B. Cheatham

Name

City Manager

Title

PO Box 1810

Address

Wilmington, NC 28401

City/State/Zip

910-341-7810

Telephone Number

<input checked="" type="checkbox"/> This certification does not apply.
<input type="checkbox"/> This certification is applicable.

Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If the participating jurisdiction intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs -- it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

Appropriate Financial Assistance -- before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;

Signature/Authorized Official	<input type="text"/>
Name	<input type="text"/>
Title	<input type="text"/>
Address	<input type="text"/>
City/State/Zip	<input type="text"/>
Telephone Number	

<input checked="" type="checkbox"/> This certification does not apply.
<input type="checkbox"/> This certification is applicable.

HOPWA Certifications

The HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under that program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility,
2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

Signature/Authorized Official

Date

Name

Title

Address

City/State/Zip

Telephone Number

This certification does not apply.
 This certification is applicable.

ESG Certifications

I, _____, Chief Executive Officer of City of Wilmington certify that the local government will ensure the provision of the matching supplemental funds required by the regulation at 24 *CFR* 576.51. I have attached to this certification a description of the sources and amounts of such supplemental funds.

I further certify that the local government will comply with:

1. The requirements of 24 *CFR* 576.53 concerning the continued use of buildings for which Emergency Shelter Grants are used for rehabilitation or conversion of buildings for use as emergency shelters for the homeless; or when funds are used solely for operating costs or essential services.
2. The building standards requirement of 24 *CFR* 576.55.
3. The requirements of 24 *CFR* 576.56, concerning assurances on services and other assistance to the homeless.
4. The requirements of 24 *CFR* 576.57, other appropriate provisions of 24 *CFR* Part 576, and other applicable federal laws concerning nondiscrimination and equal opportunity.
5. The requirements of 24 *CFR* 576.59(b) concerning the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
6. The requirement of 24 *CFR* 576.59 concerning minimizing the displacement of persons as a result of a project assisted with these funds.
7. The requirements of 24 *CFR* Part 24 concerning the Drug Free Workplace Act of 1988.
8. The requirements of 24 *CFR* 576.56(a) and 576.65(b) that grantees develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted with ESG funds and that the address or location of any family violence shelter project will not be made public, except with written authorization of the person or persons responsible for the operation of such shelter.
9. The requirement that recipients involve themselves, to the maximum extent practicable and where appropriate, homeless individuals and families in policymaking, renovating, maintaining, and operating facilities assisted under the ESG program, and in providing services for occupants of these facilities as provided by 24 *CFR* 76.56.
10. The requirements of 24 *CFR* 576.57(e) dealing with the provisions of, and regulations and procedures applicable with respect to the environmental review responsibilities under the National Environmental Policy Act of 1969 and related

authorities as specified in 24 *CFR* Part 58.

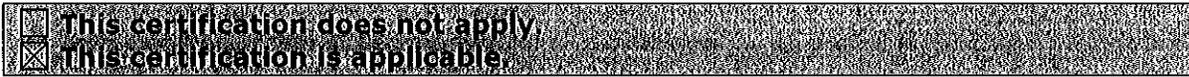
11. The requirements of 24 *CFR* 576.21(a)(4) providing that the funding of homeless prevention activities for families that have received eviction notices or notices of termination of utility services will meet the requirements that: (A) the inability of the family to make the required payments must be the result of a sudden reduction in income; (B) the assistance must be necessary to avoid eviction of the family or termination of the services to the family; (C) there must be a reasonable prospect that the family will be able to resume payments within a reasonable period of time; and (D) the assistance must not supplant funding for preexisting homeless prevention activities from any other source.

12. The new requirement of the McKinney-Vento Act (42 *USC* 11362) to develop and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons. I further understand that state and local governments are primarily responsible for the care of these individuals, and that ESG funds are not to be used to assist such persons in place of state and local resources.

13. HUD's standards for participation in a local Homeless Management Information System (HMIS) and the collection and reporting of client-level information.

I further certify that the submission of a completed and approved Consolidated Plan with its certifications, which act as the application for an Emergency Shelter Grant, is authorized under state and/or local law, and that the local government possesses legal authority to carry out grant activities in accordance with the applicable laws and regulations of the U. S. Department of Housing and Urban Development.

Signature/Authorized Official	<input style="width: 100%; height: 20px;" type="text"/>
<input style="width: 100%; height: 20px;" type="text"/>	Date
Name	
<input style="width: 100%; height: 20px;" type="text"/>	
Title	
<input style="width: 100%; height: 20px;" type="text"/>	
Address	
<input style="width: 100%; height: 20px;" type="text"/>	
City/State/Zip	
<input style="width: 100%; height: 20px;" type="text"/>	
Telephone Number	



APPENDIX TO CERTIFICATIONS

Instructions Concerning Lobbying and Drug-Free Workplace Requirements

Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant: Place of Performance (Street address, city, county, state, zip code) Check if there are workplaces on file that are not identified here. The certification with regard to the drug-free workplace is required by 24 CFR part 21.

Place Name	Street	City	County	State	Zip
Administration Building	305 Chestnut St.	Wilmington	NHC	NC	28401
Town Hall	310 Chestnut St.	Wilmington	NHC	NC	28401
Administration Building	320 Chestnut St.	Wilmington	NHC	NC	28401

7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules: "Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15); "Conviction" means a finding of guilt (including a plea of *nolo contendere*) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes; "Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any

City of Wilmington

controlled substance; "Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including:

- a. All "direct charge" employees;
- b. all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and
- c. temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Note that by signing these certifications, certain documents must be completed, in use, and on file for verification. These documents include:

- 1. Analysis of Impediments to Fair Housing
- 2. Citizen Participation Plan
- 3. Anti-displacement and Relocation Plan



Signature/Authorized Official

9-20-13

Date

Sterling B. Cheatham

Name

City Manager

Title

PO Box 1810

Address

Wilmington, NC 28401

City/State/Zip

910-341-7810

Telephone Number

City of Wilmington HOME Appropriations Policy
for
Complying with the FY2012 HOME Appropriations Law
(*Consolidated and Further Continuing Appropriations Act of 2012 P.L. 112-55*)

Purpose

The City Council has established the following goals as part of the City's focus on Welcoming Neighborhoods and Public Spaces:

- To support diverse housing options and unique neighborhoods and plan for sustainable, quality redevelopment.
- To ensure equitable access for low-to-moderate income and special populations to safe, decent and affordable housing.
- To support long-term affordability of housing stock.
- To preserve the quality of housing stock and maintain diverse and sustainable neighborhoods.

These goals align with the U.S. Department of Housing and Urban Development's (HUD) objective to expand the supply of decent, safe sanitary and affordable housing available to low-income and very low-income households.

The City utilizes HUD's HOME Partnership Investment Program (HOME) funds to achieve these goals and meet HUD's objectives. HOME funds are used to support acquisition, construction or rehabilitation of rental or homeownership housing, homebuyer assistance, homeowner rehabilitation, and tenant-based rental assistance.

The purpose of this policy is to ensure that projects funded by the City of Wilmington under the FY2012-13 Consolidated Plan/Annual Action Plan with HOME funds comply with the requirements set forth in the federal *Consolidated and Further Continuing Appropriations Act of 2012 (P.L. 112-55)* and any subsequent federal regulations that maintain the requirements of the Act.

This policy and resulting procedures shall remain in effect as long as successive HOME regulations remain germane to the requirements of the FY12HOME Appropriations Act. This policy is subject to Council action to amend or remove requirements at the direction of the U.S. Department of Housing and Urban Development.

Background

As the national and local real estate market continues to recover, some HOME funded homebuyer units are sitting unsold. These unoccupied units are of concern to HUD. They are not serving the housing needs of low-income households and can contribute to neighborhood distress. The FY2012 HOME appropriations law attempts to mitigate this problem for future housing development.

The City of Wilmington is a participating jurisdiction (PJ) in the HOME program administered HUD. The *Consolidated and Further Continuing Appropriations Act of 2012* imposed new requirements on projects that receive FY2012 HOME funds. These requirements are intended to improve project and developer selection by PJs and ensure that there is adequate market demand for FY2012 HOME projects.

Requirements

1) Four-Year Project Completion

Projects funded with FY2012 HOME funds must be completed within four years of the commitment date, as determined by a signature of each party to the written agreement. Failure to complete projects within the four year period will result in the City repaying funds to the HOME Investment Trust Fund. If projects are not completed due to circumstances beyond the City's control, the City may request a one-year extension subject to HUD approval.

For the purpose of complying with this requirement, **completion** shall mean that all necessary construction work has been completed and the project has received a certificate of occupancy or other local certification indicating that construction or rehabilitation has been completed and the project is ready for occupancy. Additionally, terms for project completion and close-out shall be specified in project funding agreements including, but not limited to, requirements for disbursement of funds and retention of a percentage of funds pending successfully project close-out. For owner-occupied rehabilitation projects, completion means that all rehabilitation work has been completed, the City or its designee has performed a final inspection, and the homeowner has accepted the work, as indicated by a final sign-off.

This requirement is applicable to all HOME activities set up in Integrated Disbursement and Information System (IDIS) under a 2012 Consolidated Plan/Annual Action Plan, regardless of the grant year from which the funds are disbursed.

2) Assessment of Project Underwriting, Developer Capacity, and Market Need

Before entering into a legally binding written agreement to provide HOME funds to a HOME activity set up in IDIS under a 2012 Consolidated Plan/Annual Action Plan Project, the City must:

- Underwrite the project or evaluate the underwriting of another funder;
- Assess the development capacity and fiscal soundness of the developer; and
- Examine neighborhood market conditions to ensure adequate need for each project.

This requirement is not applicable to an activity that does *not* involve development activities that necessitate project underwriting, assessing developer capacity and financial soundness, and an

examination of neighborhood market conditions (e.g. tenant based rental assistance, homeowner rehabilitation, CHDO operating expenses), *or* if the City is committing HOME funds to an activity *not* set up in IDIS under a 2012 Consolidated Plan/Annual Action Plan Project.

3) Conversion of Homebuyer Units to Rental Units

Any FY 2012 HOME homebuyer units that have not been sold to an eligible homebuyer within six months of completion must be converted to a HOME rental unit that complies with all HOME requirements for the period of affordability applicable to such rental units.

This requirement is applicable to all HOME activities set up in IDIS under 2012 Consolidated Plan/Annual Action Plan Projects.

For the purpose of complying with this requirement, *completing project construction* shall mean that all necessary construction work has been completed and the project has received a certificate of occupancy or other local certification indicating that construction or rehabilitation has been completed and the project is ready for occupancy.

4) CHDO Development Capacity

The City may not reserve FY 2012 HOME funds to a Community Housing Development Organization (CHDO) for development activities unless the City has determined that the CHDO has staff with demonstrated development experience. The City must ensure that the current CHDO staff has experience developing projects of the same size, scope and level of complexity as the activities for which HOME funds are being reserved or committed.

This requirement applies to all reservations and commitments of CHDO set-aside funds made from a City's FY 2012 HOME allocation in which the CHDO is acting as the developer.

Requirements for Market Analysis for HOME Projects

This document is intended to provide information and guidance to developers for the preparation of a Market Analysis for either rental or homeowner housing development project.

The City of Wilmington is a participating jurisdiction (PJ) in the U.S. Department of Housing and Urban Development (HUD), HOME Investment Partnership Program. These funds may be used to support the development of homebuyer and rental projects for moderate-to-low income households, including funding for acquisition, rehabilitation, new construction, and down payment assistance.

The FY2012 HOME Appropriations Law requires that PJs evaluate market data to ascertain if the market will support the proposed project.

Affordable housing developers, including Community Housing Development Organizations (CHDO) must provide a market analysis specific to the proposed development project. The developer may prepare the market analysis in-house or contract, at their expense, for the market analysis. Market Studies prepared on behalf of the North Carolina Housing Finance Agency that meets the City's requirements will be accepted. Before entering into a legally binding funding agreement with a developer, the City will evaluate the market analysis along with development plans including the project budget, and pro-forma if applicable. Additionally, the developer's financial statements along with evidence of developer experience and capacity will be assessed.

In order for the City to fund the project the market analysis must successfully address the following questions:

- Has a need for the type and number of housing units been convincingly demonstrated?
- If homebuyer units, will developer be able to sell the planned unit(s) prior to the six-month deadline?
- If rental units, will developer be able to lease-up the planned rental units as expected, e.g. within the timeframe specified in the project pro-forma?
- Will the development adversely impact existing affordable housing developments?

Generally, the market analysis must address the following topics:

- Housing demand
- Demographic trends
- Housing supply
- Construction trends
- Vacancy rates
- Geographic market area

Below are guidelines for rental project market analysis and for a for-sale/homeowner project market analysis.

Rental Housing Market Analysis

Considerations for HOME small-scale rental projects

HOME income limits

- Program Rule –For HOME rental projects 90% of units must be rented to households at 60% of area median income (AMI); therefore initial tenants have incomes at or below 60% AMI
- Project Rule – If a scattered site project of 5 or more rental units under common ownership, financing and management, at least 20% of units rented to households at 50% AMI must be met for the affordability period.

Definition of Income

- Use Part 5 (i.e. Section 8/HCV) definition of income for determining eligibility

HOME Rent Limits, including Utility Allowances, apply

- Rent limits are set by HUD annually
- Rents must be adjusted for tenant-paid utilities

To receive HOME funds a developer must prepare a market analysis. Below are guidelines for information that must be included in the analysis and guidelines for preparing a market analysis.

I. Defining Market Area:

Where will the proposed project be located? Address/parcel number

In relation to the project location, define the geographic area that the project is most likely to attract renters from; i.e. 1 mile radius, 3 miles, 5 miles, etc.. This shall be known as the primary market area.

What factors were used to determine the appropriate primary market area?

What census tract(s) is the project located in? What census tract(s) are within the defined market area?

Provide a map showing the location(s) of the proposed project and boundaries of the defined market area.

II. Demand:

Market area demographic profile/trends – (data source US Census). For the defined primary market area provide the following data, include historic and most recent:

- Number of households on waiting list for proposed rental project
- Population
- Number of households

- Average age of household
- Average size of household
- Number/percentage of female headed households
- Median household income
- Average household income
- Number of homeowner households
- Number of renter households @ 60% AMI
- Number of renter households @ 50% AMI
- Number of cost-burdened renter households @ 60% AMI
- Number of cost-burdened renter households @ 50% AMI

III. Supply:

Within the defined primary market area provide the following information:

- List of existing rental properties by number or units, number of bedrooms, rent, and vacancy rate, condition of property
- Average vacancy rate for market area
- List of existing rental units subsidized for low income households, including elderly
- Proposed rental development with number of units, bedrooms, amenities, etc.

IV. Other Pertinent Information:

- Describe the characteristics of households likely to be attracted to the proposed rental project.
- List amenities available within the market area or in close proximity including, but not limited to, grocery stores, pharmacy, medical, bus stop, schools, other shopping, social services, parks, community youth centers, etc..
- Show location of above listed amenities on map include location of the proposed project
- List employment centers or likely places of employment within or in close proximity to the market area
- Describe neighborhood conditions within the market area, crime, physical conditions, history, etc..
- Other trends, changes, information or data that describe the market area

V. Analysis:

Describe how you plan to lease-up the project. How will you market the project and select tenants? Describe the timeline for renting up units.

As appropriate for the proposed project size prepare the following analysis:

- $\text{Number of Low-Income Renter Households} - \text{Number of Subsidized Low-Income Units Rented} = \text{Net Effective Demand}$
- $\text{Proposed Number of Units} / \text{Net Effective Demand} = \text{Capture Rate}$

Homebuyer/For Sale Housing Market Analysis

To receive HOME funds a developer must prepare a market analysis. Below are guidelines for information that must be included in the analysis and guidelines for preparing a market analysis.

I. Defining Market Area:

Where will the proposed project be located? Address/parcel number

Broad market context: In relation to the project location, define the geographic area or secondary market area from which buyers are most likely to be drawn from- City, County, Region, etc. Why?

What is the location of comparable housing units in proximity to the project are comparable houses located (defined market area)? What factors were used to determine the appropriate primary market area?

What census tract(s) is the project located in? What census tract(s) are within the defined market area?

Provide a map showing the location(s) of the proposed project and boundaries of the defined primary market area.

II. Demand:

Market area demographic profile/trends – (data source recommend US Census) for the defined market area provide the following data, include historic and most recent:

- Waiting list or list of pre-qualified potential buyers who have completed homebuyer education
- Population
- Number of households
- Average age of household
- Average size of household
- Median household income
- Average household income
- Number of homeowner households
- Age of housing stock
- Condition of housing stock

III. Supply:

Within the defined market area provide the following information:

- List of existing for-sale/sold single family residential properties of similar size and characteristics

- Average time on the market
- Average listing price
- Average sales price
- Median listing price
- Median sales price
- Characteristics, prices, sales activity in similar areas available to potential homebuyers

IV. Project specific information:

- Listing price for house
- Describe down payment assistance or other direct subsidies available to homebuyer
- Target buyer household income range for the project
- Is there a pre-determined buyer for the house? If so, describe how the buyer was identified and pre-qualified.

V. Other Pertinent Information:

- Describe the characteristics of households likely to be attracted to the for-sale house and neighborhood
- List amenities available within the market area or close proximity including, but not limited to, grocery stores, pharmacy, medical, bus stop, schools, other shopping, social services, parks, community youth centers, etc..
- Show location of above listed amenities on map include location of the proposed project
- List employment centers or likely places of employment within or in close proximity to the market area
- Describe neighborhood conditions within the market area, crime, physical conditions, history, etc..
- Other trends, changes, information or data that describe the market area

VI. Analysis:

Describe how you plan to market the house. How will you market the project and qualify buyers? Describe the timeline for selling the house.

If project contains 10 or more houses, prepare the following analysis:

- Total number of households in market area within target homebuyer income range = X
- Estimated number of X with credit score at 600 or more = Y.
Basis for estimate, i.e. sample, research, etc..
- Number of units in project/Y= market penetration

Assessing Developer and CHDO Capacity & Fiscal Soundness

The *Consolidated and Further Continuing Appropriations Act of 2012 (P.L. 112-55)* sets forth requirements for using HOME funds. Before entering into a legally binding written agreement to provide HOME funds to a HOME activity set up in IDIS under a 2012 Consolidated Plan/Annual Action Plan Project, the City must assess the development capacity and fiscal soundness of the developer. Additionally, for projects developed by Community Housing Development Organizations (CHDO) the City must assess the staff and organizational capacity to determine if the CHDO has the necessary knowledge, skills, and experience necessary to undertake eligible CHDO set-aside projects.

The assessment will address the following questions:

- Has the development team demonstrated the experience and skills to successfully complete the project?
- Has the developer successfully completed projects of a similar size and scope in the past?
- Does the developer have the financial resources available to complete the project?
- Does the developer have the net worth to take on a new project?

The following information is required from developers, including CHDOs, of affordable homeowner and/or rental housing projects:

- List of projects the developer has developed in the last five years, include number of units, size, type of project- homeownership or rental.
- List of partners in past projects.
- At least three professional references, include banks, partners etc..
- List of all projects currently underway and/or pending.
- List of all staff assigned to proposed project and describe their respective roles and experience
- Attach resumes, copies of appropriate licenses and/or professional certifications of all staff assigned to proposed project
- Current balance sheet
- Current year budget with comparison of actual performance YTD vs. projections
- Most recent and year prior audit or reviewed financial statements; include management letter
- Most recent tax returns (990 for nonprofit developers)
- For CHDOs list of board of directors
- List of CHDO staff with documentation of employment, i.e. W-4 or W-2.
- List of contracted development consultant(s) with copy of contract and 1099

City of Wilmington Project Selection Criteria (Underwriting)
Evaluation of proposed HOME funded projects

The City of Wilmington has identified community development and housing needs and established goals in the City's adopted Five-Year FY2013-2017 Consolidated Plan for the use of CDBG and HOME funds, the City's Strategic Plan, the 10 Year Plan to End Chronic Homelessness, and/or other adopted City plans for neighborhoods and small areas. Additionally, the City has adopted a policy to ensure compliance with the FY2012 HOME Appropriations Law, and any subsequent federal regulations that maintain the requirements of the Act. The Act requires assessment of developer capacity, market analysis and project underwriting prior to the commitment of HOME funds to the development of homeowner or rental projects. The plans and policy noted above were adopted to help ensure that City resources are used to fund projects that are well thought out and planned, adequately financed, and meet a demonstrated need. To that end, the following criteria for evaluation and underwriting will be used for project selection. These criteria are a tool for project assessment, but are not the sole decisive factors for making funding decisions.

I. Market Analysis (10 points)

Up to ten points will be awarded based on the results of a market analysis which defines the primary market area and identifies competing existing and proposed development. Further, the Market Analysis should demonstrate demand for the project based upon the following: population, number of households within the eligible income range, number of cost-burdened households, waiting list for housing, and other pertinent data. Rental market studies should identify the primary market area, and include capture rate when applicable, timeline for rent-up, and a list of comparable properties by: rent per square foot, number of bedrooms, amenities and vacancy rate. A homeownership market analysis should include the primary and secondary market area. In addition, a homeownership market analysis should include a listing of unsold inventory, ownership ratio, and identify similar property by listing prices, selling prices, days on the market, and sales price per square foot.

The market analysis should answer the following questions:

- Has a demand for the type and number of housing units been convincingly demonstrated?
- If homebuyer units, will developer be able to sell the planned unit(s) prior to the six-month deadline?
- If rental units, will developer be able to lease-up the planned rental units as expected, e.g. within the timeframe specified in the project pro-forma?
- Will the development adversely impact existing affordable housing developments?

II. Project Scope (50 points)

Consistency with City Plans (5 points)

Up to five points will be awarded to a project that addresses need(s) identified in City Consolidated Plan, City Strategic Plan Welcoming Neighborhoods and Public Spaces Focus Area, 10 Year Plan to End Chronic Homelessness and/or other City neighborhood plans, i.e small area/neighborhood plans.

Community Support (5 points)

Up to five points will be awarded to a project that shows evidence of outreach and meeting(s) with community/neighborhood during project planning process to identify and address neighborhood concerns. Maximum points will be awarded to projects that have identified neighborhood support as demonstrated by letters of support or recommendation from neighborhood/community based groups.

Site Evaluation, Layout & Design (25 points)

Points will be awarded for site specific development proposals that include adequate design information including scaled site plan, building elevation and floor plan drawings, material specifications and energy efficiency elements.

Up to **ten points** will be awarded to projects meeting the following requirements:

- Energy efficiency – units must provide for 3rd party verification or certification of construction compliance with Energy Star, System Vision or other approved green building program, debris recycling, and water conservation strategies.
- Accessibility- projects with 5 or more units must include 10% of units as handicapped or fully accessible units.
- Utilities- water, sewer, and electric service must be available with adequate capacity to serve the site. Sites should be accessed directly by existing paved, publicly maintained roads.
- Site Appropriateness- site should be zoned for proposed development, compatible with adjacent land uses and primary market information. HOME funded multi-family new construction projects must meet the site and neighborhood standards of 24 CFR 983.6(b). Factors that may reduce points awarded include: locations impacted by environmental problems, proximity to wetlands; locations impacted by flooding; sites in fringe areas of the city not well served by public transit and basic business services; sites in saturated primary market; or other unsuitable conditions.

Quality of Design and Construction (10 points) – units constructed or rehabilitated under HOME program will be required to meet or exceed the specifications of the City’s written rehabilitation standards. Additionally, up to **ten points** will be awarded for projects that incorporate the following:

- The extent to which the design uses multiple roof lines, gables, dormers and similar elements to break up large roof sections, the extent to which the design adds visual appeal to the building elevations, the level of detail that is achieved through the use of porches, railings, and other exterior features.
- Interior considerations include: spacious room layouts, kitchens with an abundance of counter top working space and cabinets, number of bathrooms reflecting market norms, and storage space other than bedroom closets.
- Quality materials include low maintenance, high durability, energy efficient products and quality interior and exterior building components.
- Characteristics of good site design include attractive entryways, connected streets, consistent building setbacks, sidewalks, appropriate amenities and accessible open space areas.

Amenities (5 points) – up to five points will be awarded for projects that provide for availability of quality amenities within close proximity including, but not limited to, grocery store, pharmacy, medical services, community/senior center, public park and green space, library, church, sidewalks, public transportation and schools. Distance to amenities shall be considered in awarding points.

III. Project Funding and Operations (40 points)

A toolbox is provided with excel spreadsheet templates for rental pro-forma including: project summary, revenue, operating budget, operating cash flow, development budget, construction cash flow. Homeownership projects will use the excel spreadsheet for homeowner pro-forma including: project summary, development budget and construction cash flow. An analysis of the data provided in the pro-forma, along with market analysis and other project information will be used to underwrite the project as follows.

Development Budget/Cash Flow (15 points) - up to fifteen points will be awarded for complete and reasonable costs identified in the development budget. Reasonable costs shall be defined as cost estimates that are supported by examples of comparable costs within the area, and costs that would be typical in a project serving the defined market area and population.

Points will be awarded as follows:

- **Five points** - Homeowner project development cost does not exceed the average building cost per square foot for single family residential, plus land cost, soft costs and developer’s fee.
- **Five points** -Homeowner project developer fees not to exceed **20%**.
- **Five points** - Rental project development cost does not exceed the average building cost per square foot for single family residential or small multi-unit residential, plus land cost, soft costs and developer’s fee.

- **Five points** –Rental project developer fees not to exceed 20%.
- **Five points** - The rental project development budget should include reserves for rent-up and six months of operating, along with an initial replacement reserve contribution of \$500-750 per unit.
<http://www.realestateinvestmentcenter.com/locations/74572-north-carolina-wilmington>
- **Five points**- Cash flow projections illustrate uses of funds and the availability of the sources of funds within the project development timeline including any short-term construction loan used to cover the development cost and the repayment of the bridge loan at construction completion.

Operating Budget/Cash Flow (15 points) - for rental projects only, up to **fifteen points** will be awarded for complete and reasonable costs identified in the operating budget. Reasonable costs shall be defined as cost estimates that are supported by examples of comparable costs within the area, and costs that would be typical in a project serving the defined market area and population. Additionally, revenue estimates should be reasonable as demonstrated by calculation of rents based on HOME requirements and vacancy rates based on data for comparable properties in the market area. Points for small scale/scattered site rental projects will be awarded points as follows:

- **Two points** - Vacancy rates, including physical and economic, no less than 12-15% for scattered site and/or small scale rental development unless market analysis demonstrates lower vacancy rate is realistic based on survey of competing properties experience.
- **Two points** - Rent revenue is based on lesser of applicable HOME rent or “market” rent for area. Rent is competitive and viable market is identified, including waiting list of potential renters.
- **Two points** - Operating costs projections reflect higher costs associated with operating and managing scattered site and/or small scale rental, and should be based on comparable projects or documented estimates.
- **Three points** - Ongoing contribution to replacement reserves is included in the operating budget at \$500-750 per unit annually.
- **Two points** - Scattered site and/or small scale rental projects show an operating margin 5-12%. The operating margin is the ratio of cash flow to total operating costs, reserve deposits, and any debt service payments.
- **Two points** - Operating projections show annual increase in rent revenues at no more than 2%.
- **Two points** - Operating projections show the annual increase in expenses at no less than 3.5% annually. OR
- **Up to Fifteen points** - Large scale/multi-family rental projects will be underwritten according to NCHFA guidelines and reviewed by City staff.

Leverage of Non-City Funds (CDBG, HOME, General Fund) (5 points) - up to **five points** will be awarded to projects based on the percentage of non-City funds identified in the pro-forma worksheets toolkit. Points will be awarded as follows: City funds $\leq 15\%$ = 5 points; $\leq 25\%$ = 3 points; $\leq 50\%$ = 1 point; $> 50\%$ = 0 points.

Re-payment of City Funds (5 points) – up to **five points** will be awarded to projects that return city funds for reuse in other affordable housing activities. Points will be awarded as follows: repay \geq 20% of City funds = 5 points; repay 5% – 20% = 3 points; repay 1% - 4.99% = 1 point; no repayment = 0 points.

IV. Developer Capacity and Fiscal Soundness (10 points)

Up to ten points will be awarded to projects that demonstrate staff and developer capacity and fiscal soundness necessary to successfully undertake the proposed project. This evaluation shall be applied to Community Housing Development Organizations and to other affordable housing developers seeking City CDBG, HOME or General Funds.

Required information and documentation for assessing developer capacity and fiscal soundness includes, but is not limited to, the following:

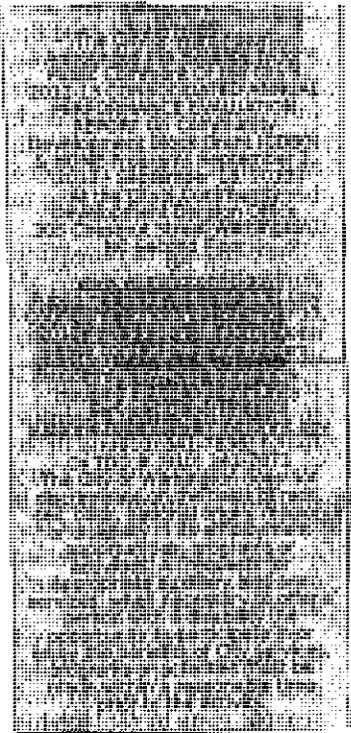
- List of recently completed projects and projects currently underway and/or pending
- Development team resumes, copies of appropriate licenses and/or professional certifications
- W-2, W-4's for full-time and part-time staff
- Job descriptions for staff
- Contract and 1099 for contract staff
- Current balance sheet
- Current year budget with comparison of actual performance YTD vs. projections
- Most recent corporate audit or reviewed financial statements
- Most recent tax returns (990 for nonprofit developers)
- Professional and banking references
- List of board of directors and officers of corporation

Upon review of the information submitted by the CHDO/Developer the following questions must be successfully answered:

- Has the development team demonstrated the experience and skills to successfully complete the project?
- Has the developer successfully completed projects of a similar size and scope in the past?
- Does the developer have the financial resources available to complete the project?
- Does the developer have the net worth to take on a new project?

AFFIDAVIT OF PUBLICATION

STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER



Before the undersigned, a Notary Public of Said County and State,

Anita Thomas

Who, being duly sworn or affirmed, according to the law, says that he/she is

Publisher's Assistant

of THE STAR-NEWS, a corporation organized and doing business under the Laws of the State of North Carolina, and publishing a newspaper known as STAR-NEWS in the City of Wilmington

The City of Wilmington Announces the Availability for Public Comment Of the Citys 2012-13 CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT On Community Development Block Grant CDBG & HOME Programs September 3, 2013 - September 18, 2013 At the Citys C

was inserted in the aforesaid newspaper in space, and on dates as follows:

9/3 1x

And at the time of such publication Star-News was a newspaper meeting all the requirements and qualifications prescribed by Sec. No. 1-597 G.S. of N.C.

Anita Thomas

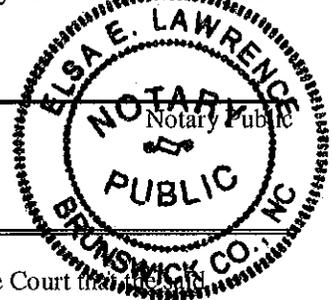
Title: **Publisher's Assistant**

Sworn or affirmed to, and subscribed before me this 9th day of

September A.D., 2013

In Testimony Whereof, I have hereunto set my hand and affixed my official seal, this day and year aforesaid.

Elsa E. Lawrence



My commission expires 14th day of Aug, 2016

Upon reading the foregoing affidavit with the advertisement thereto annexed it is adjudged by the Court that the publication was duly and properly made and that the summons has been duly and legally served on the defendant(s).

This _____ day of _____,

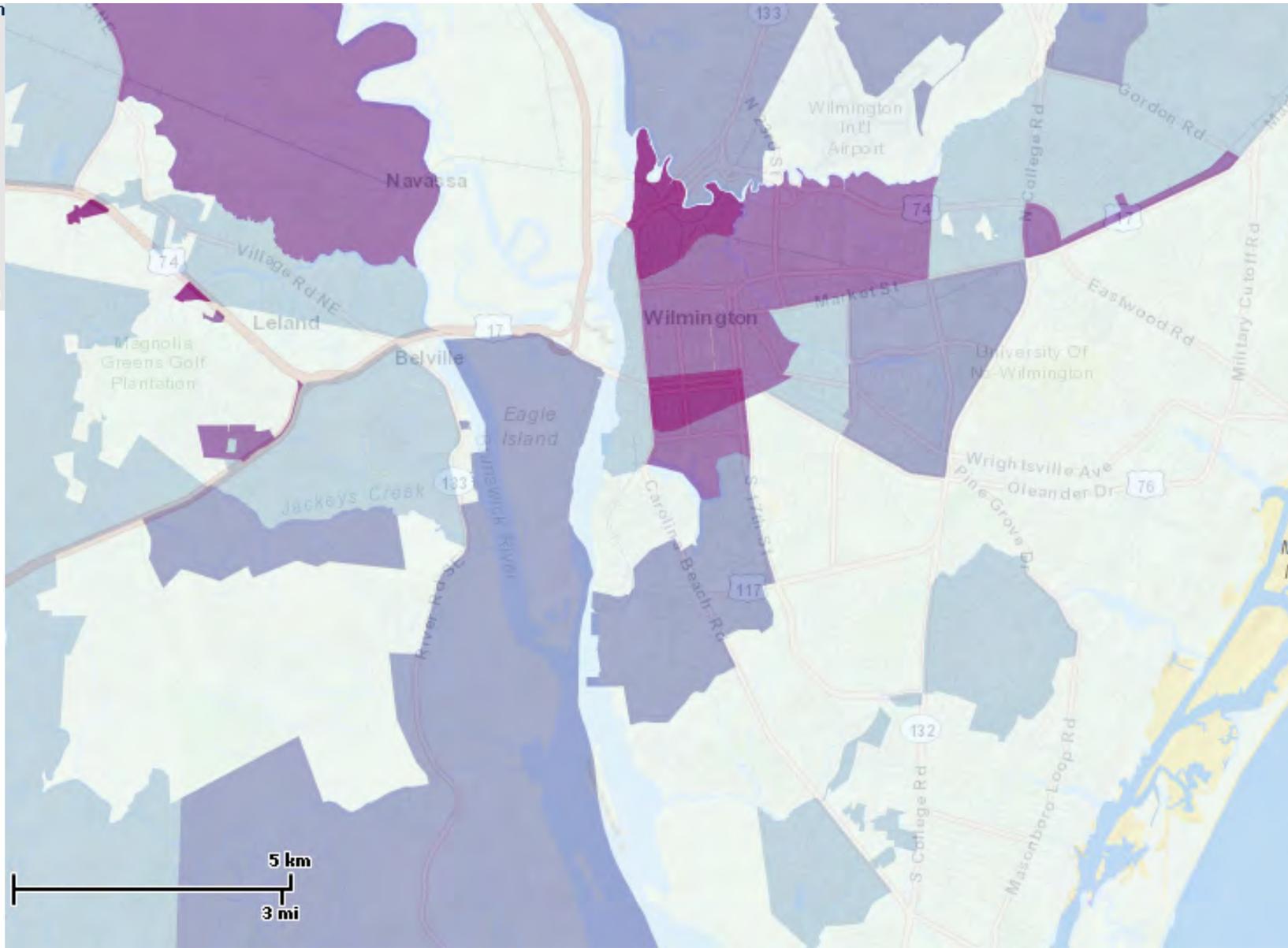
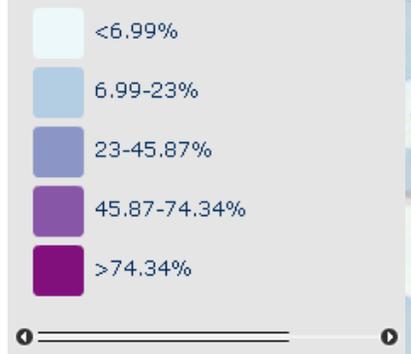
Clerk of Superior Court

MAIL TO:

CPD Maps

% Black or African American

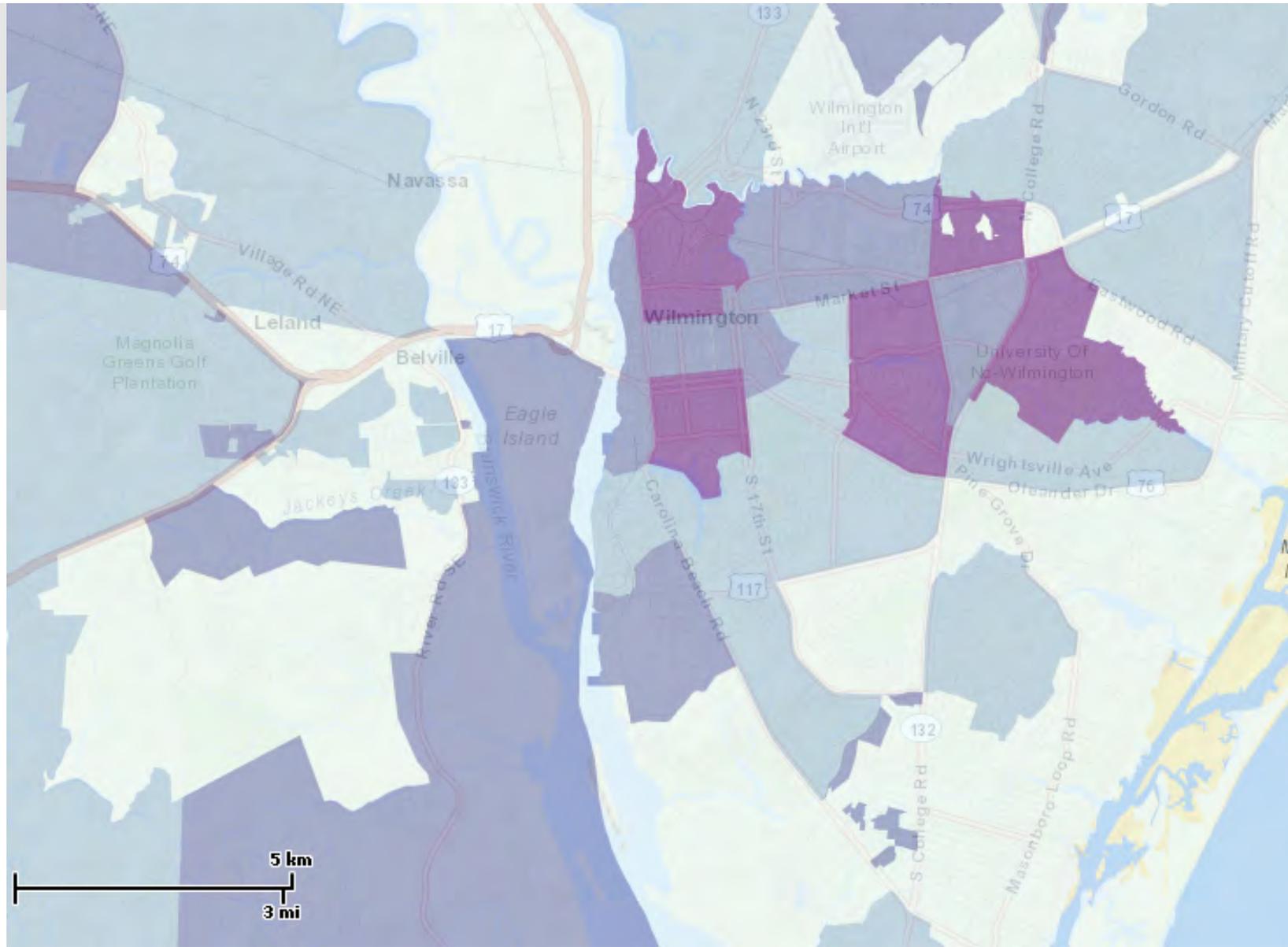
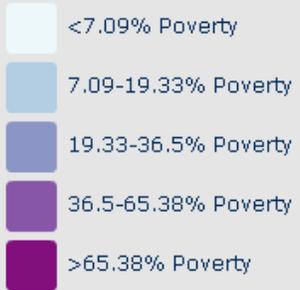
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CPD Maps

Poverty Rate

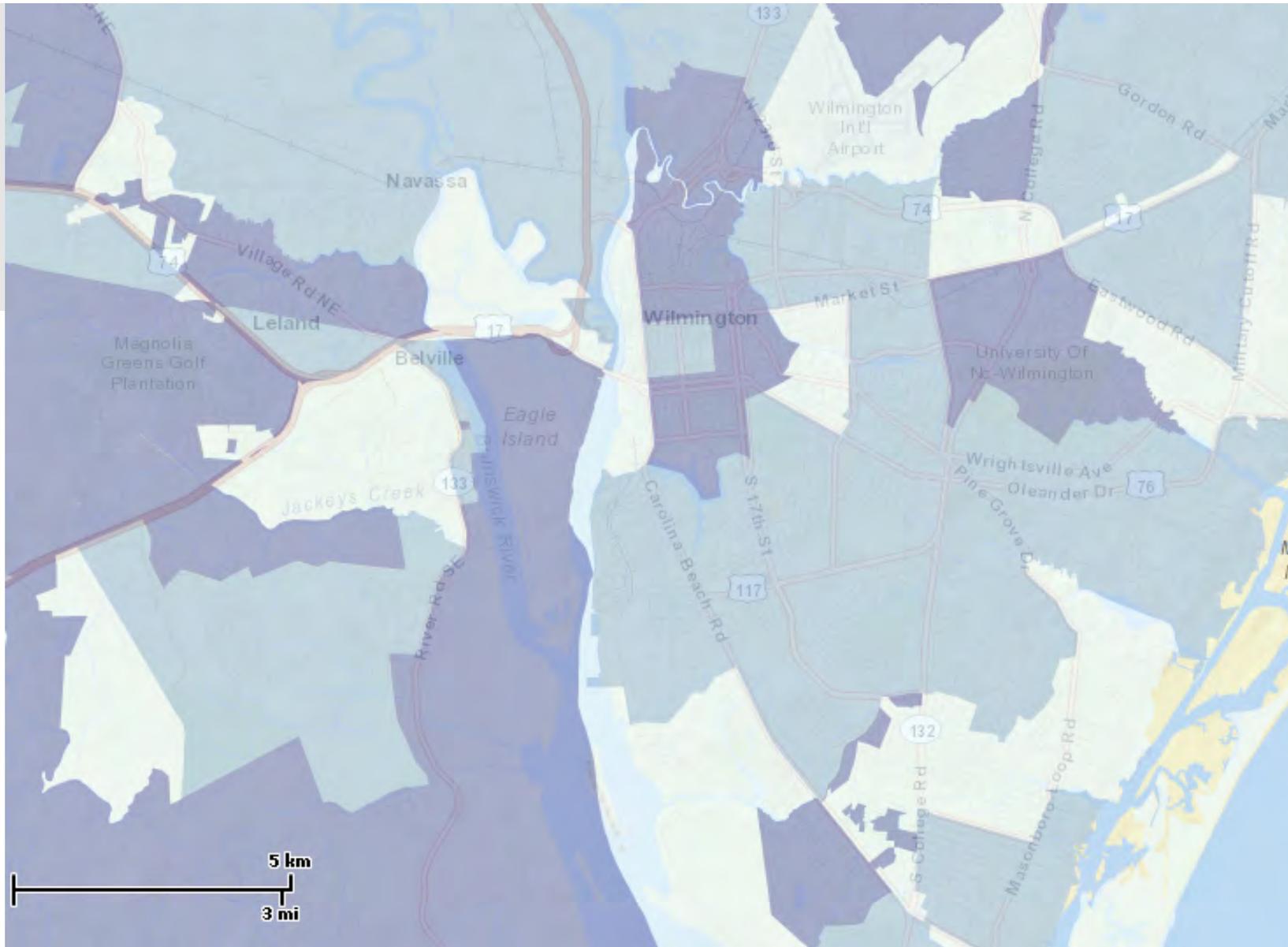
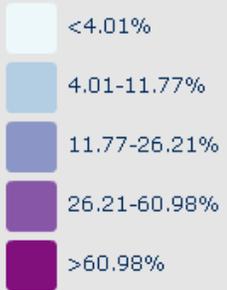
Poverty Rate



CPD Maps

Unemployment Rate

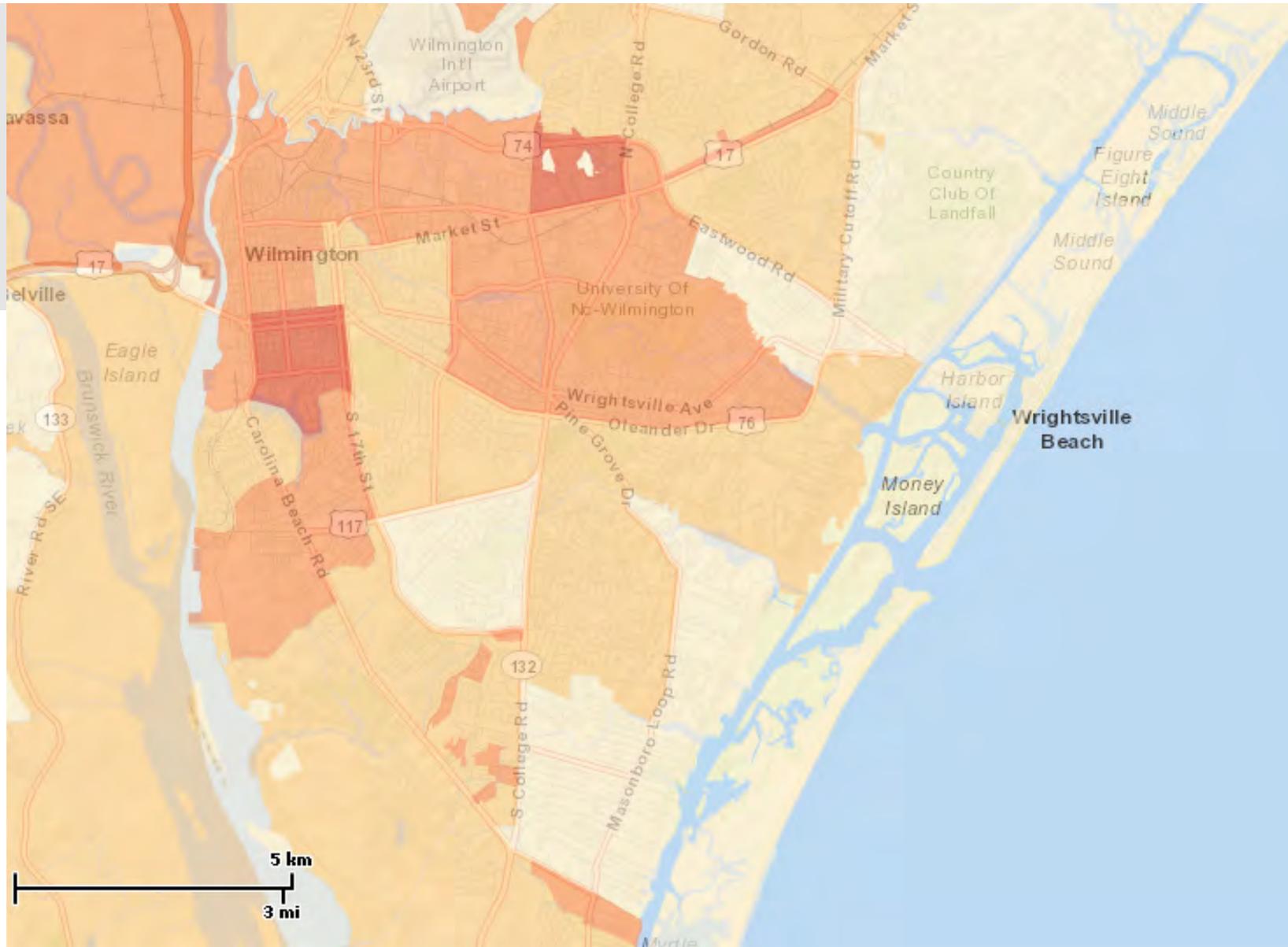
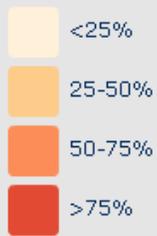
% Unemployment



CPD Maps

Consolidated Plan and Continuum of Care Planning Tool

% Moderate Income Households



CPD Maps

Consolidated Plan and Continuum of Care Planning Tool

% Low Income Households

