



2011 ANNUAL ACTION PLAN



CITY OF HOUSTON
ANNISE D. PARKER, MAYOR

HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT

JAMES D. NOTEWARE, DIRECTOR

MAY 2011

MAYOR

Annise D. Parker

CITY OF HOUSTON

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May 13, 2011

Dear Fellow Houstonian:

I often describe the City of Houston as a community of communities. As our population continues to grow in number and diversity, the needs of our communities also change and expand. To meet these needs, the City of Houston receives several federal entitlement grants. These annual grants provide the necessary and vital funds to assist low to moderate-income families and neighborhoods – thereby improving the lives of all Houstonians.

Although demand for assistance has never been higher, our federal funding has unfortunately been cut. There is simply too much need and not enough money to go around. To determine how to allocate the City's federal funding, the Housing and Community Development Department (HCDD) worked with residents, community leaders and fellow stakeholders to determine and prioritize our communities' greatest needs.

The result of this collaboration is the City's 2011 Action Plan – the City's blueprint to address its needs, detailing how it will allocate funds and the general activities to be funded. The 2011 Action Plan is a product of an unprecedented amount of community participation and represents months of hard work by HCDD staff with support from other City departments, service providers, etc.

The 2011 Action Plan provides the framework, which we can all use in working together to build a healthier Houston for all.

Sincerely,

James D. Noteware
Director

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Overview. The 2011 Annual Action Plan (Plan) represents year two for the 2010 Consolidated Plan approved by the U. S. Department of Housing and Urban Development (HUD) on July 13, 2010. This Plan is the City of Houston, Housing and Community Development Department (HCDD) official application for HUD entitlement grants and proposes programs and services to be funded during the City's Fiscal Year 2012 (July 1, 2011 – June 30, 2012). There are four sources of federal programs funds in this application: Community Development Block Grant (CDBG); HOME Investment Partnerships Program (HOME); Housing Opportunities for Persons with AIDS (HOPWA); and Emergency Solutions Grant (ESG). The Emergency Solutions Grant (ESG) has replaced the Emergency Shelter Grant. The City is applying for ESG funds and is requesting additional guidance from HUD on how to proceed regarding the required set-asides and allocation of the new grant.

Increasing the availability of safe, sanitary, and affordable housing remains the City of Houston's key goal. To meet this goal, HCDD (the Department) is pursuing strategies to rehabilitate and reconstruct owner-occupied units, assist residents eligible for homebuyer assistance, and improve multifamily properties.

HCDD collaborates with a variety of agencies including the Houston Housing Authority, the Houston Housing Finance Corporation, and various non-profit organizations on community improvement projects to benefit low- and extremely low-income households.

HCDD's mission is to facilitate community development by providing economic opportunity, revitalization, and improvement of the City's low- to moderate-income neighborhoods. Activities which enable HCDD to achieve these goals are

- Developing and maintaining an adequate supply of safe, decent housing that is affordable and accessible to residents with a range of income levels and household needs;
- Expanding sustainable homeownership opportunities for low-, moderate-, and middle-income families;
- Reducing chronic and family homelessness by providing gap financing to supportive housing projects;

2011 ANNUAL ACTION PLAN VISION: COMMUNITY DEVELOPMENT

2010-2014 Plan Priorities

2010-2014 Consolidated Plan funding priorities are divided into four categories designed to benefit low- to moderate-income Houstonians:

- Affordable Housing
- Homelessness & Supportive Services to Persons with Special Needs
- Public Improvements & Infrastructure
- Economic Development

Analysis and public input from the five- year plan determined that:

- The highest demand for affordable rental housing is among the growing elderly population and minority families with children
- Low wages are the greatest impediment to securing affordable housing
- More affordable supportive housing required for special needs population
- The demand for public neighborhood spaces far surpasses the supply of funding available

While several of these needs are already being addressed, more innovative and cost effective approaches should be employed to tackle these issues over the next five years.

- Ensuring that city residents with long-term support needs have access to appropriate services and accessible community housing options;
- Ensuring full and fair access to housing for all residents; and
- Enhancing the economic well-being of the City while ensuring that economic growth is compatible with the community.

Plan Organization. The Annual Action Plan includes the following sections:

- Executive Summary
- Citizen Participation
- Resources
- Description of Activities
- Geographic Distribution of Funding
- Public Housing
- Homeless and Special Needs
- Compliance and Monitoring Activities
- Program Requirements
- Federal Applications for Funding

Annual Objectives. The Plan identifies programs and activities, which will be used toward meeting the Department's objectives. As required by HUD, each activity is linked to one of three federal program goals: **decent housing, suitable living environment, and economic development.** The resulting objective(s) and outcome(s) for HCDD's 2011 Annual Action Plan, described below, fall into one of three categories: **availability/accessibility, affordability, and sustainability.**

Decent Housing.

2011 Annual Action Plan activities, which facilitate making decent housing more available, affordable, accessible, and sustainable, include

- Acquisition, rehabilitation, and new construction of multifamily properties
- Downpayment and closing cost assistance to increase low- to moderate-income persons' access to homeownership
- Single family home repair program; preserve existing housing stock
- Single family development

Suitable Living Environment.

2011 Annual Action Plan activities, which help make suitable living environments more available, affordable, accessible, and sustainable for low- to moderate-income residents, will include

- Building/rehabilitating neighborhood facilities
- Demolishing vacant/abandoned properties
- Lead-based paint testing and abatement activities
- Juvenile and youth programs
- Homelessness prevention
- Supportive and transitional housing
- Support services for persons with special needs populations (e.g. elderly, disabled)
- Services to HIV/AIDS populations
- Health care education and services

Economic Development/Opportunity.

2011 Annual Action Plan activities, which help increase access to economic opportunity for low- to moderate-income communities, will include

- Job training and
- Small business development services.

Past Performance. The goals and objectives for the past year correlate to the priority needs identified in the 2010-2014 Consolidated Plan. The 2010-2014 Consolidated Plan recognized strategic areas of activity and investment within the HUD priority need categories. It has been a year of critical reflection within the City of Houston's Housing and Community Development Department. HCD began the year under the weight of a substantial number of HUD findings and concerns. Under new leadership, significant headway has been made in reducing the number of these outstanding findings from 46 to 27, with an additional 10 findings on track to be resolved by the end of May 2011.

Starting with a departmental reorganization, this new leadership began spreading a philosophy of community development and seizing the opportunity to "change the world" in which we live and work, one individual, project, or program at a time...working smarter and striving to revitalize our organization and the community. HCDD continues to work and put in place the framework required to meet the continuing challenges of doing more with less, while still providing responsive and timely service to our communities. Making a concerted effort to streamline operations, implement best practice policies and procedures, and provide meaningful guidance to staff in meeting program goals and objectives, has been the cornerstone of this new administration. In particular, revisiting and revising department policies and procedures in areas such as compliance and monitoring, affirmatively furthering fair housing, procurement, and community engagement, along with those in program areas, has laid the groundwork for achieving more efficiency and effectiveness in the operation of the Housing and Community Development Department. To support this, HCDD has also availed itself of several staff training opportunities provided by HUD to develop subject matter expertise in a variety of program areas.

In Plan Year 2010, three staff earned certification in HOME program administration, 33 staff received training in CDBG, and three employees were certified for Section 504 accessibility requirements, with an additional 14 employees attending an in-house Section 504 Training.

HCDD has also made significant strides in improving collaborations with other City departments and other stakeholders, and increasing community engagement; focusing efforts to strategically engage communities in the planning process, identify opportunities for action, and bring diverse interests together to mobilize a force for positive change.

The following goals were established for the 2010-2014 Consolidated Planning period:

- Developing and maintaining an adequate supply of safe, sanitary, and decent housing that is affordable and accessible to residents with a range of income levels and household needs
- Expanding sustainable homeownership opportunities for low- to moderate-income families
- Reducing chronic and family homelessness by providing a viable continuum of care
- Ensuring that City of Houston residents with long-term support needs have access to appropriate services and accessible community housing options
- Ensuring full and fair access to housing for all residents
- Enhancing the economic well-being of the City of Houston while ensuring that economic growth is compatible with the community

During the past year, expenditures were made in the following program areas:

- Homebuyer Assistance
- Single Family Home Repair
- Single and Multifamily Development
- Public Services funding to agencies that provide a variety of programs to assist individuals and families
- Public Facilities
- Long- range planning to address homelessness
- Demolition of blighted properties
- Economic Development - Small Business Loans/Job Training

Some of the projects completed or anticipated to be completed in the 2011 Annual Action Plan Year include:

Multifamily Affordable Housing

- 2424 Sakowitz - Single Room Occupancy (SRO), New Construction (166 restricted units)
- 1414 Congress - SRO, Rehabilitation (57 restricted units)
- The Womens' Home - SRO, New Construction (52 restricted units)
- NHH at Brays Crossing - SRO, Reconstruction (141 restricted units)
- St. James Place Apartments – Rehabilitation (11 restricted units)
- Irvington Court Apartments – New Construction (27 restricted units)
- The Orchard at Garden Oaks Senior Apartments – New Construction (30 restricted units)

Neighborhood Facilities – SPARK parks

- P. Henry Middle School
- Best Elementary
- Chavez High School
- Herrera Elementary
- Garfield Elementary

The following are examples of some of the public services we have funded during the 2011 Annual Action Plan Year:

- Especially in these difficult economic times, ensuring access to public health services in low- to moderate-income areas is critical. Funding for El Centro de Corazon and Sunnyside Health Clinics helps to increase access to these services for the low- to moderate-income communities they serve.
- SEARCH Mobile Outreach finances the provision of services (e.g. blankets, hygiene kits, bus tokens, and food) to homeless individuals throughout the City of Houston and is just one example of a continuum of programs and services that are part of a Strategic Plan to End Chronic Homelessness. During Houston's record cold winter, there was a critical need for these services to support homeless individuals and families.
- Celebrating 5 Years of the H.E.A.R.T. Program (The Houston Entrepreneurship and Readiness Training) provides occupational skills training to low-income developmentally disabled adults and

includes client assessment followed by employment. This service substantially increases the likelihood for employment by preparing participants for success in the workforce.

While numerous projects/programs were funded and the collective impact of these activities resulted in substantial improvements to the lives and neighborhoods of the low- to moderate-income residents of Houston, we have not achieved complete success in all of our goals.

The following obstacles have impacted our ability to fully realize our goals

- The decline in market conditions along with the tightening of credit requirements has made it particularly difficult for low- to moderate-income homebuyers to secure mortgages to transition into homeownership. This has had a significant impact in our ability to meet our first year goal from the 2010-2014 Consolidated Plan.
- Suspension of the CHDO Multi/Single Family Development Program pending a complete program redesign, which is anticipated to be back online during the 2012 plan year. Elements include improving transparency in the allocation of funding, underwriting, and subsidy layering; streamlining policies and procedures; improving training and technical assistance; and identifying community needs.

While there have been some specific challenges over the past year, overall, the City is on target to meet the five-year goals identified in the Consolidated Plan. A full evaluation of the performance standards, based on the City's Performance Measurement System, will be completed as part of the Comprehensive Annual Performance Evaluation Report (CAPER) for Plan Year 2010. Subsequent CAPER evaluation will be based on the 2010-2014 Consolidated Plan.

2011 ANNUAL ACTION PLAN ACTIVITIES BY GRANT AND OBJECTIVE ALLOCATION

Resources - Federal Allocations. The following tables illustrate the proposed grant funding allocations and associated activities HCDD will fund during the 2011 Annual Action Plan period to meet annual objectives.

2011 Annual Action Plan Summary ¹ (Houston FY2012/BY2011)	
Grant	Amount
Community Development Block Grant	27,341,979
CDBG Projected Program Income	3,071,711
HOME Investment Partnerships Program	12,415,504
HOME Projected Program Income	159,378
Housing Opportunities for Persons with AIDS Grant	7,127,183
Emergency Solutions Grant ²	1,844,610
TOTAL	\$51,960,365

¹ These allocations reflect estimates and are subject to change pending final notification from the Office of Management and Budget.

²The competitively awarded Emergency Solutions Grant (ESG) has replaced the Emergency Shelter Grant. HCDD is applying for this grant and is requesting additional guidance from HUD regarding final allocation and set-aside amounts.

2011 ANNUAL ACTION PLAN BUDGET SUMMARY BY GRANT & OBJECTIVE					
CDBG Funds	Estimated Allocation (FY2012)	Objective Category	Availability/ Accessibility	Affordability	Sustainability
Sources					
Projected CDBG Budget	30,413,690				
Projected CDBG Grant Award	27,341,979				
Projected Program Income	3,071,711				
Uses					
Total - CDBG Activities	30,413,690				
Program Administration (up to 20% of Estimated Grant Amount & Program Income)	6,082,738				
Legal Department (transfer for Administration Costs)	253,385				
Finance Office (transfer for Administration Costs)	86,649				
CDBG Program Administration to HCD	5,742,704				
Programs & Program Delivery Costs	24,330,952				
Public Services (16.77 % of Estimated Grant Amount) ³	5,100,376	Suitable Living Environment	√		
<i>Public Services - Activities</i>	4,400,376				
<i>Public Services - ESG Match (38/62 split with contractor)</i>	700,000				
Neighborhood Facilities (Public/Private)	5,829,241	Suitable Living Environment			√
Program Delivery Neighborhood Facilities	300,000	Suitable Living Environment			√
Retrofitting for Accessibility	537,369	Suitable Living Environment	√		
Single Family Home Repair Program	3,477,566	Create Decent Housing			√
Program Delivery Single Family Home Repair Program	1,500,000	Create Decent Housing			√
Relocation for Single Family Home Repair Program	300,000	Create Decent Housing			√
Lead-Based Paint Testing (Project Delivery for SFHR Program) -- transfer to Health Dept.	350,000	Suitable Living Environment			√

³ The city has been grandfathered with an exception at a rate of 16.77% instead.

2011 ANNUAL ACTION PLAN BUDGET SUMMARY BY GRANT & OBJECTIVE					
CDBG Funds	Estimated Allocation (FY2012)	Objective Category	Availability/Accessibility	Affordability	Sustainability
Lead-Based Paint Matching Grant - transfer to Health Dept.	650,000	Suitable Living Environment			√
Economic Development Assistance Programs	2,400,000	Create Economic Opportunity		√	
Legal & Code Enforcement - Neighborhood Protection Corps	3,586,400	Create Economic Opportunity		√	
Program Delivery (Procurement Legal & Audit Services)	300,000				

HOME Funds	Estimated Allocation (FY2012)	Objective Category	Availability/Accessibility	Affordability	Sustainability
Sources					
Projected HOME Budget	12,574,882				
Projected HOME Grant Award	12,415,504				
Projected Program Income	159,378				
Uses					
Total - HOME Activities	12,574,882				
Planning and Administration (10% of Estimated Grant + Program Income)	1,257,488				
HOME CHDO Program Set-Aside (15% of HOME Allocation)	1,886,232				
<i>Pre-Development Assistance (up to 10% of CHDO Set-Aside Amount)</i>	188,623	Create Decent Housing		√	
<i>HOME CHDO Single-Family/Multifamily Programs</i>	1,697,609	Create Decent Housing		√	
CHDO Operating Expenses (5% of HOME Allocation, not included in Set-Aside)	628,744	Create Decent Housing		√	
CHDO Program Total	2,514,976				
Multifamily Development Program (with Relocation Assistance)	4,167,209	Create Decent Housing	√		
Multifamily Program Delivery Costs	234,000	Create Decent Housing	√		
Homebuyer Assistance Programs	4,301,209	Create Decent Housing	√		
Homebuyer Assistance Program Delivery Costs	100,000	Create Decent Housing	√		
Housing Programs & Delivery Costs	8,802,418				

2011 ANNUAL ACTION PLAN BUDGET SUMMARY BY GRANT & OBJECTIVE					
HOPWA Funds	Estimated Allocation (FY2012)	Objective Category	Availability/Accessibility	Affordability	Sustainability
Sources					
Projected HOPWA Budget	7,127,183				
Uses					
Total - HOPWA Activities	7,127,183				
Operating Costs	926,933	Suitable Living Environment	√		
Technical Assistance/Housing Information/Resource Identification	-	Suitable Living Environment	√		
Supportive Services	1,718,140	Suitable Living Environment	√		
Project or Tenant Based Rental Assistance	1,884,708	Suitable Living Environment	√		
Short-term Rent, Mortgage, & Utility Subsidies	1,884,684	Suitable Living Environment	√		
Total Programs/Projects	6,414,465				
Program Administration (10% of Estimated Grant Amount)					
<i>Grantee Administration (3% of Estimated Grant Amount) -- HCDD</i>	213,815				
<i>Sponsor Administration (7% of Estimated Grant Amount) -- Subgrantees</i>	498,903				
Total Program Administration	712,718				

2011 ANNUAL ACTION PLAN BUDGET SUMMARY BY GRANT & OBJECTIVE					
ESG Funds	Estimated Allocation (FY2012)	Objective Category	Availability/ Accessibility	Affordability	Sustainability
Sources					
Projected ESG Budget	1,844,610				
Uses					
Total ESG Activities	1,844,610				
Administration (7.5%)	138,346				
Operations (up to 30%)	511,879	Suitable Living Environment			√
Essential and Supportive Services (up to 30%)	511,879	Suitable Living Environment			√
Prevention (up to 20%)	341,253	Suitable Living Environment			√
Rapid Re-housing (up to 20%)	341,253	Suitable Living Environment			√
Total All Funds	\$51,960,365				
Total All Activities	\$51,960,365				

CITIZEN PARTICIPATION

CITIZEN PARTICIPATION

Overview. The Housing and Community Development Department (HCDD) has primary responsibility for producing the 2011 Annual Action Plan. In this capacity, HCDD works with a number of City departments, the Houston Housing Authority, and major non-profits to ensure that the planning process is both comprehensive and inclusive. HCDD secures information from other City departments, the private sector, non-profits, neighborhood-based organizations, and residents regarding existing conditions and strategies for addressing current needs through research.

HCDD recognizes that Houston residents are the center of and partners in the development and execution of the 2011 Annual Action Plan. HCDD aggressively solicits community involvement and provides residents with every opportunity to become involved in the development of the Annual Action Plan.

Opportunities for citizen input are provided during the entire planning process through

- The Advisory Task Force
- Publications and Postings
- Capital Improvement Plan Meetings
- HCDD Community Development Survey
- Public Hearings

Advisory Task Force. The Advisory Task Force (ATF) contributes community input to the HCDD's planning process. Specifically, the ATF provides assistance by

- Ensuring constituent concerns and/or issues are reflected in the process by documenting their existing conditions and needs
- Contributing to developing the assessment of low- to moderate-income and special needs populations' housing and community development needs
- Recommending strategies and providing expertise on how to prioritize needs
- Researching critical issues
- Recommending multi-year strategies to develop an effective community development agenda

2011 ANNUAL ACTION PLAN: NEW APPROACHES TO CITIZEN PARTICIPATION

- Placing 18,000 flyers on City buses covering routes in low- to moderate-income neighborhoods
- Held meetings at the City hall Annex as well as neighborhood-based meetings in Sunnyside, Fifth Ward, and Magnolia (274 attendees)
- HCDD extended an invitation to Houston Housing Authority (HHA) tenants and also provided flyers for distribution at HHA properties
- New Advisory Task Force role in planning process

2010 – 2011 ADVISORY TASK FORCE (ATF) MEETING SCHEDULE

Welcome – August 5, 2010
ATF Guidelines
Plans for the Year

General Meeting 1 - September 21, 2010
Subcommittee Selections
2011 Annual Action Plan

General Meeting 2 - November 16, 2010
Single Family Home Repair
HCDD Update

General Meeting 3 – January 18, 2011
Multifamily/Commercial
HCDD Updates in Closing

General Meeting 4 – March 15, 2011
How to Address Demolition

General Meeting 5 – May 17, 2011
Neighborhood Facilities

General Meeting 6 – July 19, 2011
Public Services/HOPWA
2011 Annual Action
Plan complete

The ATF is the first step in seeking consultation in HCDD's collaborative planning process. It is comprised of a diverse cross-section of Houstonians representing non-profits, for-profits, public and quasi-public agencies, neighborhood-based organizations and community leaders. The HCDD Director appoints all ATF members and candidates which represent a cross-section of individuals from the community.

The ATF meets bi-monthly with the HCDD Director and staff to discuss various topics regarding the Consolidated and Annual Action Plan(s). During each scheduled ATF meeting, the agenda features a time designated to solicit input into the development of HCDD programs delineated in the Annual Action Plan. To facilitate obtaining input from ATF members, HCDD program managers and staff present information regarding services, challenges, and new developments in each program area.

To give members an opportunity to bring focus to and give feedback in their area of expertise, the ATF has created Homelessness, HIV/AIDS, Public Services & Facilities, and Single & Multifamily Housing subcommittees.

Publications and Postings. HCDD publicizes all phases of the Plan's development, from the schedule of activities to the amount of federal appropriations and the proposed use of funds in support of community improvement activities. The schedule gives the public a closer view into the major milestones during this process. This information is available on the City's website and is updated as needed.

HCDD has developed promotional/informational material about the Plan that is available in English and Spanish. At the four public hearings, HCDD provided attendees with the following information:

- Agenda
- PowerPoint presentation
- Information Guide Booklet
- Community Needs Survey
- The 2011 Annual Action Plan Public Hearing General Guidelines were added for the spring hearings

The information booklet describes entitlement grants, anticipated funding, process for accessing funds, funding priorities, and the various programs sponsored by HCDD. The publication also includes a detailed budget of activities/programs being funded, along with a schedule for development of the 2011 Annual Action Plan. (*See Appendices for a copy of the Information Booklet.*)

ATF COMMUNITY PARTNERS

Greater Houston Fair Housing Center
Legacy Community Health Services
Land Assemblage & Redevelopment Authority Board
United Way of Houston
City of Houston Veteran Affairs
Houston Food Bank
YMCA of Greater Houston
Mental Health Mental Retardation Authority
Uplift Fourth Ward, Inc.
Coalition for the Homeless of Houston/Harris County
Kiley Advisors, LLC
Houston Center for Independent Living Avenue CDC
Acres Homes Senior Citizens
Gulf Coast Community Services
Fifth Ward CRC
HIV Resource Group
City of Houston Health Department
Houston Area Urban League
Gracie Saenz & Associates
Metropolitan Transit Authority
Amegy Bank
LISC
Ryan White Planning Council
KET Enterprises Inc.
Mental Health Association

The 2011 Annual Action Plan Summary was published March 2, 2011 in the *Houston Chronicle* and community newspapers. The Summary publicized the date, time, and location of the second round of public hearings and encouraged readers to submit comments during and after the hearings on the grant allocations in the 2011 Annual Action Plan. The public comment period for the 2011 Annual Action Plan Summary was March 2, 2011– March 17, 2011.

The 2011 Draft Annual Action Plan was published on March 14, 2011. The public comment period for the Draft 2011 Annual Action Plan was March 14, 2011 – April 13, 2011 for public input related to proposed activities and budgets for the CDBG, HOME, and HOPWA programs. Hard copies of the draft Plan were available at the City of Houston Main Public Library, City of Houston Secretary's Office, City of Houston website, and HCDD. The public was given 30 days to respond to the Annual Action Plan, prior to action by City Council. Houston City Council approved the Plan on April 20, 2011.

CIP Meetings. In addition, HCDD representatives attended and made presentations at each of the nine Capital Improvement Plan (CIP) public hearings throughout the City, sponsored by the City Council. Residents were encouraged to attend these public hearings. For the FY2012 CIP hearings, more than 600 Houstonians attended and received information about the 2011 Annual Action Plan. HCDD representatives were available to answer questions and meet with constituents face to face. Spanish language interpreters were also on hand to translate hearing proceedings.

The HCDD Community Development Survey. The Department received 114 completed Community Needs Surveys that could be downloaded from the Department's website and/or completed at the public hearings. Respondents were asked to rank the top four priorities in their communities. The selected categories are listed below:

- Safe, Decent, and Affordable Housing
- Rehabilitation of Existing Housing Structures
- Community Infrastructure
- Community Facilities
- Economic Development
- Slum Blight Elimination/Mitigation
- Public Services
- Disaster/Hurricane Recovery Assistance
- Other (explain)

**CITY OF HOUSTON 2011 -
CAPITAL IMPROVEMENT PLAN
PUBLIC MEETINGS SCHEDULE**

District A Brenda Stardig
February 28, 2011
Spring Woods H.S. (Mini-Auditorium)

District B Jarvis Johnson
February 24, 2011
Kashmere Multi-Service Center

District C Anne Clutterbuck
March 01, 2011
St. Vincent de Paul Catholic School

District D Wanda Adams
February 15, 2011
Judson Robinson Jr. Community
Center

District E Michael Sullivan
February 14, 2011
J. Frank Dobie High School

District F Al Hoang
March 09, 2011
Sharpstown Community Center

District G Oliver Pennington
February 23, 2011
Tracy Gee Community Center

District H Ed Gonzalez
February 22, 2011
Jefferson Davis High School (Atrium)

District I James Rodriguez
February 16, 2011
The E.B. Cape Center

Based on a review of the data, the top four priorities were

1. Safe, Decent, and Affordable Housing (46 respondents)
2. Infrastructure - Water, Sewer, Sidewalks, Street Paving, & Drainage (34 respondents)
3. Rehabilitation of Existing Housing Structures (29 respondents)
4. Economic Development - Job Creation/Retention, Grocery Stores, Small Business Assistance (28 respondents)

The Department will use the data collected in its assessment of current and future project proposals and activities.

Public Hearings. The City of Houston Department of Housing and Community Development held four public hearings to receive input from and inform the public of the 2011 Annual Action Plan application to the U.S. Department of Housing and Urban Development (HUD). The purpose of the hearings was to: (1) Publicize proposed funding allocations of CDBG, HOME, HOPWA, and ESG grants, and (2) Receive public comment on Plan budget priorities.

The first two hearings were held in the fall. The October 26 hearing was held at the Fifth Ward Multiservice Center, and the October 28 hearing was held at the Sunnyside Multiservice Center. There were 155 attendees at the fall hearings with 29 persons providing comments to the Department on budgeted priorities and proposed activities.

The next two hearings were held in the spring of 2011. The hearing on March 17 was held at the City Hall Annex Council Chambers, and the hearing on March 24 was held at Magnolia Multiservice Center. There were 119 attendees at the spring hearings with 48 persons submitting written or spoken public comments to the Department.

The Department publicized the hearings using traditional and modern marketing to increase attendance. The public hearings were publicized using

- City of Houston networks: CitizenNet Emails, email invites to Super Neighborhood Councils and civic clubs
- Flyers: Posted at Multiservice Centers and Houston Public Library branches, placed on 10,000 flyers on the City's METRO buses, and sent copies to City Council Members and U.S. Congressional District offices
- Ads in Publications: The Department placed an announcement in the *Houston Chronicle*, the City's largest general circulation paper as well as two community newspapers, *The Houston Defender* and *Semana News*

The public hearing flyer gave the public four options to provide comment to HCDD on priorities:

- Present comments at a hearing,
- Send email to: andrea.jones@houstontx.gov,
- Download Community Needs Survey from the Department's official website – www.houstonhousing.org and mail completed survey to HCDD, 601 Sawyer, 4th floor, Houston, Texas 77007,
- Send a letter to HCDD, 601 Sawyer, 4th floor, Houston, Texas 77007

In addition, the Department took advantage of interoffice relationships with Department staff and our subrecipients by requesting that the flyer be sent by email to their social networks. The public hearings were also advertised on the Department's official website, and Facebook page.

The Department has a record of attendees and speakers for the four public hearings gathered from the required general sign in sheets and speakers sign in sheets, as well as transcripts of public comments. The four public hearing venues were wheelchair accessible; and the Department made available captioning for the hearing impaired. In addition, English to Spanish interpreters were on site at the public hearings, and American Sign Language interpreters were also present at each hearing. A summary of citizen comments on the 2011 Annual Action Plan, along with HCDD's reasoned responses, is available in the *Appendices*.

Consultation Requirement 2010-2011 Advisory Task Force Members							
The ATF is the first step in seeking consultation in HCDD's collaborative planning process, which is comprised of a diverse cross-section of Houstonians representing non-profits, for-profits, public and quasi-public agencies, neighborhood-based organizations and community leaders.							
	Name	Organization	General	Homeless	Metropolitan Planning	HOPWA	Public Housing
1	Bustamante, Daniel	Greater Houston Fair Housing Center	X				
2	Caldwell, Kathy	Legacy Community Health Services	X				
3	Collins, David	Land Assemblage & Redevelopment Authority Board	X		X		
4	Stephanie Lopez	United Way of Houston	X				
5	Grantham, Buddy	City of Houston Veteran Affairs	X		X		
6	Greene, Brian	Houston Food Bank	X				
7	Harris, Ken	YMCA of Greater Houston	X				
8	Hom, Sam	Mental Health Mental Retardation Authority	X				X
9	Johnson, Elmo Rev.	Uplift Fourth Ward, Inc.	X				
10	Kiley, Pat	Kiley Advisors, LLC	X				
11	Koosis, Tony	Houston Center for Independent Living	X	X			
12	Lawler, Mary	Avenue CDC	X				X
13	Mosely, Ruby	Acres Homes Senior Citizens	X				
14	Owens, Kevin	Gulf Coast Community Services	X				
15	Payton, Kathy	Fifth Ward CRC	X				
16	Proctor-Garvin, Yvette	HIV Resource Group	X	X		X	
17	Reyes, Brenda Dr.	City of Houston Health Department	X				X
18	Robinson, Judson	Houston Area Urban League	X				
19	Saenz, Gracie	Gracie Saenz & Associates	X				
20	Vacant	Metropolitan Transit Authority	X		X		
21	Stoker, Brian	Amegy Bank	X				

Consultation Requirement
2010-2011 Advisory Task Force Members

The ATF is the first step in seeking consultation in HCDD's collaborative planning process, which is comprised of a diverse cross-section of Houstonians representing non-profits, for-profits, public and quasi-public agencies, neighborhood-based organizations and community leaders.

22	Timm, Amanda	LISC	X				
23	Tuttle, John	Ryan White Planning Council	X	X		X	
24	Wilkerson, Tom	KET Enterprises Inc.	X				X
25	Wilson, Curtis	Coalition for the Homeless	X	X		X	

RESOURCES

RESOURCES

Resources Overview. The Resources Section identifies and describes federal, state, and local resources (including program income) available to the jurisdiction to address the needs of low- to moderate-income residents and areas. It also includes other financial instruments, such as tax incentives and bonds that the State of Texas and the City of Houston leverage to facilitate private sector investment in community and economic development in distressed or underserved areas. This information is provided in the following sections: Entitlement Grants, Tax Incentives & Bond Programs, Special Nonrecurring Grants, and Local Agency, Federal, & State Grants – Administered by Other City Departments.

Entitlement Grants. Four US Housing and Urban Development (HUD) entitlement grants administered by the City of Houston Housing and Community Development Department (HCDD) finance annual objectives and associated activities in the 2011 Annual Action Plan (Plan). ¹The federal formula grant estimates are HUD estimates pending final grant amounts and guidance from the Office of Management and Budget.

1. The Community Development Block Grant (CDBG) Program (\$30,413,690) finances Housing, Public Facilities and Improvements, Public Services, and Economic Development assistance activities. All of these activities support improving and/or preserving the City of Houston's (City) low- to moderate-income neighborhoods.
2. The HOME Investment Partnerships (HOME) Program (\$12,574,882) promotes public-private partnerships as a vehicle for expanding the stock of affordable housing, both single and multifamily, for the rental and homeowner markets. HOME Program funds support homebuyer assistance and single and multifamily development/rehabilitation/repair activities. Multifamily activities are funded through an RFP process.
3. The Housing Opportunities for Persons with AIDS (HOPWA) (\$7,127,183) funds the provision of housing and social services for the HIV/AIDS population. These services, which include housing-related supportive services, rent, mortgage, and/or utility assistance, represent an important source of assistance for this critical special needs population.
4. The Emergency Shelter Grants (ESG) will change to the Emergency Solutions Grant (ESG) (\$1,844,610). ESG allocations have not been budgeted for activities as the Department is awaiting additional guidance and clarification regarding the required set-asides for the new grant.

Affordable housing remains the centerpiece of HCDD's funding strategy, which is reflected in the allocation of 20 percent of total 37th Program Year funds (CDBG, HOME, HOPWA, and ESG) to this planning category.

Tax Incentives & Bond Programs. In addition to federal entitlement grants, HCDD uses other sources of funds for community development activities. HCDD's programs work cooperatively with other tax-related incentives that facilitate economic growth through affordable housing, business development, and job creation. Descriptions of each program follow.

¹ Other City Departments are subrecipients of some entitlement funds.

Local Tax Incentives.

- *Tax Abatement Ordinance* – provides abatement of property tax for up to 10 years for owners of businesses that make new capital investments and commitments to job creation.
- *Tax Increment Reinvestment Zones (TIRZ) and TIRZ Affordable Housing Set-Aside* – dedicates tax increment revenues to infrastructure developments in 22 city-designated TIRZs and provides set-aside revenues dedicated to affordable housing development throughout the city.

Federal Tax Incentives.

- *New Market Tax Credits* – provides tax incentives for businesses that make commitments to investments and job creation.
- *Brownfields Tax Credits and Funding* – provides federal tax incentives and other financial incentives to businesses that commit to redevelop environmentally impacted sites.
- *State of Texas Housing Tax Credit Program* - The Housing Tax Credit (HTC) Program was established by the Tax Reform Act of 1986. Section 42 of the Internal Revenue Code of 1986 is the federal law that governs the HTC program. The Texas Department of Housing and Community Affairs (TDHCA) is the state allocating agency, receiving approximately \$43 million annually for distribution among 13 service regions. For state fiscal year 2011 (October 1, 2010 – August 31, 2011) Region 6, which includes the City of Houston, will have \$10,410,306 available for competitive award. HCDD does not directly participate in selection or award of the HTC awards, but does provide support through gap financing from its HOME Investment Partnerships, Community Development Block Grant, or local revenue programs, to leverage equity earned through the syndication process associated with Housing Tax Credit program. TDHCA administers the program through a competitive application cycle between January and July of each year. An application for State of Texas Housing Tax Credits does not guarantee support or award of funds by HCDD; however, proposals that meet the multifamily policy priorities may be considered and all are encouraged to submit an application. Additional information is available online: <http://www.tdhca.state.tx.us/multifamily/htc/description.htm>

State-Funded Bond Programs.

- *Private Activity Bonds and Mortgage Revenue Bond Program* – Through Houston Housing Finance Corporation, the City provides financing of single-family and multi-family developments in the private sector. The primary purpose of these programs is to encourage the development of affordable housing using below-market financing and tax-exempt incentives.
- *State of Texas Bond Program* – As an issuer for the Texas Private Activity Bond program, the Texas Department of Housing and Community Affairs (TDHCA) issues tax-exempt and taxable multifamily mortgage revenue bonds to finance the acquisition, rehabilitation, or development of affordable rental housing units. Approximately \$447 million is available statewide. HCDD does not directly participate in selection or award of the State multifamily mortgage revenue bonds, but may provide gap financing to proposals through its HOME Investment Partnerships Program, Community Development Block Grant, or local revenue programs. TDHCA administers the program as a “first-come, first-served” program throughout the year. As with other housing programs, affordability periods, rent limits, and income limits will apply to recipients receiving State

bond funds. Additional information is available online:
<http://www.tdhca.state.tx.us/multifamily/bond/index.htm>

Special/Non-Recurring HCDD Grants. HCDD will leverage special, non-recurring grants during the 2011 Annual Action Plan year. Though some of the grants and the associated activities described below may have been awarded before the 2011 Annual Plan year, unspent balances from each grant will be spent during the period covered by the Plan (July 1, 2011 - June 30, 2012).

- *(State) Hurricane Ike CDBG-DR, Round 1 – \$87,256,565.* Houston was tremendously affected by the devastation caused by Hurricane Ike, which made landfall on September 13, 2008. The Texas Department of Housing and Community Affairs (TDHCA), as administrator of the Housing portion of the Disaster Relief funds, signed a contract with HCDD for Round 1 Hurricane Ike Disaster Relief funds on August 2, 2009. These funds were distributed as follows:

HURRICANE IKE CDBG-DR (ROUND 1) ALLOCATIONS	
Contract Line Item	Budget
Administration	\$ 4,362,828
Project Delivery ²	\$ 1,787,858
Multifamily	\$ 60,522,445
Homebuyer Assistance	\$ 11,000,000
Single Family Home Repair	\$ 9,583,434
Contract Total	\$ 87,256,565

Nearly one-third of the CDBG-DR Round 1 funds have been expended on Multifamily and Homebuyer Assistance Program activities. HCDD’s Multifamily program is currently working on seven projects; rehabilitating over 2,000 rental units, while over 240 households have received assistance to obtain a new or existing home in Houston. HCDD continues to improve the accountability and service delivery of the Single Family Home Repair (SFHR) Program, where at least 242 homeowners are expected to be served.

- *(Federal) NSP1 - \$13,542,193.* This funding is being used to finance improvement strategies in areas adversely impacted by residential foreclosures. Houston’s NSP 1 Program identifies the areas of greatest need, households to be targeted, proposed distribution of federal funds, and strategies to combat the impact of foreclosures. Based on the number of residential foreclosures, housing characteristics and census data, sections of Houston were rated as to possible risk for increased foreclosures and abandonments.

HCDD is concentrating NSP1 (Federal) dollars in the highest risk areas in order to first contain and then reduce foreclosure and abandonment problems in communities bearing the brunt of this problem. The goal is to leverage these funds with private sector and local dollars to reduce foreclosures, increase homeownership, and expand the stock of affordable housing; while also removing the presence of vacant and abandoned buildings. These improvement strategies will then be replicated in the adjacent communities surrounding each of the high risk areas. On behalf of the City of Houston, HCDD budgeted the allocation to the following combination of eligible activities:

² An amendment to reallocate \$160,000 from Project Delivery to Single Family Home Repair is included in the chart.

- *Multi-Family Acquisition/Rehabilitation* - \$8,802,425. HCDD awarded funding to South Union Development Corp. to acquire and rehabilitate the Zollie Scales Apartments multi-family property as needed for safety and blight removal. South Union Development Corp. will perform all needed repairs to bring property into Housing Rehabilitation Standards compliance. Fifty percent of the for-rent units will be made available to income-qualified households earning less than 50 percent of AMI. The remaining fifty percent of the units will be made available to income-qualified households earning less than 120 percent of AMI. The units available to households earning less than 50 percent and 120 percent AMI will be affirmatively marketed according to HUD fair housing regulations.
- *Single Family Acquisition/Rehabilitation* - \$3,385,549. This funding is being used to secure/demolish 40 foreclosed properties as needed for safety and blight removal. Qualified non-profit developers have been identified to perform all needed repairs to bring these properties into Housing Rehabilitation Standards compliance. This will be accomplished as follows:

NSP1 – SINGLE FAMILY ACQUISITION/REHABILITATION		
Developer	Amount	# of Homes
Tejano CCC	\$935,000	11
Houston Habitat for Humanity	\$1,260,549	15
Guiding Light CDC	\$595,000	7
Fifth Ward CDC	\$595,000	7
Total	\$3,385,549	40

Once completed, these properties will be sold to income-qualified households earning less than 50 percent of AMI and will be affirmatively marketed according to HUD fair housing regulations. Any profit from sale will either be retained by the non-profit developer to engage in further low-moderate income housing programs, or returned to HCDD, in accordance with established resale/recapture provisions. Homebuyers will be required to take an 8-hour training course to qualify for purchasing one of these homes.

- *Program Administration* - \$1,354,219. In addition to the amounts shown above, \$1,354,219 will be used to cover NSP1 (Federal) program administration.
 - *(State) NSP1* - \$3,353,519. HCDD intends to use this funding for demolition and land banking activities needed for neighborhood stabilization. \$226,661 of the allocation covers program administration.
- *(Federal) NSP3* - \$3,389,035. The City of Houston's application has been approved for the following activities:

NSP3 ALLOCATIONS	
Activity	Amount
Single Family Acquisition/Rehabilitation	\$1,713,035
Multi-Family Acquisition/Rehabilitation	\$1,000,000
Demolition	\$338,000
Administration	\$338,000
Total	\$3,389,035

- (Federal) CDBG-R (ARRA "Stimulus Funds") – \$8,093,613. HCDD received a direct federal award under the American Recovery and Rehabilitation Act (ARRA) of 2009 to provide economic stimulus for shovel-ready projects. ARRA funding is being used to undertake a wide range of activities intended to create suitable living environments, provide decent affordable housing, and create economic opportunities for low- to moderate-income populations. These activities include the following:

CDBG-R ALLOCATIONS (ARRA "Stimulus Funds")	
Project	Budget
Fire Trucks	\$2,000,000
Single Room Occupancy	\$2,000,000
Acres Home Multi-Service Center	\$3,078,613
Sunnyside Multi-Service Center	\$535,000
Fifth Ward Multi-Service Center	\$480,000
Contract Total	\$8,093,613

The acquisition and rehabilitation of single room occupancy facilities includes the Houston US Vets Midtown Terrace and will reduce the likelihood of homelessness; providing decent and affordable housing for veterans, who have been particularly impacted by the recession. The 4.5 fire trucks purchased are for use in qualified areas to enhance public safety and reduce the response time of emergency personnel. Funding for the rehabilitation and renovation of the Acres Homes, Sunnyside, and Fifth Ward Multi-Service Centers will provide long-term economic benefit to the neighborhood by improving and sustaining the quality of life for residents. In addition, the Acres Home Multi-Service Center will get a new roof that is expected to promote energy conservation by reducing electricity required for regulating the building temperature. This grant was awarded in July 2009 and is expected to be in use during Annual Action Plan year 2011 and spent by September 2012.

- (Federal) Homeless Prevention and Rapid Re-Housing Program (HPRP) - \$12,375,861. HCDD received a direct federal award under the American Recovery and Rehabilitation Act (ARRA) of 2009 to provide services for the Homeless Prevention and Rapid Re-Housing Program. HCDD has contracted with 12 City Departments and community organizations to provide services to the homeless population of Houston. The grant was awarded in July 2009 and is expected to be spent by July 2012.
- (State) Homeless Housing and Services Program (HHSP) – \$5,756,053. HCDD received a one-time grant from the Texas Legislature for the Homeless Housing and Services Program. This grant was awarded to three community organizations to provide case management and direct services in housing placement and retention to decrease the homelessness population of Houston. The grant was awarded in February 2010, and is expected to be spent by August, 2011.

Local Agency, Federal, & State Grants – Other City Department Activities. While HCDD is responsible for the provision of services to low- to moderate-income Houstonians, using the entitlement funds mentioned above and one-time grants, other City of Houston Departments provide similar services by utilizing funding from various sources. The two charts in this section include state, county, local agency, and federal funding

for projects that share HCDD's goal of increasing low- to moderate-income families' access to economic opportunity, affordable housing, and safe, clean neighborhoods.

STATE & FEDERAL GRANTS		
SOURCE	PROGRAMS & ACTIVITIES FUNDED	AWARD AMOUNT
Texas Department of Transportation	Maintenance & Repair of Public Streets; School Crossing Safety	\$20,208,380
Texas Department of Health	Nutrition Services, Public Health Services, Child Obesity Prevention, Childhood Lead Poisoning Prevention, and Nutritional Services for Women and Children	\$19,532,301
Texas Department of Aging	Local Area Agency on Aging Operations, Senior Center Service Integration, Aging In Place, Preventive Health Services, Medicare Part D Outreach, Medicare Benefit Coordination, Home Delivered Meals, and Family Caregiver Support	\$10,547,527
Centers for Disease Control (Federal)	HIV Rapid Testing, TB Elimination, HIV/Aids Education And Prevention, And Immunization	\$7,973,505
Texas Department of Agriculture	Provides Low-Income Children Nutritious Meals During the Summer	\$2,645,735
Texas Parks and Wildlife Department	Parks and Youth Sports	\$1,000,000
Texas Health And Human Services	Prenatal Care Initiative - One-on-One Child Development, Education and Counseling	\$584,140
Office of the Governor - Criminal Justice Division	Police Storefront Improvements, Anti-Gang Initiatives	\$334,600
Governor's Office of Emergency Management	Disaster Preparedness Activities	\$321,221
U.S. Department of Justice	Weed & Seed	\$157,000
Total		\$63,304,409

LOCAL GOVERNMENT & PRIVATE FUNDERS		
SOURCE	PROGRAMS & ACTIVITIES FUNDED	AWARD AMOUNT
Harris County Protective Services	Juvenile Delinquency Prevention Programs	\$ 99,311
Neighborhood Centers, Inc.	Senior Center Service Coordination & Integration	\$50,100
Baylor College of Medicine	Health Kids Obesity Prevention Program	\$107,021
Collaborative for Children	Education initiative	\$137,409
The Association of Public Health Laboratories	TB Testing Support	\$41,390
Total		\$ 435,231

DESCRIPTION OF ACTIVITIES & AWARD PROCESSES

DESCRIPTION OF ACTIVITIES

Building Stronger, Healthier Communities

City of Houston Housing and Community Development 2011 Annual Action Plan Activities

Introduction. The current economic recession represents an opportunity to reinvest, focus on revitalizing existing neighborhoods and communities and enhance the infrastructure necessary to support existing residents. The inter-connectedness has been proven, people in crisis need a safe and secure environment to become stable, self-sufficient and ultimately thrive. In turn, thriving people have the ability to support the built environment and pro-actively participate in community enrichment.

Activities have been selected for inclusion in this Plan based on 2010 Consolidated Plan priorities and public input. During the 2011 Annual Action Plan year, HCDD will engage in community development activities through increasing the availability and quality of affordable housing, the delivery of public services, investment in neighborhood facilities, and economic development activities. However, balances the growing need for services with HUD regulations and budget constraints.

Activities presented in this section fall into four major priority areas, which also reflect our institutional structure and approach to program delivery:

1. **Affordable Housing**
 - Multifamily Construction and Rehabilitation
 - Single Family Construction, Repair, and Homebuyer Assistance
 - Community Housing Development Organizations (CHDOs)
 - Neighborhood Stabilization Program
2. **Public Services**
 - Youth Enrichment, Child Care
 - Health Services
 - Homeless Prevention
 - Social Services
 - HIV/AIDS Services
 - Elderly Services
3. **Neighborhood Facilities & Improvements**
 - Public and Private Neighborhood Facilities
 - Parks
 - Public Safety
4. **Economic Development**
 - Job Creation
 - Small Business Expansion and Development

Where applicable, each program area will be engaged in developing an updated solicitation and award process that will be used to select subrecipients and contractors who have demonstrated capacity to engage in the program activities in a manner that is consistent with our objectives and priorities. Descriptions of each of the four program areas follow.

AFFORDABLE HOUSING PROGRAMS & ACTIVITIES

HCDD employs a variety of approaches to maintaining, creating, and improving the quality of affordable housing in Houston's predominately low- to moderate-income areas. In the 2011 Annual Action Plan, HCDD will administer the following programs to preserve and increase access to affordable housing:

- Multifamily Housing - Construction & Rehabilitation
- Single Family Programs – Development, Repair, & Homebuyer's Assistance
- NSP¹ – Neighborhood Stabilization Program
- CHDO – Building community organizations to develop affordable housing

Annual estimated completion goals and descriptions of activities for each program are included in the following table.

¹ NSP Program goals not included in Annual Housing Goals chart.

TABLE 3B ANNUAL HOUSING PROJECTED COMPLETION GOALS					
ANNUAL AFFORDABLE RENTAL HOUSING GOALS (SEC. 215)	Annual Expected # Completed	Resources used during the period			
		CDBG	HOME	ESG	HOPWA
Acquisition of existing units	0	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	76	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	76	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance (HOPWA)	4,650	<input type="checkbox"/>	<input type="checkbox"/>		<input checked="" type="checkbox"/>
Total Sec. 215 Rental Goals	4,801	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ANNUAL AFFORDABLE OWNER HOUSING GOALS (SEC. 215)					
Acquisition of existing units		<input type="checkbox"/>	<input type="checkbox"/>		
Production of new units		<input type="checkbox"/>	<input type="checkbox"/>		
Rehabilitation of existing units	193	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Homebuyer Assistance	170	<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Owner Goals	363	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ANNUAL AFFORDABLE HOUSING GOALS (SEC. 215)					
Homeless		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non-Homeless		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special Needs		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Sec. 215 Affordable Housing		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ANNUAL HOUSING GOALS					
Annual Rental Housing Goal	4,801	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Annual Owner Housing Goal	363	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Annual Housing Goal	5,164	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

MULTIFAMILY HOUSING PROGRAMS

Annual Program Goal. The goal of the City of Houston's Multifamily Housing Program is to assist in providing safe, decent, and affordable high-quality rental housing to low- to moderate-income Houstonians.

The table that follows contains the multifamily program goals that will be funded in the 2011 Annual Action Plan. Where CDBG funds are used, at least 51 percent of all units must be restricted. Where HOME funds are used, a proportionate share of units to the share of HOME dollars as a fraction of total project costs must be restricted as HOME units. It is important to note, however, that where HOME funds provide the gap financing for Low Income Housing Tax Credit projects, almost all units have restricted rents for low- to moderate-income households. While the City project financing will be provided only for units restricted to low- to moderate-income residents, the demographics of the neighborhoods in which the projects are completed are such that most of the residents in unrestricted units will also be low- to moderate-income

households. In addition, the market rents in these neighborhoods are often less than the allowable HUD rents.

MULTIFAMILY HOUSING GOALS TABLE		
Funding Source	Restricted	Total Units
CDBG	16	30
HOME	30	200
LOCAL	30	30

The units included in the above table reflect those, which will receive funding for acquisition, new construction, reconstruction, and rehabilitation. HCDD prioritizes funds for properties that serve special needs groups, including homeless and homeless veterans, in either permanent supportive housing or temporary/transitional housing. Other priority special need groups include senior citizens and the disabled. The Multifamily Program will prioritize the rehabilitation and reconstruction of existing units for very low-, low- and moderate-income households ahead of new construction.

Multifamily projects, and in particular, rehabilitation projects, help to revitalize and stabilize blighted neighborhoods and contribute to neighborhood development and community revitalization. In addition, creating sustainable multifamily projects provides an opportunity to facilitate the delivery of additional services and amenities to the residents of the greater neighborhood.

Program goals are accomplished through public/private partnerships. The program also creates forums to facilitate innovation and new approaches to community development and affordable housing. HCDD invites the submission of proposals from non-profit and for-profit organizations, cooperative corporations, partnerships, and individuals to acquire, rehabilitate and/or build, affordable housing directed toward low-to moderate-income persons. No applications will be approved without an Affirmative Marketing Plan, which shows how the project will actively solicit a diverse population for the project.

HCDD's Multifamily Program is also committed to place-based reinvestment strategies, which connect service providers and non-profits. The program prioritizes financially feasible projects that utilize cost-effective strategies to upgrade multifamily housing stock in older neighborhoods needing revitalization.

Solicitations and Awards. An open Request for Proposals (RFP) was published on February 23, 2011. Projects are evaluated based on threshold requirements and awarded based on the priorities established in the RFP. During the coming year, HCDD anticipates using approximately \$4 million

ENCOURAGING TRANSIT-ORIENTED DEVELOPMENT (TOD)

Nationally, Houston is considered one of the more affordable cities when it comes to housing. However, recent studies have found that factoring in transportation costs may challenge that conventional wisdom.

Transit-oriented development (TOD) is one strategy to lower overall monthly housing and transportation costs while increasing access to better paying jobs and amenities. Often mixed-use, commercial, and residential TOD maximizes access to public transit, often encourages transit ridership, and decreases living expenses.

To help connect renters to jobs and amenities, HCDD's new Multifamily Housing Program solicitation and award process encourages applications that propose developments near current or future mass transit.

HCDD has met with representatives from METRO, the City Planning Department, and other partners regarding ways to incentivize future TOD projects.

MULTIFAMILY PROGRAM STAFF
 Eta Paransky, Assistant Director
 713.868.8449

in HOME, \$1 million in CDBG, \$1 million in NSP grant funds, and approximately \$3 million in Homeless and Housing Bonds, to provide gap funding for multifamily projects. The funding associated with this RFP will support projects that create and/or upgrade affordable rental housing units while leveraging other valuable private and public funding resources, such as Low Income Housing Tax Credits. HCDD is also considering the use of Section 108 loan guarantees for multifamily and neighborhood economic development activities.

SINGLE FAMILY HOUSING PROGRAMS

Single Family Home Repair

Annual Program Goal. HCDD's goals in the Single Family Home Repair (SFHR) Program are to

- Address home repairs needed to alleviate specific life, health, and safety hazards resulting from substandard conditions in owner-occupied homes
- Assist as many homeowners as funding allows
- Keep repair costs at a reasonable minimum

The SFHR program will repair approximately 193 single family residential homes for eligible applicants within the City of Houston. Since September 2010, HCDD's has stopped accepting new applications; focusing on reducing the existing workload. When additional funding becomes available, applications will be processed on a first-come, first-served basis through the HCDD Call Center.

Three types of repairs are provided through the program

- *Tier 1, Emergency Repairs.* Repair for emergencies that were beyond the control of homeowner, i.e., removal of gas meter because of leaks in the system, wind damage to roof covering, damage by lightening. Request for repair services must be within two weeks of the event. Average cost per repair: \$7,000
- *Tier II, Rehabilitation.* Repairs to correct deferred maintenance items, i.e. replacement of old roof covering, foundation repair, and exterior painting. Cap: \$25,000
- *Tier III, Reconstruction.* When a house is determined to be beyond repair, the existing structure is razed and a new house is reconstructed on the site. Average cost per reconstruction project (includes demolition, construction, and relocation if necessary): \$140,000

ROUND I DISASTER RECOVERY FUNDS AID HOMEOWNERS AFFECTED BY HURRICANE IKE

HCDD's Single Family Home Repair Disaster Recovery Program (SFHR-DR) alleviates specific life, health, and/or safety hazards resulting from hurricane damage. Federally funded, but monitored by Texas Department of Housing and Community Affairs (TDHCA), and the program funds rehabilitation/repairs, reconstruction, and new construction of damaged properties.

Targets:

Rehabilitation = 194 properties
Reconstruction = 48 properties

Round I Eligibility Requirements.

- Home must have sustained Hurricane Ike damage
- Applicant must own their home
- Home was primary residence on 9/13/2008 and at time of application
- Household income must be (< 80 percent AMI)
- May not reside in 100-year flood plain
- Applicant / Co-Applicant must not owe child support
- No property taxes owed on home (or payment plan in force)
- Must be environmentally cleared
- Homes considered on a first-come, first-served application basis
- Homeowners must be able to provide receipts for insurance / FEMA / SBA awards for structural damage or bring that money to signing

SFHR PROGRAM STAFF

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Eligibility. While persons of all ages have been eligible for SFHR in the past, going forward, HCDD will prioritize senior, the elderly and disabled applications without regard to target areas.

Homebuyer Assistance

The Housing and Community Development Department (HCDD) Homebuyer Assistance Programs (HAP) has created Houston Homebuyer, Houston Hope, and Workforce Housing Assistance to help families achieve the dream of homeownership. Funding for HCDD’s Homebuyer Assistance Programs are provided through the HOME Investment Partnerships Program, Housing and Homeless Bonds, and TIRZ revenues set-aside for affordable housing development.

Eligibility/Grant Amounts. HCDD’s Homebuyer Assistance Program is currently accepting applications for Houston Homebuyer, Houston Hope, and Workforce Housing Assistance. In order to be considered for funding, all potential clients are required to contact and obtain mortgage financing through one of our approved lending partners. The application process is open to all and assistance is granted on a first come, first served basis. Requirements and grant amounts are listed below.

HOMEBUYER ASSISTANCE PROGRAMS			
Program Requirements	Houston Homebuyer Assistance	Houston Hope Homebuyer Assistance	Workforce Housing Assistance
Funding Amount(s)*	Up to \$19,500	Up to \$30,000	Up to \$30,000
Area Median Income (AMI) Limit	Up to 80% AMI	Up to 80% AMI	80 to 110% AMI
Qualifying Areas	Citywide	Revitalization Areas – ONLY	Revitalization Areas – ONLY
Property Type	New or Existing Home	New or Existing Home	New Home Only
Maximum Sales Price*	\$200,160	\$200,160	\$150,000
Homebuyer Financial Contribution	\$500	\$500	\$500 + \$1,000 in Reserves

*Section 203(b) of the National Housing Act

All homebuyers are required to participate in an eight-hour homebuyer education course provided by a HUD approved housing counseling agency. All assistance types shown require homebuyers to live in the home for ten years (Affordability Period) or repayment of the assistance is required. In addition, all homes must meet HCDD Minimum Housing Standards.

With regards to the “Houston Hope” initiative, the Department will continue to support neighborhoods having this designation through the City’s 2011 Fiscal Year and is looking at other sources of local funds to provide assistance. However, the Department is studying the feasibility of creating Neighborhood Revitalization Strategy Areas (NSRAs), or creating some other model for special targeted revitalization areas that would qualify for recognition as such by the U.S. Department of Housing and Urban Development. A decision on whether to create NSRA targeted areas, (or to develop some other model for use in Houston) will not be made until later in the year. Any decision to move forward will not occur without first having discussions with local HUD officials and subsequently, holding formal hearings and informal discussions with community residents and other stakeholders who may be impacted by these decisions.

COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS (CHDO)

The Housing and Community Development Department, CHDO program's goals are to

- Promote sustainable community development activity throughout Houston
- Administer a fair, streamlined program responsive to the needs of CHDOs and the neighborhoods they serve
- Comply with all HUD rules and regulations

Program Goal. A minimum of 15 percent of the annual HOME allocation, approximately \$2 million (plus approximately \$650,000 for CHDO operating expenses) is reserved for Community Housing Development Organizations (CHDOs). CHDO set-aside projects are owned, developed, or sponsored by the CHDO, and result in the development of rental units or homes for sale. CHDOs can apply for funds for acquisition, rehabilitation, or new construction of single family housing or multifamily rental housing.

HCDD will collaborate with CHDOs within the City of Houston, to provide affordable single family and multifamily housing for low-income families whose annual income does not exceed 80 percent of the median income for the area.

Eligibility and Application Process. Non-Profit organizations seeking CHDO certification must provide the following documentation:

- 501(c)(3) status; 501 (c)(4) status or Section 905
- Capacity, experience and financial standards (24 CFR 84.21)
- Organizational structure and board composition (low-income community representation)
- Financial management systems
- Relationships with for-profit entities

If the CHDO owns the project in partnership, it or its wholly owned for-profit or nonprofit subsidiary must be the managing general partner. Applicants that submit the required documentation must obtain CHDO certification. If a CHDO has already been certified, that CHDO's certification must be reviewed, approved, and updated each year in order to continue to be a CHDO in good standing. Certified CHDOs will be notified by HCDD annually on their option for re-certification.



CHDO PROGRAM SUCCESS STORIES

Avenue Community Development Corporation serves the greater Houston metropolitan area, with a particular focus on the Near Northside and Washington Avenue communities, just north and northwest of Houston's downtown.

Since 2007, they have executed and fulfilled two Agreements with the City of Houston to construct twenty single family homes. All homes have been sold to low-income families whose annual income does not exceed 80 percent of the HUD-adjusted median family income. Avenue CDC has used part of its net proceeds to build five houses; three sales have closed and the other two houses are under contract. Avenue CDC is currently assessing multifamily opportunities and anticipates completing fifteen to twenty-five single family homes a year during the next two years depending on market conditions.

CHDO PROGRAM STAFF

David Kim, Deputy Assistant Director
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Arturo Pedraza, Financial Analyst
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HCDD will meet with all currently certified CHDOs to assess their capacity to be successful under the CHDO program. HCDD and each CHDO will revise a pre-existing agreement or draft a new agreement to describe the CHDO's future development activity.

Solicitation & Awards. The City of Houston plans to award funds for project-specific pre-development assistance, including but not limited to technical assistance, site control loans, and seed money loans. HCDD also proposes project funding to be \$30,000 per single family newly constructed home which may include up to \$20,000 for land acquisition and development costs and up to \$10,000 for hard construction costs. This type of investment will apply to all CHDOs and the houses each organization builds and/or places up for sale under current and future contracts executed.

HCDD anticipates announcing an open request for proposals (RFP) in midsummer, for certified CHDOs, on its website. HCDD will be interested in financing projects that focus on the following eligible activities:

- Single family new construction
- Single family rehabilitation
- Multifamily new construction in accordance with the City's RFP for multifamily projects
- Multifamily rehabilitation in accordance with the City's RFP for multifamily projects

Funds under this RFP will only be available to CHDOs with active certifications. Recertification is scheduled to occur annually during the month of June. Applications meeting Department requirements will be funded on a first-come first-served basis until all funds are awarded.

NEIGHBORHOOD STABILIZATION PROGRAM

Bringing Neighborhoods Back From the Brink

Program Budgets and Activities. In 2009, HCDD was awarded \$13,542,193 (federal) and \$3,353,519 (state) for the Neighborhood Stabilization Program (NSP). This first round of NSP funds was designed to prevent neighborhoods with a high rate of foreclosures from succumbing to economic and social decline.

HCDD will use \$3,353,519 in NSP1 funding for demolition and land banking activities needed for neighborhood stabilization. HCDD awarded \$3,385,549 in NSP funds to four non-profit organizations to acquire, rehabilitate, redevelop, and sell single family foreclosed properties to families earning 120 percent of AMI. HCDD awarded \$8,802,425 in NSP funds to the South Union Development Corp. for rehabilitation of the Zollie Scales Apartments, a 156-unit multifamily development for families earning less than 50 percent of the AMI. Remaining funds associated with the NSP1 grant were allocated to administrative costs.

The Department's NSP3 application for \$3,389,035 has been approved for the activities listed in the chart below.

NSP3 ALLOCATIONS	
Activity	Amount
Single Family Acquisition/Rehabilitation	\$1,713,035
Multi-Family Acquisition/Rehabilitation	\$1,000,000
Demolition	\$338,000
Administration	\$338,000
Total	\$3,389,035

Solicitation & Award Process (NSP3). NSP3 funding applicants for the activities identified above must submit a response to a Request for Proposal (RFP), to be considered for NSP3 funding. The RFP will be posted on the HCDD website: <http://www.houstontx.gov/housing/nsp.html>. NSP3 funds will support a land bank to temporarily assemble, manage and dispose of homes or residential properties that have been foreclosed upon, in order to stabilize neighborhoods. HCDD will select qualified developers and subrecipients to perform demolition of blighted properties, repair habitable homes, and initiate new single family construction. Applications meeting Department requirements will be funded on a first-come, first-served basis, until all funds are awarded.

NSP PROGRAM STAFF

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To be eligible for NSP3 funding, all applicants must have successfully met all current contract milestones and thresholds at the date of application. All applicant responses will be reviewed by a panel of selected from within HCDD. Applicants and applicant team members must be in good standing with HCDD on all previous loans or loan commitments to be considered for NSP3 funding.

PUBLIC SERVICES

Program Overview. The City of Houston Housing and Community Development's (HCDD) Public Services program provides an array of much-needed services to Houston's low- to moderate-income individuals. HCDD's objective under this program is to increase the availability/accessibility of services that help create suitable living environments for low- to moderate-income persons. This program utilizes Community Development Block Grant funds (CDBG) and Housing Opportunities for Persons with AIDS (HOPWA) grant funds. The competitively awarded Emergency Solutions Grant (ESG) has replaced the Emergency Shelter Grant. The Department intends to apply for the full entitlement amount but additional guidance from HUD is pending. This draft document will be updated accordingly through the final submission to HUD.

Public Services Program Solicitation & Awards Process. This year, the Public Services Section will be issuing a Request for Proposal (RFP) for both CDBG and HOPWA funding. It is anticipated that the HOPWA RFP will be released in May 2011, and the CDBG RFP during June 2011. Each RFP will be open for a minimum of 45 days. Once the RFP closes, proposal will be evaluated according to selection criteria, including, but not limited to

- Priorities expressed in the 2010-2014 Consolidated Plan
- Benefit to target areas
- Activity need and justification
- Cost reasonableness and effectiveness
- Activity management and implementation
- Experience and/or past performance
- Matching contributions

Highest-ranking proposals will be considered first for awards.

CDBG Funded Activities. Prospective CDBG-funded activities provided under this grant include

- Daycare programs
- Juvenile delinquency prevention
- Education/job training opportunities for individuals with developmental disabilities
- Homeless services
- Elderly services
- HIV/AIDS education
- Public health services

HOPWA – Funded Activities. The City receives funds from the U.S. Department of Housing and Urban Development (“HUD”) and HCDD serves as administrator of the formula grant-funded HOPWA Program for a ten-county geographical area. The HOPWA program provides housing and other related supportive services to low-income persons with AIDS or related diseases and their families. Eligible persons must reside within the Houston Eligible Metropolitan Statistical Area (EMSA). The Houston EMSA consists of the cities of Houston, Baytown, and Pasadena; and Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, San Jacinto and Waller Counties. HOPWA grant proceeds will be allocated for:

- Operating Costs - Housing (including maintenance), security, operation, insurance, utilities, furnishings, equipment, supplies, and other incidental costs.
- Supportive Services - Including, but not limited to, health services, mental health services, assessment, permanent housing, drug and alcohol abuse treatment and counseling, day care, personal assistance, and nutritional services.
- Technical Assistance/Housing - Housing information services including, but not limited to, counseling, information, and referral services to assist an eligible person to locate, acquire, finance and maintain housing. This may also include fair housing counseling for eligible persons that encounter discrimination on the basis of race, color, religion, sex, age, national origin, family status, or handicap.
- Resource Identification - To establish, coordinate and develop housing assistance resources.
- Tenant Based Rental Assistance (TBRA) - Payment vouchers for stable housing

**HEART - HOUSING,
ENTREPRENEURSHIP, & READINESS
TRAINING**

Educational Programs Inspiring Communities, Inc. created the H.E.A.R.T. Program. The purpose of the H.E.A.R.T. program is to prepare the participants for gainful employment through an innovative client-managed entrepreneurial venture.

In 2010, HCDD granted \$300,000 in CDBG funds to the HEART job training program. The program is conducted in two stages. Stage 1 prepares the participants for employment by providing individualized assessments and job readiness training.



Stage 2 allows the participants to work both within the general community and in a sheltered workshop as appropriate, through the client managed entrepreneurial venture, *H.E.A.R.T. Vending and Concessions*.

PUBLIC SERVICES PROGRAM STAFF
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- Short-Term Rent, Mortgage, & Utility Assistance (STRMU) - To prevent the homelessness of the tenant or mortgagor of a dwelling.
- Sponsor Administration Agencies - Staff and overhead costs for HOPWA project sponsors, including, program implementation and operations.
- Grantee Administration - HCDD staff and overhead costs for the administration of the HOPWA program, including oversight, monitoring, and ensuring compliance with federal regulations and City ordinances.

NEIGHBORHOOD FACILITIES & IMPROVEMENTS

Overview. The purpose of the Neighborhood Facilities & Improvement program is to make existing low-to moderate-income neighborhoods safer and more sustainable through rehabilitation and construction of facilities and parks, supporting economic development, eliminating blight, and supporting public health initiatives.

Activities may include, but are not limited to, improvements to public parks, libraries, storm sewers, street overlays, multi-service centers, community centers, charter schools, free clinics, senior citizen facilities, and facilities for the disabled.

Neighborhood Facilities. Public or private facilities will be acquired, constructed, or rehabilitated to enhance the quality of life in low- to moderate-income communities, and may include

- Developing, expanding, and rehabilitating existing public facilities to support neighborhood and community demographics and to encourage community involvement in support services and recreation opportunities
- Developing community facilities capable of serving multiple populations and supporting concurrent activities
- Co-locating services in existing public facilities with easy access to public transportation

Parks and SPARK Parks. HCDD collaborates with City Parks and General Services Departments to develop and rehabilitate existing park facilities that are deteriorating due to age. In some cases, funding is provided to upgrade or integrate new and innovative equipment into the existing infrastructure to accommodate the needs children and individuals. Such activities include

- Installation of new equipment
- Development of walking trails, jogging tracks, landscaping and tree planting, picnic pavilions and soccer goals

CDBG FUNDS SUPPORT NEIGHBORHOOD SAFETY



The new Fondren Police Station will be located at 8605 Westplace Drive. Construction on the 29,000 facility will be completed August 2011.

NEIGHBORHOOD FACILITIES & IMPROVEMENTS PROGRAM STAFF
 Robert Bradford, Deputy Assistant Director
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Through HCDD's partnership with the non-profit SPARK School Park Program, the City provides CDBG funding which is leveraged with other funding sources, including school districts, Harris County, SPARKS, fundraisers by schoolchildren, and private donations. These pooled resources are then implemented to engage in different park-related activities at individual School parks that serve the public in that area. SPARK park activities are determined by each individual school's needs.

Public Safety. Public safety activities include support of law enforcement and fire protection and enforcing city codes related to open and dangerous buildings to improve the quality of life in neighborhoods by reducing blight and substandard living conditions. Activities included in public safety initiatives are:

- Neighborhood Improvements & Blight Removal. HCDD partners with the City of Houston Neighborhood Protection Division by providing funding for legal services and code enforcement activities. The Neighborhood Protection Division engages in and funds the actual clearance activities using approximately \$3.3 million in Demolition of Dangerous Structures Bond funds annually.
- Fire and Police Facilities. HCDD collaborates with these two City departments to help fund safety-related equipment an infrastructure to facilitate and ensure the smooth operation and delivery of services to low- to moderate-income areas:
 - Fire Department - HCDD provides CDBG funding for construction or rehabilitation of fire stations and assists with purchase of new fire pumper trucks, ladder trucks, emergency vehicles, and other firefighting equipment.
 - Police Department - HCDD provides CDBG funding for construction or rehabilitation of police storefronts in low- to moderate-income areas with high crime activity.

Solicitation & Award Process. This year, projects are solicited from the public for consideration through an open RFP posted on the HCDD web site, advertised in the newspaper, and announced at public hearings. Proposals are extensively evaluated for a number of criteria including, but not limited to:

- Benefit to low- to moderate-income persons
- Justification of the need for the activity
- Cost reasonableness and effectiveness
- Community needs

Proposer financial participation, capacity, historical accomplishment, and management ability will also be considered.

Activities presently administered by City departments may be prioritized, if the investment leverages additional funding and is in an area with additional reinvestment.

ECONOMIC DEVELOPMENT

2011 Annual Action Plan Economic Development Activities. HCDD utilizes Section 108 Loan proceeds to support job creation and to provide low-cost financing and technical assistance to small businesses and future business owners. Proposed activities for the 2011 Annual Action Plan are explained in detail below.

Job Creation. The National Objective associated with financing building construction or renovation is low- to moderate-income job creation, location-based 570.208 (a) (4) (iv). The Magnolia Hotel project, for example, has created 113 jobs. Since this project is located within the City of Houston's Enhanced Enterprise Community, all of the jobs created are considered low- to moderate-income. Projects funded through this program submit a quarterly report, which includes a list of employees, job titles and descriptions, and a brief explanation of the effort expended each quarter to increase the number of jobs created.

Small Business Expansion and Development. The City of Houston supports economic development activities in low- to moderate-income neighborhoods by providing Section 108 loan proceeds to Houston Business Development, Inc. (HBDI). HBDI engages in economic development activities, such as providing low-interest loans to businesses and individuals in low- to moderate-income areas and technical assistance to small businesses and individuals.

Located in Palm Center's Business Technology Center at Griggs Rd and Martin Luther King Blvd, HBDI houses an extensive resource library with business start-up information and a computer lab, available to the public free of charge. HBDI hosts workshops and seminars and provides affordable small business loans that help grow and establish small businesses.

Since its inception, HBDI has loaned over \$29 million to small businesses in Houston and leveraged approximately \$37 million from private sector lending institutions, resulting in more than 2,000 jobs being created for low- to moderate-income residents.

HBDI - A CATALYST FOR URBAN DEVELOPMENT

Since 1986, HBDI's small business loan support and technical assistance has helped grow businesses and create jobs in Houston's low- to moderate-income neighborhoods.

HBDI's support of The Renaissance Cooperative is an example of how gap financing can stimulate development and job creation in economically challenged communities. By providing acquisition financing for the Renaissance Center at Old Spanish Trail at Griggs Road, HBDI helped the Cooperative acquire a property in Third Ward, which stimulated business development and secured a much-needed grocery store for the area.

According to the Neighborhood Recovery Community Development Corporation, the development generates an economic impact of approximately \$40 million annually and provides jobs for more than 375 people.



Information about the small business loan application process and other HBDI services are available online: <http://www.hbdinc.org/loan-programs/small-business-loan-process/>, or by calling 713-845-2500.

HBDI makes regular principal and interest payments to the City.

2011 ANNUAL ACTION PLAN PROPOSED ACTIVITIES/PROJECTS

2011 ANNUAL ACTION PLAN ACTIVITY SUMMARY

ID	Activity/ Project Name	Recipient	Funding Source	Total Funding Amount	Service Area	Activity Budget	Unit Type (# of)	HCDD Division/Program	Projected Completion Date
1	Neighborhood Facilities	Projects to be Awarded Through RFP Process	CDBG	\$6,129,241	LMI areas	Neighborhood Facilities and Parks (\$5,829,241) & Program Delivery Costs (\$300,000)	Neighborhood Facilities & Parks Rehabilitated or Constructed	Neighborhood Facilities/Parks	6/30/2012
2	Retrofitting for Accessibility	HCDD	CDBG	\$537,369	LMI areas	\$537,369	Neighborhood Facilities, Shelters, & Single Family Housing Retrofitted	Neighborhood Facilities	6/30/2012
3	Single Family Home Repair	LMI Individuals	CDBG	\$5,277,566	Houston City Limits	Repair (\$3,477,566); Program Delivery Costs (\$1,500,000); Relocation (\$300,000)	Single Family Homes Repaired	Single Family Home Repair	6/30/2012
4	Lead-Based Paint	City Health Dept.	CDBG	\$1,000,000	LMI areas	SFHR Testing Program (\$350,000); Matching Grant (\$650,000)	Housing Units Tested & Abated	Single Family Home Repair, Neighborhood Facilities	6/30/2012
5	Public Services - ESG Match	ESG Subgrantee	CDBG	\$ 700,000	LMI Individuals	\$700,000	Individuals & Households Receiving ESG	Public Services - Homeless Services	
6	Public Services - LOAs	City of Houston Departments	CDBG	\$2,464,211	LMI Areas or Houston City Limits	\$2,464,211	Individuals, Youth, & Elderly Receiving Public Services	Various	
7	Public Services - Unallocated	Projects to be Awarded Through RFP Process	CDBG	\$1,936,165	LMI Areas or Houston City Limits	\$ 1,936,165	Individuals, Youth, & Elderly Receiving Public Services	Public Services	6/30/2012
8	Small Business Revolving Loan Fund - HBDI & Business Technology Center	Houston Business Development (HBDI)	CDBG	\$1,300,000	Houston City Limits	\$1,300,000	Businesses Receiving Low Interest Loans	Neighborhood Facilities/ Economic Development	6/30/2012
9	Program Development – HBDI & Business Technology Center	HBDI	CDBG	\$1,100,000	HBDI 5330 Griggs Rd., Houston, TX 77021	\$1,100,000	Small Businesses Receiving Technical Assistance	Neighborhood Facilities/ Economic Development	6/30/2012

2011 ANNUAL ACTION PLAN ACTIVITY SUMMARY

ID	Activity/ Project Name	Recipient	Funding Source	Total Funding Amount	Service Area	Activity Budget	Unit Type (# of)	HCDD Division/Program	Projected Completion Date
10	Code Enforcement - Legal Staff for Title Searches	HPD, Neighborhood Protection	CDBG	\$ 436,000	LMI Areas	\$ 436,000	Title Searches Conducted	Neighborhood Facilities/ Code Enforcement	6/30/2012
11	Code Enforcement	HPD, Neighborhood Protection	CDBG	\$ 3,150,400	LMI Areas	\$ 3,150,400	Buildings and Properties Evaluated and/or Assessed Fines	Neighborhood Facilities/ Code Enforcement	6/30/2012
12	CDBG - Administration	HCDD, Legal Dept., & Finance Dept.	CDBG	\$ 6,082,738	Houston City Limits	HCDD (\$5,742,704); Legal Dept. (\$253,385), & Finance Dept. (\$86,649)	Program Administration, Legal Services	Planning & Administration	6/30/2012
13	CDBG - Program Delivery	HCDD, Legal Dept., & Finance Dept.	CDBG	\$ 300,000	Houston City Limits	\$ 300,000	Procurement - Legal & Audit Services	All Programs	6/30/2012
<i>CDBG Subtotal</i>				<i>\$ 30,413,690</i>					
14	Affordable Housing - Homebuyer Assistance	LMI Individuals	HOME	\$ 4,401,209	Houston City Limits	Homebuyer Assistance (\$4,301,209) & Program Delivery (\$100,000)	Households Receiving Downpayment and Closing Costs Assistance	Single Family Homebuyer Assistance	6/30/2012
15	Multi-Family Housing Acquisition/New Construction/Relocation	Projects to be Awarded Through RFP Process	HOME	\$4,401,209	Houston City Limits	Housing Activities (\$4,167,209) & Program Delivery (\$234,000)	Rental Housing Unit Created or Rehabilitated	Multifamily	6/30/2012
16	CHDO Program Total	Projects to be Awarded Through RFP Process	HOME	\$2,514,976	Houston City Limits	CHDO Set-Aside (\$1,697,609) Pre-Development Assistance (\$188,623), & CDHO Operating (\$628,744)	CHDOS Receiving Operating, Technical, or Pre-Development Assistance	CHDO Program	6/30/2012
17	HOME Program Administration	HCDD	HOME	\$1,257,488	Houston City Limits	\$1,257,488	Planning & Administration	Planning & Administration	6/30/2012
<i>HOME Subtotal</i>				<i>\$12,574,882</i>					

2011 ANNUAL ACTION PLAN ACTIVITY SUMMARY

ID	Activity/ Project Name	Recipient	Funding Source	Total Funding Amount	Service Area	Activity Budget	Unit Type (# of)	HCDD Division/Program	Projected Completion Date
18	HOPWA - Project Sponsor Activity	Projects to be Awarded Through RFP Process	HOPWA	\$6,414,465	Houston City Limits	Operating (\$926,933), Supportive Services (\$1,718,140), Projects/Tenant -Based Assistance (\$1,884,708), Short-term Rent, Mortgage, & Utility Subsidies (\$1,884,684)	Individuals With or Affected By HIV/AIDS Receiving Rent and Utility Assistance	Public Services/ Homeless Prevention, & HIV/AIDS	6/30/2012
19	HOPWA - Grantee Administration	HCDD	HOPWA	\$ 213,815	Houston City Limits	\$213,815	Program Administration	Planning & Administration	6/30/2012
20	HOPWA - Project Sponsor Administration	Projects to be Awarded Through RFP Process	HOPWA	\$498,903	Houston City Limits	\$498,903	HOPWA Subgrantees	Public Services/ Homeless Prevention, & HIV/AIDS	6/30/2012
HOPWA Subtotal				\$7,127,183					
21	Essential and Supportive Services	Projects to be Awarded Through RFP Process	ESG	\$511,879	Houston City Limits	Awaiting HUD Guidance on New Regulations	Individuals Receiving Homeless or Homeless Prevention Services	Public Services/Homeless Services	6/30/2012
22	Operations	Projects to be Awarded Through RFP Process	ESG	\$511,879	Houston City Limits	Awaiting HUD Guidance on New Regulations	Individuals Receiving Overnight Shelter	Public Services/Homeless Services	6/30/2012
23	Homeless Prevention	Projects to be Awarded Through RFP Process	ESG	\$341,253	Houston City Limits	Awaiting HUD Guidance on New Regulations	Individuals Receiving Homeless or Homeless Prevention Services	Public Services/Homeless Services	6/30/2012
24	Rapid Rehousing	Projects to be Awarded Through RFP Process	ESG	\$341,253	Houston City Limits	Awaiting HUD Guidance on New Regulations	Individuals Receiving Rental/Housing Assistance	Public Services/Homeless Services	6/30/2012
25	Administration	Projects to be Awarded Through RFP Process	ESG	\$138,346	Houston City Limits	Awaiting HUD Guidance on New Regulations	Program Administration	Planning & Administration	6/30/2012
ESG Subtotal				\$1,844,610					
Total - All Activities				\$51,960,365					

**PUBLIC SERVICES
PROJECT SUMMARY**
(July 1, 2010 - June 30, 2011)

**PUBLIC SERVICES - SUB-GRANTEES
DAY CARE PROGRAM
Award Cycle July 1, 2010 - June 30, 2011**

AGENCY	FUNDING AMOUNT	AGENCY	FUNDING AMOUNT
Chinese Community Center 9800 Town Park Houston, Texas 77036	\$30,000	Community Family Center, Inc. 7305 Navigation Houston, TX 77011	\$75,500
Neighborhood Centers Inc. 4410 Navigation Houston, Texas 77011	\$43,000	Houston Community College Systems 3214 Austin Houston, TX 77004	\$40,464
Wesley Community Center 1410 Lee Street Houston, Texas 77009	\$66,730	YMCA of Greater Houston 808 Pease Houston, Texas 77002	\$60,000
S.H.A.P.E. Community Center, Inc. 3815 Live Oak Houston, Texas 77004	\$25,000	SEARCH- Center for the Homeless 2505 Fannin Houston, Texas 77002	\$75,000
YWCA 701 Solo Houston, TX 77020	\$30,000		

*YOUTH ENRICHMENT – CDBG
2010-2011 COMMUNITY CENTERS
Award Cycle July 1, 2010 - June 30, 2011*

COMMUNITY CENTER	ADDRESS	ZIP CODE
Alief	11903 Bellaire	77072
Almeda	14020 Almeda School Road	77047
Bessie Swindle	11800 Scott	77047
Burnett Bayland	6200 Chimney Rock	77081
Charlton Park	8200 Park Place	77017
Clark	9718 Clark	77076
Clinton Park	200 Mississippi	77029
Cloverland	3791 Hickok	77047
Crestmont	5200 Selinsky	77048
Dezavala	7521 Avenue H	77012
Eastwood	5020 Harrisburg	77011
Edgewood	5803 Bellfort	77033
Emancipation	3018 Dowling	77004
Finnigan	4900 Providence	77020
Fonde	110 Sabine	77002
Freed	6818 Shady Villa	77055
Garden Villas	6720 Haywood	77061
Hartman	9311 E. Avenue P	77012
Highland	3316 De Soto	77091
Hobart Taylor	8100 Kenton	77028
Independence Heights	603 E 35th	77022
Ingrando	7302 Keller	77012
Jane Long	6501 Bellaire	77074
Judson Robinson Jr.	2020 Hermann Drive	77004
Judson W. Robinson	1422 Ledwicke	77029
Lakewood	8811 Feland	77028
Lansdale	8201 Roos	77036

*2010-2011 COMMUNITY CENTERS (CDBG)
Award Cycle July 1, 2010 - June 30, 2011*

Lincoln	979 Grenshaw	77088
MacGregor	5225 Calhoun	77021
Mason	541 S. 75th	77023
Meadowcreek	5333 Berry	77017
Melrose	12200 Melrose Park	77037
Melrose	1001 Canino	77076
Montle Beach	915 Northwood	77009
Moody	3725 Fulton	77009
Selena/Denver Harbor	6402 Market	77020
Settegast	3000 Garrow	77003
Shady Lane	10220 Shady Lane	77093
Sharpstown	6600 Harbor Town Dr	77036
Sunnyside	3502 Bellfort	77051
Swiney	2812 Cline	77020
Tidwell	9720 Spaulding	77016
Townwood	3403 Simsbrook	77045
Tuffly	3200 Russell	77026
Woodland	212 Parkview	77009

JUVENILE DELINQUENCY PREVENTION PROGRAM – CDBG
Award Cycle July 1, 2010 - June 30, 2011

AGENCY	FUNDING AMOUNT	AGENCY	FUNDING AMOUNT
Asian American Family Services 9440 Bellaire, Suite 228 Houston, Texas 77036	\$38,000	YWCA 3220 Broadway Houston, TX 77017	\$35,000
Communities In Schools 2150 W. 18 th Street, Suite 100 Houston, TX 77008	\$55,000	Fifth Ward Enrichment 4014 Market Street, Suite W45 Houston, TX 77020	\$35,000
Children's Assessment Center Foundation 2500 Bolsover Houston, TX 77005	\$54,000	Crossroads: Community Partnership for Youth 6300 Chimney Rock Houston, TX 77081	\$45,000
Chinese Community Center 9800 Town Park Houston, TX 77036	\$45,000	Unlimited Visions After Care, Inc. 5527 Lawndale Houston, TX 77023	\$38,000
Volunteers of America Texas, Inc 7000 Northwest 100, Suite B-106 Houston, TX 77092	\$45,000	Wesley Community Centers, Inc. 1410 Lee Houston, TX 77009	\$35,000
SHAPE Community Center 3815 Live Oak Houston, TX 77004	\$34,616		

ESSENTIAL AND SUPPORTIVE SERVICES

Award Cycle July 1, 2010 - June 30, 2011

AGENCY	FUNDING AMOUNT	AGENCY	FUNDING AMOUNT
AIDS Foundation Houston 3202 Wesleyan Street Houston, Texas 77027	\$43,720	Covenant House Texas, Inc. 1111 Lovett Boulevard Houston, Texas 77006	\$51,780
Catholic Charities 2900 Louisiana Houston, Texas 77006	\$39,812	Healthcare for the Homeless P.O. BOX 66690 Houston, Texas 77266	\$41,188
Bay Area Homeless Services P.O. Box 4130 Baytown, TX 77522	\$8,290	Wellspring P.O. Box 311017 Houston, Texas 77231	\$29,700
Houston Area Women's Center 1010 Waugh Drive Houston, Texas 77019	\$28,131	Women's Home (The) 607 Westheimer Houston, Texas 77006	\$13,000
Bread of Life 1703 Gray Street Houston, TX 77002	\$35,424	Wesley Community Center 1410 Lee Street Houston, Texas 77009	\$7,605
Santa Maria Hostel 2605 Parker Road Houston, TX 77093	\$13,610	The Bridge Over Trouble Waters P. O. Box 3448 Pasadena, TX 77501	\$24,348
YMCA of the Greater Houston Area 808 Pease Houston, Texas 77002	\$47,341	The Mission of Yaweh 10247 Algiers Road Houston, TX 77041	\$7,805
The Salvation Army 2208 Main Street Houston, TX 77002	\$5,175	YWCA of Greater Houston 3220 Broadway Houston, TX 77017	\$1,800

<i>HOMELESS PREVENTION</i>			
<i>Award Cycle July 1, 2010 - June 30, 2011</i>			
AGENCY	FUNDING AMOUNT	AGENCY	FUNDING AMOUNT
Memorial Assistance Ministries 1625 Blalock Houston, TX 77080	\$66,750	Houston Area Women's Center 1010 Waugh Houston, Texas 770019	\$24,920
Asian American Family Services 9440 Bellaire Blvd., Suite 228 Houston, Texas 77057	\$58,740	Catholic Charities 2900 Louisiana Houston, Texas 77006	\$125,900
AIDS Foundation Houston 3202 Wesleyan Street Houston, Texas 77027	\$14,293	The Salvation Army 2208 Main Street Houston, TX 77002	\$82,904
Wesley Community Center 1410 Lee Street Houston, Texas 77009	\$25,222		

<i>Operations-ESG</i>			
<i>Award Cycle July 1, 2010 - June 30, 2011</i>			
AGENCY	FUNDING AMOUNT	AGENCY	FUNDING AMOUNT
Covenant House Texas, Inc. 1111 Lovett Boulevard Houston, Texas 77006	\$86,289	Wesley Community Center 1410 Lee Street Houston, Texas 77009	\$19,690
Houston Area Women's Center 1010 Waugh Drive Houston, Texas 77019	\$81,065	Women's Home (The) 607 Westheimer Houston, Texas 77006	\$21,000
S.E.A.R.C.H. 2505 Fannin Houston, Texas 77002	\$25,300	Bridge Over Troubled Waters P.O. Box 3488 Pasadena, TX 77501	\$14,651
Star of Hope 6897 Admore Houston, Texas 77054	\$91,645	Bay Area Homeless Services P.O. Box 4130 Baytown, TX 77522	10,056
Wellsprings P.O. Box 311017 Houston, TX 77231	\$4,200	Santa Maria Hostel 2605 Parker Road Houston, TX 77093	\$32,473
Healthcare for the Homeless P.O. BOX 66690 Houston, TX 77266	\$13,218	Wheeler Avenue 5 Cs 3826 Wheeler Avenue Houston, TX 77004	\$11,240
Mission of Yahweh 10247 Algiers Road Houston, TX 77041	\$42,000	YWCA of Greater Houston 3220 Broadway Houston, TX 77017	\$12,360

HOPWA

Award Cycle July 1, 2010 - June 30, 2011

- HUD Plan Year 2010/City Fiscal Year 2011 HOPWA projects not yet selected
- Funds will be awarded to grantees through an RFP process which will begin Summer, 2011

GEOGRAPHIC DISTRIBUTION/ MAPS

GEOGRAPHIC DISTRIBUTION/ALLOCATION PRIORITIES

Allocation of Priorities/ Geographic Distribution. The Housing and Community Development Department (HCDD) has made estimated allocations in the 2011 Annual Action Plan based upon income and geographical areas with a high concentration (51 percent or more of the census tract) of low- to moderate-income households.

Additional factors that contributed to targeting funds to specific areas of the City or activities are

- The stated needs, analysis, and objectives in the 2010 Consolidated Plan
- Priorities stated in each respective program's solicitation and award guidelines
- Compliance with HUD entitlement grants' (CDBG, HOME, HOPWA, and ESG) rules and regulations

The income and geographical basis for targeting resources are described in the table and the maps that follow.

Income. Funds are targeted to designated low to moderate-income individuals (see Annual Income Limits) and areas, as well as programs aimed at neighborhood revitalization for Houston, Texas. Funding recipients must provide evidence of and ensure that income requirements are met. Annually, HUD updates the table below for the Houston area.

**2010 Annual Income Limits For Extremely Low-Income,
Very Low-Income & Low-Income Families**
Under The Housing Act Of 1937²
Effective May 14, 2010

Family Size	30% Median (Extremely Low-Income)	50% Median (Very Low-Income)	80% Median (Low-Income)
1	\$13,700	\$22,800	\$36,500
2	\$15,650	\$26,050	\$41,700
3	\$17,600	\$29,300	\$46,900
4	\$19,550	\$32,550	\$52,100
5	\$21,150	\$35,200	\$56,300
6	\$22,700	\$37,800	\$60,450
7	\$24,250	\$40,400	\$64,650
8	\$25,580	\$43,000	\$68,800

2010, HUD Median Family Income \$65,100 Houston

Geography. Maps indicating the geographic areas of the jurisdiction (including areas of low-income and/or racial/minority concentration) where assistance will be directed follow:

² HUD User, FY2010 Income Limits Documentation System, Houston-Baytown-Sugar Land, TX HUD Metro.
http://www.huduser.org/portal/datasets/il/il2010/2010summary.odn?inputname=METRO26420M26420*Houston-Baytown-Sugar+Land%2C+TX+HUD+Metro+FMR+Area&selection_type=hmfa&year=2010

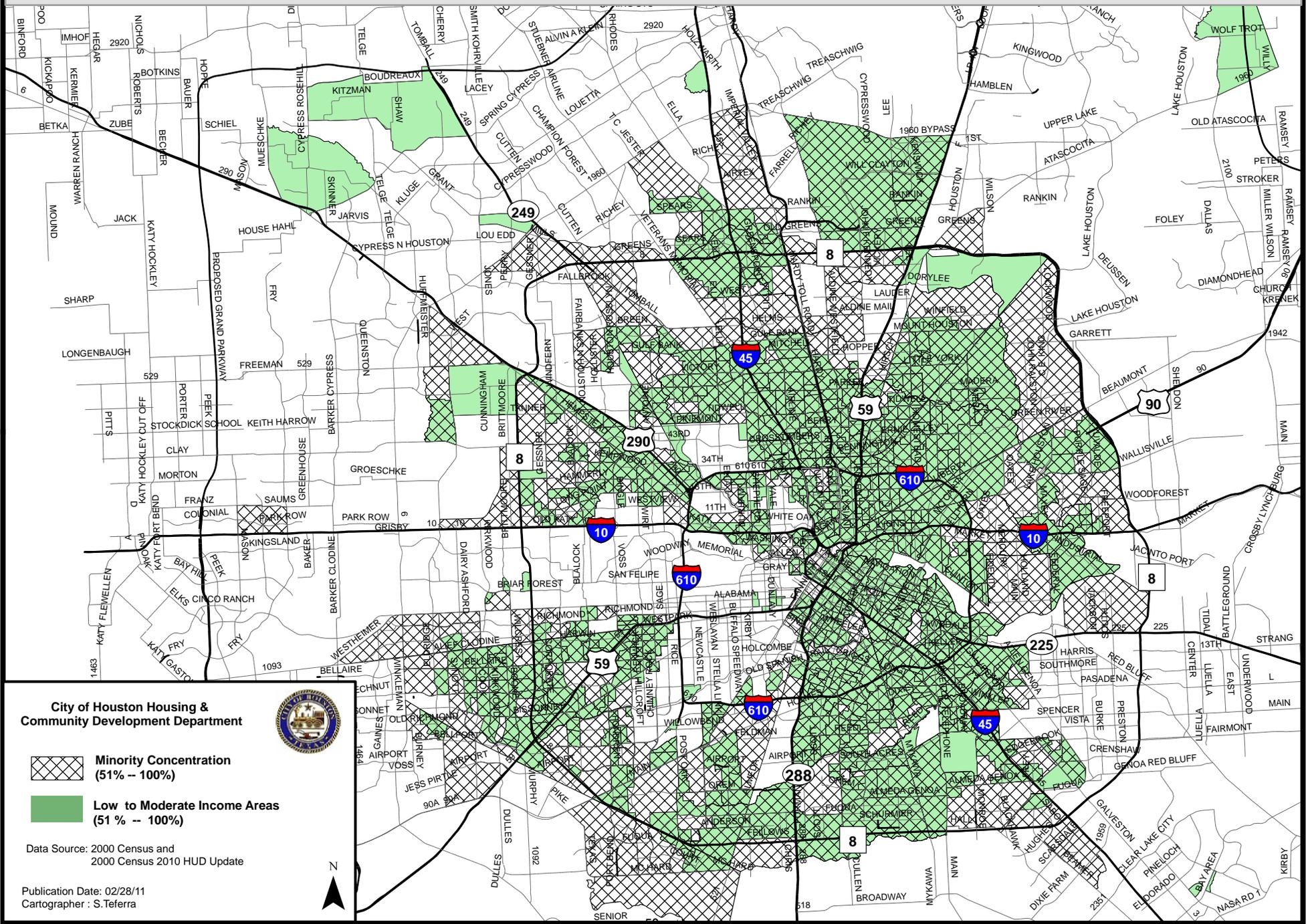
- City of Houston Low- to Moderate-Income Areas
- City of Houston Minority Concentration in Low- to Moderate-Income Areas
- Ages 17 and Below in Low- to Moderate-Income Areas
- Ages 62 and Above in Low- to Moderate-Income Areas
- HOPWA Eligible Metropolitan Statistical Areas

Additional maps (not affecting how allocations are targeted) include:

- 2011 City of Houston Council Districts
- City of Houston, Super Neighborhoods

While a majority of funding is allocated to single and multifamily housing activities, neighborhood facilities and public services follow closely in the percentage of funding allocated. The percentage of funding targeted geographically will be determined in detail after the solicitation processes for the 2011 Annual Action Plan are complete and subrecipients are identified.

City of Houston Minority Concentration in Low to Moderate Income Areas



City of Houston Housing & Community Development Department



 Minority Concentration (51% - 100%)

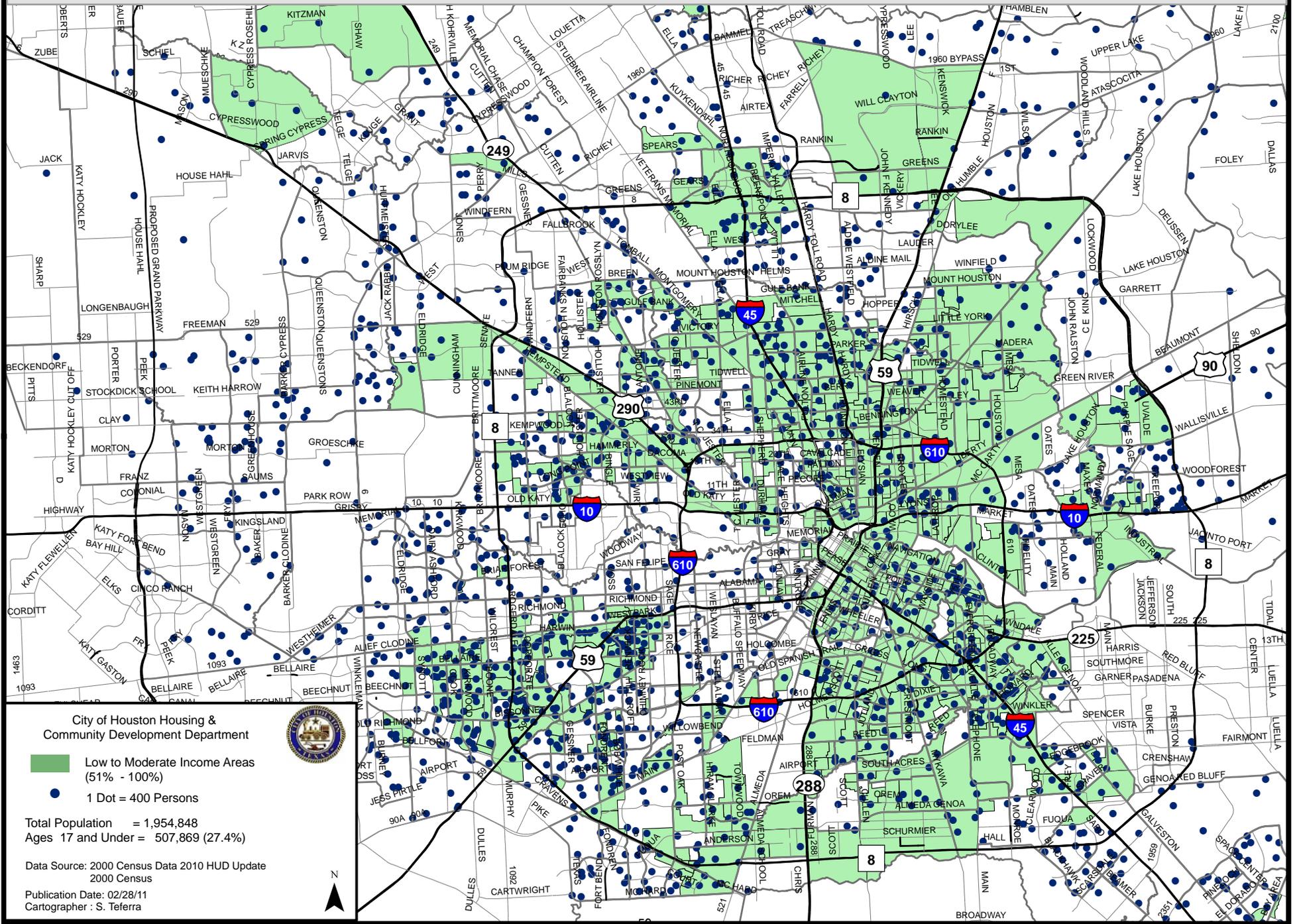
 Low to Moderate Income Areas (51% - 100%)

Data Source: 2000 Census and 2000 Census 2010 HUD Update

Publication Date: 02/28/11
Cartographer : S.Teferra



Ages 17 and Below in Low to Moderate Income Areas



City of Houston Housing & Community Development Department



- Low to Moderate Income Areas (51% - 100%)
- 1 Dot = 400 Persons

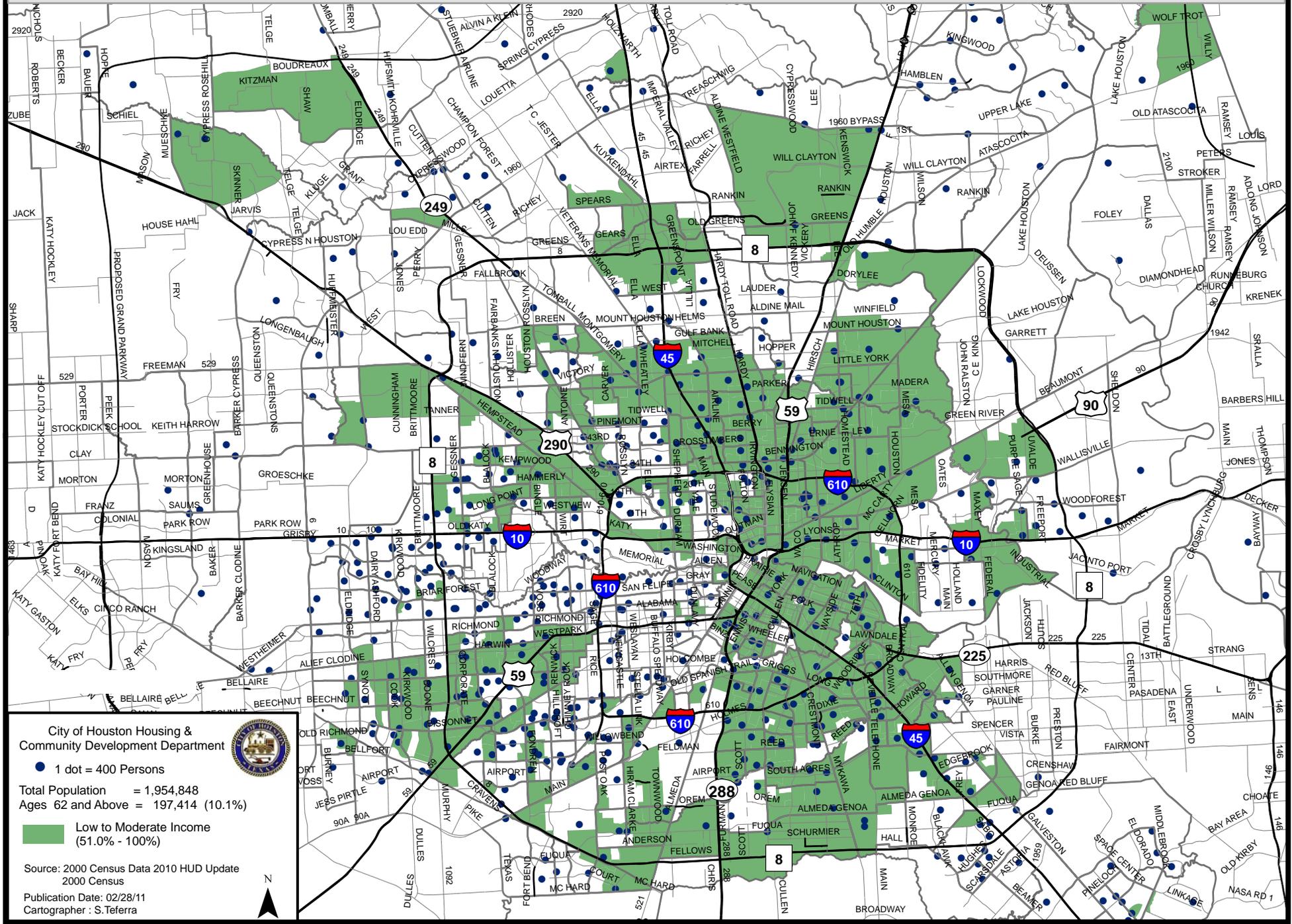
Total Population = 1,954,848
 Ages 17 and Under = 507,869 (27.4%)

Data Source: 2000 Census Data 2010 HUD Update
 2000 Census

Publication Date: 02/28/11
 Cartographer: S. Terrella



Ages 62 and Above in Low to Moderate Income Areas



City of Houston Housing & Community Development Department

● 1 dot = 400 Persons

Total Population = 1,954,848
Ages 62 and Above = 197,414 (10.1%)

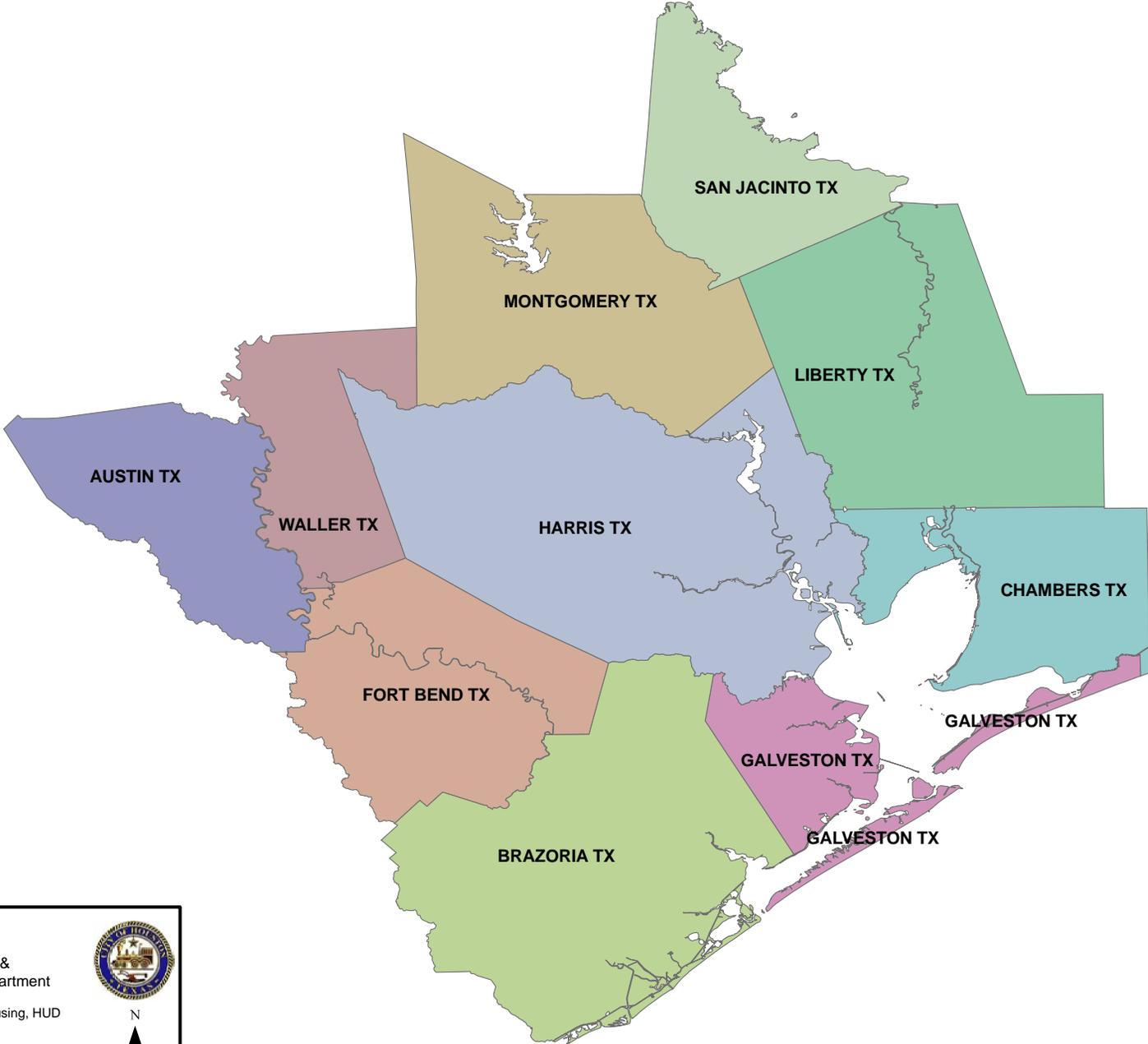
Low to Moderate Income (51.0% - 100%)

Source: 2000 Census Data 2010 HUD Update
2000 Census

Publication Date: 02/28/11
Cartographer : S. Ferreira



HOPWA Eligible Metropolitan Statistical Areas



City of Houston Housing &
Community Development Department

Data Source: Office of HIV/AIDS Housing, HUD

Publication Date: 02/28/11

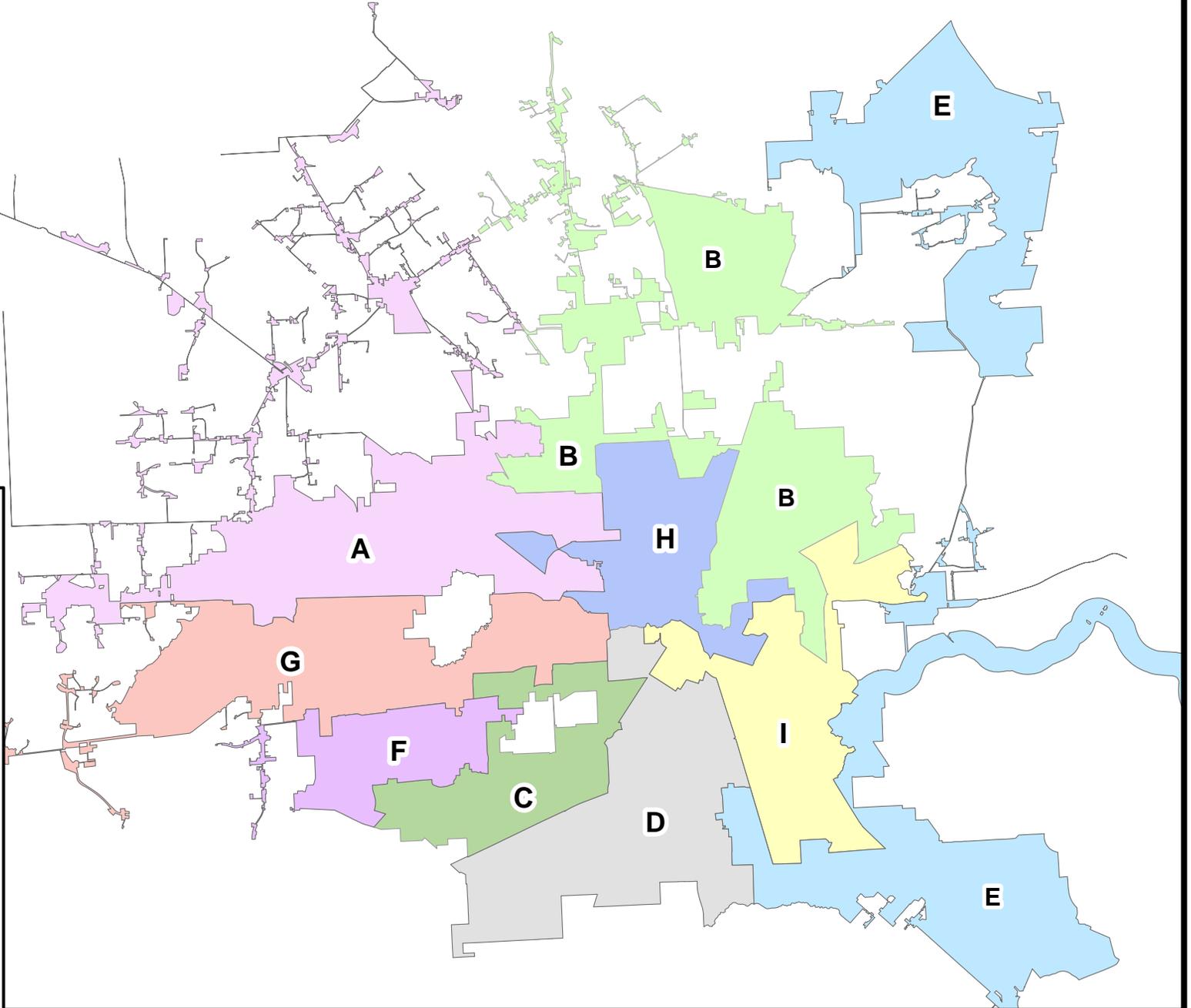
Cartographer : S. Teferra



N



City of Houston Council Districts



City of Houston Housing & Community Development Department



- A: Brenda Stardig
- B: Jarvis Johnson
- C: Anne Clutterbuck
- D: Wanda Adams
- E: Michael Sullivan
- F: Al Hoang
- G: Oliver Pennington
- H: Edward Gonzalez
- I: James Rodriguez

- At Large 1: Stephen C. Costello
- At Large 2: Sue Lovell
- At Large 3: Melissa Noriega
- At Large 4: C.O. "Brad" Bradford
- At Large 5: Jolanda Jones

Data Source: City of Houston Planning & Development Department

Publication Date: 02/28/11
Cartographer : S.Teferra

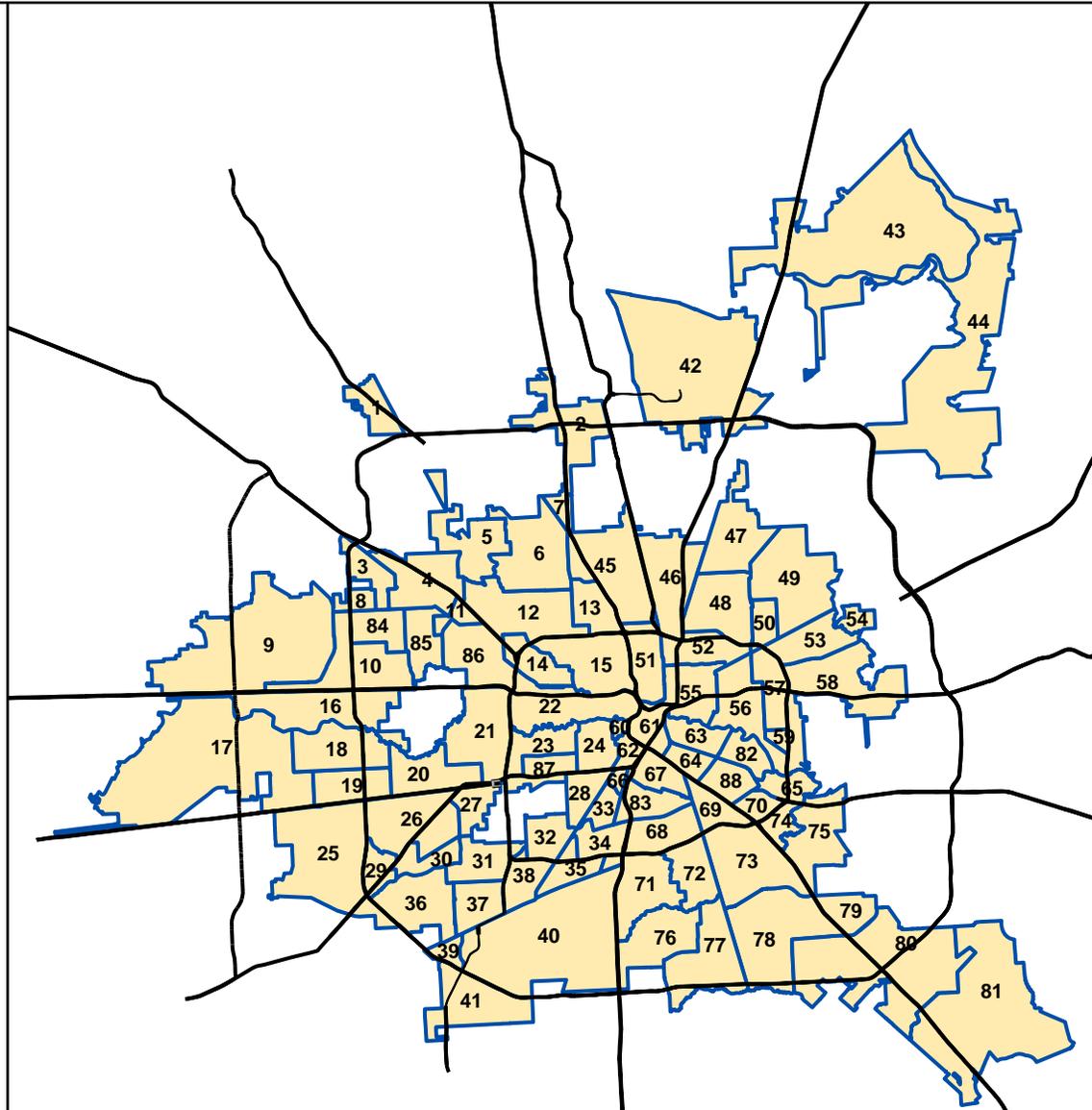


Super Neighborhoods

City of Houston Housing & Community Development Department

- 1 Willowbrook
- 2 Greater Greenspoint
- 3 Carverdale
- 4 Fairbank
- 5 Greater Inwood
- 6 Acres home
- 7 Hidden Valley
- 8 Westbranch
- 9 Addicks Park Ten
- 10 Spring Branch West
- 11 Langwood
- 12 Oak Forest / Garden Oaks
- 13 Independence Heights
- 14 Lazy Brook / Timbergrove
- 15 Greater Heights
- 16 Memorial
- 17 Eldridge / West Oaks
- 18 Briarforest Area
- 19 Westchase
- 20 Woodlake / Briarmeadow
- 21 Greater Uptown
- 22 Washington Avenue / Memorial
- 23 Afton Oaks / River Oaks Area
- 24 Neartown - Montrose
- 25 Alief
- 26 Sharpstown
- 27 Gulfton
- 28 University Place
- 29 Westwood
- 30 Braeburn
- 31 Myerland Area
- 32 Braeswood Place
- 33 Medical Center Area
- 34 Astrodome Area
- 35 South Main
- 36 Greater Fondren SW
- 37 Westbury
- 38 Willowmeadows / Willowbend Area
- 39 Fondren Gardens
- 40 Central Southwest
- 41 Fort Bend / Houston
- 42 IAH / Airport
- 43 Kingwood Area
- 44 Lake Houston

- 45 Northside / Northline
- 46 Eastex / Jensen Area
- 47 East Little York / Homestead
- 48 Trinity / Houston Gardens
- 49 East Houston
- 50 Settegast
- 51 Northside
- 52 Kashmere Gardens
- 53 El Dorado / Oates Prairie
- 54 Hunterwood
- 55 Greater Fifth Ward
- 56 Denver Harbor / Port Houston
- 57 Pleasantville Area
- 58 Northshore
- 59 Clinton Park Tri-Community
- 60 Fourth Ward
- 61 Downtown
- 62 Midtown
- 63 Second ward
- 64 Greater Eastwood
- 65 Harrisburg / Manchester
- 66 Binz
- 67 Greater Third Ward
- 68 OST / South Union
- 69 Gulfway / Pine Valley
- 70 Pecan Park
- 71 Sunnyside
- 72 South Park
- 73 Golfcrest / Belfort / Reveille
- 74 Park Place
- 75 Meadow Brook / Allendale
- 76 South Acres / Crestmont Park
- 77 Minnetex
- 78 Greater Hobby Area
- 79 Edgebrook Area
- 80 South Belt / Ellington
- 81 Clear Lake
- 82 Magnolia Park
- 83 Macgregor
- 84 Spring Shadows
- 85 Spring Branch Central
- 86 Spring Branch East
- 87 Greenway / Upper Kirby Area
- 88 Lawndale / Wayside



Data Source: City of Houston Planning & Development Dept.



Publication Date: 02/28/11
Cartographer : S.Teferra

PUBLIC HOUSING

PUBLIC HOUSING

Overview. The Houston Housing Authority (HHA) provides affordable homes to more than 55,000 people throughout Houston. The agency and its affiliates own and operate 25 housing communities with more than 6,500 units for families, elderly, and other residents.

HHA employs various strategies to encourage public housing residents to become more involved in management and participate in homeownership including Resident Councils and access to homebuyer counseling services.

Resident Councils. The agency encourages residents to become involved through participation in Resident Councils that operate at its public housing developments. Staff from the Housing Authority's Client Services Department provides technical assistance to Resident Council members and helps ensure that third party (League of Women Voters) oversight is in place for the annual election of officers. Each Resident Council meets on a monthly basis to address general and property-specific issues.

Resident Council officers meet as a group with the HHA President & CEO on a quarterly basis where the CEO updates officers on major issues taking place at HHA and within the affordable housing industry nationally. Time is allotted for officers to raise issues or ask questions, which often become the basis for further dialogue. Discussions have included such issues as resident participation in governance, safety and security, community service requirements, summer programs, and job readiness.

Homebuyer Counseling. HHA staff also works to promote homebuyer awareness among public housing residents by creating linkages with community partners that offer courses in such topic areas as homebuyer education and financial literacy; additionally, prospective homebuyers are linked with resources that provide downpayment and closing cost assistance.

HOUSTON HOUSING AUTHORITY (HHA) PROGRAM HIGHLIGHTS

Housing Choice Voucher Program (HCVP). More than 70 former Housing Choice Voucher Program (HCVP) clients have purchased new homes through the HCV homeownership program since it began in 2004.

This federally funded program provides monthly homeowner assistance payments in place of voucher rental payments. Applicants must meet several requirements including attending a HUD-approved first-time homeowners class.

Kennedy Place Ready for Move In. Houston Housing Authority (HHA) recently completed the redevelopment of Kennedy Place, located at 3100 Gillespie Street in Houston, using federal stimulus funds. The scope of work included the demolition of 60 obsolete public housing units and the construction of 108 multifamily rental units.

ADA Modifications Completed. HHA completed the final phase of ADA modifications for disabled residents in Irvington Village, Kelly Village, Wilmington House, Clayton Homes, Ewing Apartments, Forest Green Townhomes, Fulton Village, Historic Oaks of Allen Parkway Village, Long Drive, Telephone Road Elderly Housing Development, and Victory Place Apartments.

Renovations. HHA anticipates the commencement of a major exterior renovation project including roof and window replacement at Lyerly Elderly Housing Development, a 200-unit mid-rise building located at 75 Lyerly Street in Houston. During 2011 (FY2012), the agency will continue with the major modernization of Kelly Village development.

The City of Houston and HHA. HHA does not have a troubled designation; therefore, it is not necessary for

New Funding Opportunities. The HHA has submitted an application to the Texas Department of Housing and Community Affairs for an allocation of Low Income Housing Tax Credits to initiate reconstruction of Wilmington House, a 108-unit multifamily public housing property located at 4000 Wilmington Street.

Additionally, the HHA intends to submit applications for HOPE VI, Choice Neighborhood, or any other available funding source to continue the modernization and upgrading of the HHA housing stock.

HCDD to provide financial or other assistance to HHA to remove such a designation during the next year. However, the agency and the City of Houston still work together to leverage resources to promote self-sufficiency for low-income residents. To help address the needs of public housing residents, HCDD provides gap financing to multifamily developments for which HHA residents may be eligible. Other City departments collaborate with residents at various HHA properties to provide workshops or services. City of Houston departments or offices that have collaborated with HHA include the Anti-

Gang Office, 3-1-1, and the Houston Police Department, particularly for National Night Out.

HOMELESS & SPECIAL NEEDS

HOMELESS & SPECIAL NEEDS

Overview. Services for Homeless and Special Needs populations are provided through HCDD's Public Services Division and are financed by CDBG and HOPWA funds. Services for the City's Homeless are primarily invested in homeless prevention, support of regional planning activities, and gap financing for supportive housing.

The definition of Non-homeless Special Needs includes

- Individuals that are elderly and frail elderly,
- Persons with developmental and physical disabilities,
- Persons with HIV/AIDS,
- Those suffering from mental illness,
- Persons with substance abuse problems,
- Victims of domestic abuse, and
- Veterans

Improvement strategies for both the homeless and special needs populations are based on funding priorities established in the 2010 five-year Consolidated Plan. The City received notification of a reduction of CDBG and HOME funds, which could result in reduction of services, although we are still committed to improving service quality and increasing the availability and sustainability services to our homeless and special needs populations.

Investments and Action Steps. HCD has prioritized multifamily housing for homeless and special needs populations. The City has also established a contractual relationship with the Coalition for the Homeless of Houston/Harris County, Inc. (the Coalition) to manage efforts related to addressing chronic homelessness. The City supports the Coalition's efforts by providing CDBG funds for

- Implementation and operation of the Homeless Management Information System (HMIS)
- Development and implementation of a Strategic Plan to End Chronic Homelessness
- Prevention activities

HOMELESS PREVENTION & RAPID RE-HOUSING PROGRAM GRANT

In April 2009, the City of Houston received the Homeless Prevention and Rapid Re-Housing Program (HPRP) grant award totaling \$12,375,861 to provide financial assistance and services to prevent individuals and families from becoming homeless and to help those who are experiencing homelessness to be quickly re-housed and stabilized.

Services include case management, service coordination, outreach to organizations and individuals, and assisting with housing and credit counseling.

As of March 2011, 44 percent of those funds have been spent and 2,260 clients have been served.

HCDD received funds directly from HUD and works in partnership the Child Care Council of Greater Houston, Inc. who has distributed funding for this program to the following service providers:

- AIDS Foundation Houston, Inc.
- Catholic Charities of the Archdiocese of Galveston-Houston
- Fort Bend Women's Center, Inc.
- Memorial Assistance Ministries, Inc.
- Project Joy and Hope
- Non-Profit Housing Corporation of Greater Houston
- Salvation Army
- Society of St. Vincent de Paul
- Volunteers of America Texas, Inc.
- Westside Homeless Partnership
- Houston Department of Health & Human Services

According to the Coalition for the Homeless of Houston, Harris County's January 2010 count the HMIS system has grown from 35 licenses distributed among 47 homeless providers to 463 license users among 77 homeless providers utilizing the system and 1,029,610 unique records entered. The unique records are a mixture of both homeless and near homeless persons.

The Coalition will continue to implement a number of proactive initiatives on data quality, data entry, and monitoring areas of the current HMIS system to ensure completeness, accuracy and standardization in data collection processes. To meet these challenges during the 2011 Annual Action Plan year, the HMIS team will increase from three members to seven. The team is made up of two groups, each assigned to a specific type of homeless program and/or funding stream. ABT Associates provides technical assistance, which helps service providers overcome obstacles with data entry and address related reporting needs for the Continuum of Care (CoC) to HUD. The HMIS staff continues to work with homeless service agencies by offering training and technical assistance, individually and in groups. On a monthly basis, HMIS staff meets to discuss data quality and obstacles that the agencies have experienced regarding data entry.

2010 COALITION FOR THE ANNUAL HOMELESS ENUMERATION

- January 2010 Point-in-time Count = 9,692
- The count of 6,819 sheltered and unsheltered homeless in the 2010 enumeration represents a 4 percent increase over the January 2009 count of 6,550.
- The proportion of homeless families with children in shelters and transitional houses during the night of the enumeration increased from 11.5 percent in 2009 to 21 percent in 2010.

The Coalition will continue to implement a number of proactive initiatives on data quality, data entry, and monitoring areas of the current HMIS system to ensure completeness, accuracy and standardization in data collection processes. To meet these challenges during the 2011 Annual Action Plan year, the HMIS team will increase from three members to seven. The team is made up of two groups, each assigned to a specific type of homeless program and/or funding stream. ABT Associates provides technical assistance, which helps service providers overcome obstacles with data entry and address related reporting needs for the Continuum of Care (CoC) to HUD. The HMIS staff continues to work with homeless service agencies by offering training and technical assistance, individually and in groups. On a monthly basis, HMIS staff meets to discuss data quality and obstacles that the agencies have experienced regarding data entry.

Strategic Plan to End Chronic Homelessness. The Coalition for the Homeless of Houston/Harris County, Inc. (Coalition) is committed to preventing and ending chronic homelessness. The Coalition works closely with the City of Houston, Harris County, area homeless providers, and other key stakeholders to further the community's ten-year plan to end chronic homelessness. Over the next year, the City will support the Coalition's leadership and their implementation of the following action steps to support the ten-year plan:

- Lead in the design and implementation of a system to coordinate access to services and prioritization for Permanent Supportive Housing (PSH)
- Launch a community-based PSH outreach and education campaign in which HCDD will play a major role
- Collaborate with HCDD and Harris County leadership to clearly establish PSH as a policy approach to ending chronic homelessness
- Advance, in partnership with public and private stakeholders across the greater Houston area, the adoption of a six-year (2011 - 2016) goal to create 1,750 PSH units
- Analyze homeless funding gaps and provider service gaps to support our community in meeting measures defined by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act
- Convene homeless providers, private sector partners, and other key stakeholders to focus on the creation and implementation of strategies that successfully prevent homelessness or quickly transition homeless individuals and families to stable, supportive housing
- Strategically engage Houston's faith-based homeless providers in advancing the community's plan
- Affirm and communicate the Coalition's commitment to Fair Housing

Special Need Facilities and Services. The latest available statistics for Houston, Texas, indicate that 9.4 percent of the population is disabled and 13.3 percent of the population is over the age of 65 (American Community Survey, 2009). According to the Center for Disease Control, 19,777 individuals are living with HIV/AIDS in the HOPWA service area, which consists of Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, San Jacinto, and Waller counties. ¹

The availability of supportive services to the non-homeless special needs population is sizable. However, resources to fund all of the much-needed facilities do not meet the demand.

While the City cannot fund every request for facility construction or improvement, HCDD has chosen to address the issue of accessibility for the disabled. A new set-aside has been added to the 2011 Annual Action Plan. This set-aside allocates more than a half-million dollars of CDBG funds to a fund to enable neighborhood facilities, such as shelters, to retrofit buildings to make them more accessible to the physically disabled.

Supportive services follow housing as an HCDD program priority. CDBG and HOPWA Grants financially support the provision of these services to Houston's special needs population (e.g., elderly, homeless, mentally ill, developmentally disabled, HIV Positive, etc.). Housing with supportive services forms the basis for improvement strategies that seek to upgrade housing, increase homeownership, expand the number of small businesses and jobs, and increase assistance (e.g., medical, educational, counseling, etc.) to those in need, while securing physical improvements in targeted communities.

Homeless Prevention. HCDD has funded several agencies that deliver homeless prevention assistance, which includes

- Short-term subsidies to defray rent and utility arrearages for families that have received eviction or utility termination notices
- Security deposits and first month's rent to permit homeless families to move into their own apartment
- One-time mortgage payments

Preventing homelessness, especially family homelessness, is a priority for the City and our partner, the Coalition. The Coalition assists Houston's homeless providers (many of whom are CDBG subrecipients) to help families implement strategies that keep them stabilized and resolve their financial issues, before being identified as "homeless". While local nonprofit and faith-based organizations provide basic needs and rent/utility assistance that divert families at imminent risk, the Coalition's 24/7 homeless services hotline

THE COALITION AND HOMELESS PERSONS WITH SPECIAL NEEDS

To address the needs of special populations, (such as the elderly, physically and mentally disabled, unaccompanied youth and families experiencing economic difficulties, which are at the greatest risk of becoming homeless), the City supports the Coalition as coordinator of a community effort to

- Assess homeless funding and provider service gaps
- Convene government, nonprofit and faith-based providers to collaborate on a homeless provider indicator system that will recognize service providers who have met HEARTH performance measures for service provision. These assessments are critical to the advancement the community's plan to end homelessness as mandated by HEARTH and will serve special needs citizens by identifying the most appropriate programming for their needs.

¹2010 Texas Integrated Epidemiologic Profile for HIV/AIDS Prevention and Services Planning: HIV/AIDS in Texas <http://www.dshs.state.tx.us/WorkArea/linkit.aspx?LinkIdentifier=id&ItemID=61944>

refers and connects families to providers with immediate help and mainstream resources. The Coalition is also coordinating a series of provider technical assistance trainings that highlight local best practices that impact families with children at imminent risk of becoming homeless.

ADDRESSING BARRIERS TO FAIR, AFFORDABLE HOUSING

ADDRESSING BARRIERS TO AFFORDABLE HOUSING

Addressing Barriers to Affordable Housing. Houston continues to welcome new residents seeking a lower cost of living and employment opportunities. While the population has grown by 7.5 percent over the past decade, it has not been immune to the national mortgage and financial crisis (US Census, American Community Survey, 2009). The Great Recession has been a catalyst for unemployment and has led families to face painful decisions on a daily basis regarding the purchase of necessities like food, fuel, and housing.

While the Great Recession has slowed investment in restoration and development of affordable housing stock, there are three *primary* barriers to accessing and maintaining quality, affordable housing:

- Current market conditions
- Deterioration of existing housing stock
- Regulatory barriers

Current market conditions. As previously stated, the demand for affordable housing in Houston has increased due to both the in-migration of new residents and the effects of both the mortgage and financial crisis on the local economy.

Affordability for buyers and housing developers alike has become a challenge. The number of low- to very low-income Houstonians who are unable to afford fair market rent or qualify for homeownership due to underwriting requirement is increasing. These conditions force low-income citizens to use more than 30 percent of their limited income on their housing costs, exceeding the recommended housing burden.

The cost of land in some sections of the city is prohibitively expensive and thus resistant to affordable housing or mixed-income development. Environmental issues, such as brownfields and floodplains, further reduce the number of parcels readily available for infill housing development.

Deterioration of existing housing stock. Houston's housing stock is aging. Properties built before 1978 require lead based paint abatement. After the housing booms, some investors and developers that once profited from properties have since become absentee property owners. As a result, residents of apartments and single family homes in some LMI neighborhoods live in hazardous conditions. These incidences of blight inhibit infill development and revitalization efforts thereby decreasing the availability of affordable housing stock.

Regulatory. Impediments to the development of affordable housing can be found in municipal regulations and City ordinances that can inhibit the market from meeting the demand. These ordinances are Chapter 42 – Subdivision, Developments and Platting (Development Ordinance); Chapter 29 – Manufactured Homes; Article 6 of the Housing Code Modular Housing; and Article 9 of Building and Neighborhood Protection, Comprehensive Urban Rehabilitation and Building Minimum Standards (C.U.R.B.). The impact of these ordinances is most acute on construction of in-fill housing and renovation of multifamily units.

Efforts to reconcile Chapter 19 in the City's Code of Ordinances with HUD environmental requirements, place HCDD at a disadvantage when attempting to address residents' needs when more than a quarter of them reside in flood plains.

To address barriers to increasing the availability and accessibility of decent, affordable housing in Houston, HCDD will 1) leverage resources through comprehensive strategic planning with regional partners; 2) support code enforcement and explore innovative ways to mitigate hazards in substandard housing; and 3) increase intergovernmental communication and coordination. These efforts are described in more detail below.

1. *Engage in Comprehensive Strategic Planning through Partnerships with Regional Entities*

- Hold monthly community development forums which address housing and related issues with a variety of stakeholders
- Host forums with housing partners such as HHFA, Housing Authority, Harris County, and the Harris County Housing Authority to catalyze collaboration on grants and affordable housing development projects
- Leverage multiple funding sources and interests to facilitate more equitable and efficient land use

2. *Invest in Building Code Enforcement & Hazard Remediation to Abate Deterioration of Housing Stock*

- Coordinate single family home repair efforts with the City's Health Department lead paint abatement program and the Office of Healthy Homes to improve condition of housing stock
- Use City TIRZ and federal Department of Energy funds to address energy efficiency issues in low-income residents with older homes through the Residential Energy Efficiency Program (REEP)

- Continue to engage in code enforcement activities in coordination with the City's Planning and Development Department and the Police Department's Neighborhood Protection unit to address multi and single family owners' code violations

3. *Strengthen Intergovernmental Relationships to Resolve Regulatory issues*

- The HCDD Planning section will meet with outside entities to coordinate housing and infrastructure improvements related to flooding and disaster recovery

HCDD FAIR HOUSING OFFICE

The City's Fair Housing Office assists residents of the Houston Metropolitan Area who believe that they have experienced discrimination renting an apartment or purchasing a home based on race, color, religion, national origin, sex, family status, or disability.

In FY2010, HCDD's Fair Housing Call Center responded to approximately 1,425 calls from the public. Calls covered the following topics:

- AC/Heat Problems
- Mold
- Pests
- Repairs
- Utilities
- Water/ Sewage
- Deposit
- Eviction
- Foreclosure
- Harassment - Landlord
- Harassment - Others
- Protected Group
- Landlord Tenant Relations
- Housing Authority

Housing complaints must be filed within 180 days of the alleged discriminatory act.

For more information, contact the Fair Housing Office at 713-868-8461 or access resources on the HCDD website: http://www.houstontx.gov/housing/fair_housing.html

Complaint forms, handbooks, and counseling are available without charge in English and Spanish.

- Continually improve HCDD’s Monitoring and Compliance function; enable staff to detect and address inconsistencies or conflicts among federal, state, and local grant and regulatory requirements

Addressing Barriers to Fair Housing. Originally cited in the City of Houston’s, 2010 Analysis of Impediments to Fair Housing, the table below contains the impediments or barriers identified and the associated actions HCDD will take during the Consolidated Plan years (2010-2014) to alleviate them.

IMPEDIMENT	ACTION
Demographic patterns that reflect the geographic concentration of racial and ethnic minorities in certain areas reinforce segregated housing patterns.	Review Affirmative Marketing procedures and related multifamily housing policies and identify new strategies to address concentration issues.
Insufficient multilingual marketing efforts targeted to those who have limited English proficiency.	Providing fair housing resource materials in more languages in proportion to their appearance in the 2010 census population statistics (ex. Vietnamese, Spanish).
Lack of affordable housing for moderate-, low-, and very low-income families.	Fund efforts to construct and rehabilitate rental housing for those suffering from high housing cost burdens; increase access to homeownership through the Homebuyer Assistance Program.
Lack of income; Wages have not kept pace with housing costs.	Fund programs and entities that facilitate job creation or supplement LMI household incomes such as the Houston Small Business Revolving Loan fund for growing small businesses, and downpayment assistance which facilitate homeownership among cash poor households unable to save for downpayments and closing costs.
Low educational attainment among African Americans and Hispanics impacts employment opportunities that can limit housing choice.	Continue to fund Juvenile Prevention and After School programs that provide computer classes, job training, tutoring, and GED preparation; advertise availability of Section 3 jobs for which those with low educational attainment might qualify.
Lack of accessible housing to meet the needs of the disabled community.	Finance the development of rental units which meet Section 504 requirements and of transitional and/or single room occupancy properties to meet the needs of persons with disabilities.
Discrimination against families with children, minorities, the disabled, and based on national origin in housing rental and sales market.	Continue to dedicate staff to addressing Landlord-Tenant issues and make referrals to HUD’s Fair Housing Office for those households filing discrimination complaints.
Lack of financial literacy education.	Homebuyers receive counseling prior to receiving financial assistance through the Homebuyer Assistance Program. In RFPs and funding notifications, multifamily property developers will be encouraged to collaborate with agencies that provide financial education and other social services to residents.
Lack of loan products and services in very low-income minority neighborhoods.	Partner with lending institutions which currently or might serve these areas in the future such as credit unions and other community-based lenders accessible to LMI neighborhoods; add to list of preferred lenders for homebuyer assistance programs.

IMPEDIMENT	ACTION
Disparity in lending practices for those obtaining a home loan.	Homebuyer Assistance Program staff shall collaborate with lenders, developers, and contractors to develop program guidelines and hold workshops to educate potential lenders and homebuyers to decrease the likelihood applicants will experience discrimination .
Lack of a substantially equivalent Fair Housing Ordinance.	Under review by HCDD and the City Legal Department.

OTHER ACTIONS

OTHER ACTIONS

Overview. HUD requires that Annual Action Plans include a section called "Other Actions" which includes a description of how the applicant will

- address obstacles to meeting the underserved needs
- foster and maintain affordable housing
- evaluate and reduce the number of housing units containing lead-based paint hazards
- reduce the number of poverty-level families
- develop institutional structure
- enhance coordination between public and private agencies
- coordinate its housing strategy with local and regional transportation planning strategies

Detailed descriptions of how HCDD will address each of these required activities during the 2011 Annual Action Plan follow.

Obstacles to Meeting Underserved Needs; Fostering and Maintaining Affordable Housing. HCDD and the City of Houston have had the two-fold challenge of meeting the needs of the underserved and facing the stark budget realities of the recession in the larger economy. Obstacles to addressing the growing need of underserved low- to moderate-income residents include:

- Citizens lack substantial funds or access to credit to initiate homeownership (downpayment/closing costs);
- The demand far surpasses the funding available for the various services required to adequately serve the needs of Houston's low- to moderate-income individuals and neighborhoods;
- Households seeking mortgages having difficulty meeting underwriting requirements (credit worthiness, bank accounts);
- The ability for prospective households to sustain necessary income for homeownership;
- Fixed incomes (Social Security, Disability);
- Due to language barriers or low educational attainment, many resident are unaware of the services available to them; and
- Working families also encounter the unique challenge of often "making too much money" to qualify for various public services.

To address some of these obstacles, HCDD will be exploring the following strategies during the 2011 Action Plan year:

- Prioritize services to the elderly and special needs populations;
- Leveraging resources across City Departments to better match resources to needs;
- Improving direct HCDD outreach to those households in need through development of new partnerships with the Mayor's Citizens Assistance Office;
- Including bilingual staff and develop translated materials in as many interactions with low to moderate income individuals as possible; and
- Developing more preventive care and proactive services to those with unique language and disability issues.

Antipoverty Strategy. Houstonians struggle to make ends meet and few have a real safety net to prevent them from slipping into poverty. Often relying on payday loans to make ends meet, families are one mortgage payment or utility bill away from poverty.

According to the Austin-based, Center for Public Policy Priorities (CPPP), supportive services for working families are extremely limited in Texas. Compared to other states, Texas' eligibility requirements are very restrictive. Cash assistance benefits are lower and subsidized childcare is largely restricted to families on welfare¹. In Texas, working families' lack of assets is an even greater impediment than their lack of income.

With shrinking incomes, it becomes increasingly important for families to have access to a safety net in times of economic distress. Homeowners, or those with large assets, can access those assets in economically challenging times. HCDD is committed to preventing poverty through its efforts to not only aid those already in poverty (such as the homeless), but by enabling individuals to own homes.

Asset building is an anti-poverty strategy that helps low-income people move toward greater self-sufficiency by accumulating savings and purchasing long-term assets. HCDD's goal is to help families avoid slipping into poverty by enabling them to create positive equity through homeownership. Homeownership is a valuable long-term asset for low to moderate-income families creating a greater sense of security. Annually HCDD provides downpayment assistance to homebuyers that would otherwise not be able to afford to own a home.

Another way in which asset building is achieved is through business ownership. Through HCDD's economic development initiatives, 200 low- to moderate-income businesses attain access to low cost loans annually. Business and subsequent job creation sustain and grow some of Houston's most challenged neighborhoods.

Other support services, such as affordable childcare, enable working families to continue to work and save for "rainy days." Annually, HCDD provides childcare for eligible families through the Child Care Council of Houston. As a fiscal agent for the Homeless Prevention and Rapid Rehousing (HPRP) grant, HCDD has helped make financial support available to those at risk of foreclosure or eviction to decrease the number of families plunged into homelessness and poverty as a result of the recession.

INCOME GREATEST OBSTACLE TO ACCESSING AFFORDABLE HOUSING IN HOUSTON AREA

According to a 2010 National Low Income Housing Coalition (NLIHC) report, the Fair Market Rent (FMR) for a two-bedroom apartment is \$892 in the Houston-Baytown-Sugar Land area. In order to afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn \$2,973 monthly or \$35,680 annually. Assuming a 40-hour workweek, 52 weeks per year, and this level of income translates into a housing wage of \$17.15.

A minimum wage worker, (who earns \$7.25/hr.) must work 95 hours per week, 52 weeks per year to afford the FMR for a two-bedroom apartment. Or, a household must include 2.4 minimum wage earner(s) working 40 hours per week year-round in order to make the two-bedroom FMR affordable.

Monthly Supplemental Security Income (SSI) payments for an individual are \$674 in Houston-Baytown-Sugar Land HMFA *. If SSI represents an individual's sole source of income, \$202 in monthly rent is affordable, while the FMR for a one-bedroom apartment is \$735.

**A unit is considered affordable if it costs no more than 30 percent of the renter's income.*

¹ THE FAMILY BUDGET ESTIMATOR: What It Really Takes To Get By In Texas," A project of the Center for Public Policy Priorities on the cost of Texas families' basic needs., Center for Public Policy Priorities, 2007

Lead-Based Paint. HCDD and the Houston Department of Health and Human Services (HDHHS) work closely together to reduce lead hazard. From 1995 to 2009, HDHHS has received federal funding from the U.S. Department of Housing and Urban Development (HUD) to reduce lead-based paint hazards and establish “Healthy Homes” principles in low- to moderate-income housing units within the City of Houston. The Community & Children’s Environmental Health Lead Program is funded by two grants, the Lead-Based Paint Hazard Control (LBPHC) Grant and the Lead Hazard Reduction Demonstration (LHRD) Grant. HCDD provides HDHHS with CDBG funds to meet the matching requirement for each of these grants.

Program Goal. The purpose of these programs is to reduce the danger of lead poisoning and other environmental hazards in children ages six years and younger at risk of being poisoned by lead-based paint. This goal will be accomplished through the following activities:

- Identification & qualification of inner-city, pre-1978 housing units of low- to moderate-income families where children age six or under reside or visit at least 60/hrs a year
- Reducing lead hazards in units contaminated with lead-based paint
- Educating the public about the hazards of lead-based paint and the principles of healthy homes
- Conducting outreach and blood screening for children ages six and under
- Relocating families during the lead abatement activity

With the help of HCDD matching funds for these two grant programs, HDHHS performs hazard reduction/remediation on approximately 420 units annually. HDHHS will also continue to provide program guidance; pursue available grant funding and coordinate all grants awarded; perform blood-lead testing; train additional inspectors; and hire abatement contractors.

Houston has several environmental and social factors, which contribute to the City having a large percentage of children under the age of six at risk for lead poisoning. According to HUD (www.huduser.org/database/il.html) Houston has

- 402,626 families (42.3 percent) with ≤ 50 percent of AMI
- 158,246 families (17.8 percent) with <80 percent of AMI

LEAD-BASED PAINT REMEDIATION SAVES LIVES

Why is lead dangerous?
Lead is a poison that serves no known purpose in the body. Lead enters your body when you swallow or breathe in lead dust or particles. Lead can be found in the air, water, food, dust and soil. Small amounts of lead can build up in the body and cause temporary or permanent damage.

What are the symptoms of lead poisoning?
Lead poisoning can often have no symptoms – even people who appear healthy can have lead poisoning. The symptoms of lead poisoning are often mistaken for other problems.

Some symptoms are:

- Fatigue
- Tingling hands and feet
- Headache
- Memory problems
- Irritability Anemia
- Diarrhea / constipation
- Reproductive problems
- Nausea
- High blood pressure
- Weight loss

Extreme cases of lead poisoning can result in:

- Convulsions
- Coma
- Death

In the target area there are

- 103,536 families (74.4 percent) with \leq 50 percent of AMI
- 22,019 families (15.8 percent) with $<$ 80 percent of AMI

Program Budget. HCDD allocates \$1,000,000 in CDBG funds to two Lead-Based Paint related programs, the Community & Children's Environmental Health Lead Program managed by HDHHS and the Lead-Based Paint Testing Program managed by the HCDD Single Family Home Repair division. A description of each activity and funding allocation follows

1. Lead Based Paint Testing Program (HCDD) \$350,000 – These funds are provided to HDHHS in order to conduct Lead Based Paint Testing on housing units, which qualify for rehabilitation under HCDD's Single Family Home Repair Program. HDHHS certified lead inspectors conduct initial Lead-Based Paint Inspections on housing units, as requested by HCDD, then provide a Risk Assessment followed by a Clearance Evaluation Report, to ensure the unit is safe for re-occupancy once remediation has been completed.
2. Community & Children's Environmental Health Lead Program (HDHHS) \$650,000
 - LHRD Grant (HDHHS) \$325,000 – These CDBG dollars are provided to HDHHS as matching funds for the \$3,070,000 grant HDHHS receives from HUD. Funds will be used to assist in remediation of Lead-Based Paint in low- to moderate-income housing units, qualifying under the LHRD Grant program. HCDD provides a total of \$975,000 in matching funds for the LHRD Grant in three separate allocations of \$325,000 each over a 36 month period.
 - LBPHC Grant (HDHHS Program) \$325,000 - These CDBG dollars are provided to HDHHS as matching funds for the \$2,250,000 grant HDHHS receives from HUD. Funds will be used to assist in remediation of Lead-Based Paint in low- to moderate-income incoming housing units, qualifying under the LBPHC Grant program. HCDD will provide a total of \$975,000 in matching funds for the LBPHC Grant in three separate allocations of \$325,000 each over a 36 month period.

Develop Institutional Structure. In the 16 years that the City of Houston has been submitting Action and Consolidated Plans, an institutional framework has evolved through which this planning process operates. The Housing and Community Development Department (HCDD) is the lead agency charged with developing the Plan and ensuring that all applicable requirements, such as encouraging full citizen participation, are satisfied.

On August 6, 2010, under new leadership, HCDD was reorganized to emphasize the central role of monitoring and compliance activities within Department operations. Internally, HCDD is comprised of four major functions: Program Areas (Multifamily, Single Family, Neighborhood Facilities and Improvements, and Public Services), Financial Services and Administration, Planning and Grants Management, and Compliance and Monitoring Divisions. For more detail on Planning and Grants Management, and Compliance and Monitoring Divisions' structures and activities, see the Monitoring Section of this Plan.

The current structure personifies HCDD's commitment to ensuring that all perform in a concerted manner to guarantee an efficient use of public and private resources with maximum output in the form of accomplishments. Underlying this effort is the recognized need to maintain a high level of coordination on projects involving other departments and/or outside agencies.

The institutional structure for development, support, and implementation of the Action and Consolidated Plans requires that HCDD continue to coordinate the process, working with other departments and non-city agencies, using six (6) strategies:

1. Reduce and/or alleviate any gaps in services and expedite the delivery of housing and community development improvements (primarily affordable housing) to eligible residents.
2. Use high level of communication and project coordination among City Departments and support the City's efforts to revitalize and/or stabilize low- to moderate-income neighborhoods.
 - o HCDD is currently in partnership with Fire, Health and Human Services, Library, the Mayor's Office, and Parks and Recreation on a variety of community improvement projects.
 - o HCDD promotes a diverse number of projects in support of neighborhood conservation and/or revitalization. These include housing construction and rehabilitation, homebuyer assistance, lot assemblage, street overlays and streetlights, transportation and safety upgrades, and park and library improvements.
3. Maintain working relationship with the Houston Housing Authority based on the mutually shared goal of providing suitable housing for low- and extremely low-income residents.
4. Work with and financially support various community housing development organizations (CHDO's) operating in low- to moderate-income neighborhoods to build affordable housing for the elderly, veterans, and other special needs populations.
5. Use established lines of communication to identify opportunities for joint ventures with agencies that are sources of funding for construction of affordable housing and/or for financing homeownership.
6. Continue to cultivate strong working relationships with local financial institutions to ensure the availability of private funding for housing projects.

Public/Private Agency Coordination. As the lead agency in the Annual Action Plan (Plan) development process, the City of Houston (City) Housing and Community Development Department (HCDD) continues to share a common vision with its partners in the public and private sectors. That vision promotes "community development" and the leveraging of resources to maximize program outcomes.

As required by HUD, HCDD has worked to enhance coordination efforts between public and private agencies. These efforts are described in detail below:

- *HOPWA grantees.* HCDD funds HOPWA grantees in six counties. HOPWA grantees must consult broadly to develop a metropolitan-wide strategy and other jurisdictions must assist in the preparation of the HOPWA submission.
- *Coalition for the Homeless Houston/Harris County.* The City funds the HMIS or primary data system used to track information related to the region's homeless population. Such data informs efforts to address the needs of the chronically homeless in the region in cooperation with agencies across several counties.
- *Advisory Task Force Members.* Representatives of METRO, the Center for Independent Living, the United Way of the Gulf Coast, and the Ryan White Planning Council are among the Advisory Task

Force members contributing to HCDD efforts to coordinate service delivery. HCDD publicizes and promotes all facets of the Plan's development, encouraging residents, neighborhood-based organizations, and for-profit and non-profit agencies to highlight community revitalization issues and to help develop strategies for resolution.

- *Economic Development.* HCDD also coordinates efforts to retain affordable housing stock and preserve historical neighborhoods in high growth economic development areas to avoid displacement in partnership with TIRZs (Tax Increment Reinvestment Zones); HCDD is the lead agency responsible for administering the City TIRZ affordable housing set-aside. In the future, the City foresees working in closer partnership with Houston-Galveston Area Council (H-GAC) and METRO to facilitate sustainable and transit-oriented development.
- *Housing Policy Forums.* HCDD hold monthly forums with regional partners interested in employing community development strategies such as transit-oriented development and other innovative approaches to connecting low- to moderate-income residents to transportation, amenities, jobs, and better housing.
- *City Departments.* The Department participates in the City's Capital Improvement Plan Public Hearings and writes the public and other City Departments to participate in the planning process.
- *Houston Housing Authority (HHA).* HHA implements strategies to assist low and extremely low-income persons. The City supports HHA's efforts through various strategies ranging from financing public housing improvements to funding special housing initiatives sponsored by this Authority.

The activities and partnerships with the aforementioned organizations span multiple counties (Harris, Fort Bend) and cities (Missouri City, Pasadena). More details about the organizations consulted throughout the planning process are included in the *Consultation* section of this Plan.

Housing/Transportation Planning Strategy Coordination. Through Participation in the Sustainable Communities Planning process, the City and HCDD can improve coordination between the housing and transportation planning areas; aligning the consolidated planning and metropolitan transportation planning processes and exploring collaborative housing and transportation investments options, such as transit oriented development.

SUSTAINABLE COMMUNITIES: CITY OF HOUSTON JOINS NEW REGIONAL PLANNING EFFORT.

HCDD acts in many ways to coordinate its housing strategy with local and regional planning strategies. The HUD Sustainable Communities grant is an inaugural planning effort dedicated to helping metropolitan areas like the Houston-Galveston region, coordinate housing, transportation, and efforts to balance the area's growth with preservation of the environment and natural resources. The City of Houston is one of 25 partners working together to develop a shared vision for a sustainable 13-county region.

At the core of the Sustainable Communities Planning process are the following six livability principles, which serve to coordinate the use of federal resources and address long-term regional needs:

- Provide more transportation choices;
- Promote equitable, affordable housing;
- Enhance economic competitiveness;
- Support existing communities;
- Prioritize transit-oriented development;
- Coordinate and leverage federal policies and investment; and
- Value communities and neighborhoods.

PROGRAM SPECIFIC REQUIREMENTS

PROGRAM SPECIFIC REQUIREMENTS

Community Development Block Grant (CDBG)

Spending Deadlines. Sixty days prior to the end of the grant year, the City's letter of credit balance must be below 1.5 times its annual grant allocation. HCDD reviews IDIS reports with program managers quarterly to determine progress toward meeting this requirement. This review includes identifying strategies to resolve any obstacles or challenges to meeting required spending deadlines.

Public Service Cap. Although the total amount of CDBG funds obligated for public service activities must not exceed 15 percent of the grant amount, HCDD has been grandfathered in at the higher rate of 16.77 percent. Program income is eligible for inclusion in the cap formula. However, the City has elected to calculate the public service percentage using only the federal allocation. HCDD's conservative budgeting and calculation are efforts to ensure that this cap is not exceeded.

3/70 Rule. Not less than 70 percent of CDBG funds over a three-year period will be used for activities that benefit low- to moderate-income persons. HCDD's Finance Division monitors budgets to ensure that this requirement is met and also determines the appropriateness of expenditures in this category; ensuring that program areas are adhering to established budget limitations.

Planning and Administrative Costs Cap (20 percent). The total amount of CDBG funds obligated for planning and administrative costs must not exceed 20 percent of the annual grant allocation plus 20 percent of program income received. HCDD's Finance Division monitors planning and administrative budgets to determine the appropriateness of expenditures in this category, ensuring that program areas are adhering to established budget limitations.

HOME Investment Partnership Grant (HOME)

Spending Deadlines. For each grant received, City has two years to commit funds (including reserving funds for CHDOs) and five years to spend funds. To remain in compliance, HCDD staff holds periodic meetings to ensure program and project spending is on target to meet this requirement.

Planning and Administrative Cap. HCDD will construct the 2011 Annual Action Plan budget based on the requirement that no more than 10 percent of the HOME Investment Partnership Program allocation plus program income received be used for planning and administration costs. Periodic meetings involving the HCDD Finance Division and program staff utilizing HOME funds will be held to ensure that ongoing spending complies with this regulation.

Other Forms of Investment. The City of Houston uses HOME funds for equity investments, amortizing interest bearing or non-interest bearing loans or advances, and performance based loans and grants. Presently, the City does not use HOME funds to guarantee loans.

Refinancing Guidelines. In accordance with 24 CFR 92.206(b) and 24 CFR 91.220(c), HCDD permits refinancing of existing HOME financed projects under specific conditions and circumstances.

Applicants must demonstrate that:

- Rehabilitation is the primary eligible activity.
 - A rehab in which HOME funds are used to reduce any dollars in the capital structure, is considered rehabilitation and refinancing
 - Applicants can demonstrate compliance by reporting a minimum of \$5,000 of rehabilitation per unit.
- Disinvestment in the property has not occurred
- Property will meet the extended, 15-year affordability period
- The project, based on the included feasibility analysis, can reasonably service the targeted population over the affordability period
- The rehabilitated property will have at least 5 percent of its units designated as disability accessible and 2 percent designated as appropriate for use by the visually and hearing impaired
- The new investment being made
 - Maintains current affordable units; creates additional affordable units, or both
 - Funds a project which lies within the boundaries of the City of Houston
 - Is on a site and within a neighborhood suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of title VI of the Civil Rights Act of 1964, the Fair Housing Act, Executive Order 11063, and implementing HUD regulations

A rehabilitation project in which all HOME funds are used for construction costs is not considered a refinancing. HOME funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG.

Resale/Recapture Requirement. For homebuyer assistance, the applicant must occupy the property as his/her principal residence through the Affordability Period. Once the Affordability Period ends, no recapture restrictions will apply. If the property is sold during the Affordability Period, the City will recapture a portion of the "Shared Net Sales Proceeds," if any. "Shared Net Sales Proceeds" equals the future sales price less the amount needed to repay any loans superior to the City's Downpayment Assistance loan.

"Shared Net Sales Proceeds" will be divided proportionally between the City and the homeowner as set forth in the following mathematical formulas:

$\frac{\text{Homebuyer Assistance Program Loan Amount}}{\text{Homebuyer Assistance Program Loan Amount} + \text{Homeowner Investment}}$	x	Shared Net Sales Proceeds	=	HAP Loan Amount To Be Recaptured
$\frac{\text{Homeowner Investment}}{\text{Downpayment Assistance Program Loan Amount} + \text{Homeowner Investment}}$	x	Shared Net Sales Proceeds	=	Amount to Homeowner

The Homebuyer Assistance program loan amount used in the above formulas will be prorated over the affordability period. The maximum amount the City will recapture will be the full amount of the loan.

If the homeowner vacates or rents the property during the affordability period, the full amount of the loan will be immediately due and payable to the City, unless the homeowner establishes his/her actual residency pursuant to evidence acceptable to the Director.

In the case of other default during the affordability period, the City may pursue all remedies available to the City under the loan promissory note, the deed of trust, or other program loan documents. During the continuance of any such default, the loan shall bear interest at a rate of six percent per annum (“Default Rate”).

In the development of home purchase agreements, the HCDD will utilize the recapture clause noted above, which is based on Shared Net Proceeds (see HOME Program regulations at 24 CFR 92.254 (a) (5) (ii)).

Tenant-Based Rental Assistance. For FY 2012, the Department will not utilize HOME Investment Partnership Program funds for the Tenant-Based Rental Assistance Program.

Affirmative Marketing. The U.S. Department of Housing and Urban Development (HUD) requires that recipients of HOME Investment Partnership (HOME) Program funds adopt an Affirmative Marketing Plan. The City has developed policies and procedures covering both rental and homebuyer projects, which cover dissemination of information, technical assistance to applicants, project management, reporting requirements, and project review.

The City has established procedures to affirmatively market units financed through City-funded programs, as required for those projects assisted with HOME funds and consisting of five (5) or more units. These procedures are intended to further the objectives of Title VIII of the Civil Rights Act of 1968 and Executive Order 11063, as amended.

The goal is to ensure that eligible persons from all racial, ethnic, national origin, religious, familial status, the disabled, “special needs,” and gender groups are:

- Fully informed of vacant units for sale and/or rent
- Encouraged to apply for sale and/or rent
- Given the opportunity to buy and/or rent the unit of their choice

Dissemination of Information. In accordance to the affirmative marketing policies and procedures, HCDD will inform potential renters/owners about available opportunities and supporting requirements through the City’s website, publications, workshops/seminars, and the placement of flyers/posters at City facilities. Particular emphasis will be on low- to moderate-income areas and those communities with minority concentrations.

Technical Assistance to Applicants. Once HCDD issues a “conditional commitment” to fund a project, staff will share with the applicant the City’s Affirmative Marketing Plan requirements. Staff will assist the applicant to develop an Affirmative Marketing Plan for insertion into the contract’s scope of work. The plan, pursuant to federal regulations, will outline strategies to inform the public about the housing opportunities, requirements, and practices that the owner must adhere to in executing the Affirmative Marketing Plan. This includes the procedures that will be followed in soliciting tenant applications, followed by a description

of records that will be maintained and made available for review by HCDD, as needed. Following City Council approval, the developer will be required to implement the Affirmative Marketing Plan, promoting the affordable housing project in low- to moderate-income communities and in areas of minority concentration.

Management of Multifamily Projects. HCDD will assign a staff member to each multifamily project funded by the City. Immediately following City Council approval, the Relationship Manager will coordinate a meeting with the developer to review all pertinent requirements related to execution of the agreement between the developer and the City of Houston and the satisfaction of federal requirements. The assigned Relationship Manager will have primary responsibility for ensuring the execution of the Affirmative Marketing Plan, as outlined in the contract's scope of work. The developer will have the responsibility for submitting annual reports detailing how affirmative marketing requirements have been met. The City will carry out affirmative marketing assessment activities and complete a written assessment of affirmative marketing efforts, for inclusion in its annual performance report to HUD.

Minority Outreach. The City of Houston's Certification and Outreach section implements City Ordinance Numbers 84-1309, 95-336, and 99-893, approved by City Council for the purpose of equalizing the opportunity of minority, women, and disadvantaged business owners to compete for City contracts. In December 1998, Council passed Ordinance 98-1213, which implemented an MWBE graduation program based on the Small Business Administration (SBA) Size Standards and a program to include persons with disabilities business enterprise (PDBE) owners in City contracting.

This section certifies the legitimacy of ownership, management, and control of firms applying for MWDBE/SBE and PDBE status. Only firms certified by this section can be used to satisfy the respective goal requirements. This area also maintains a MWDBE / SBE Directory.

Firms wishing to become certified can attend one of the weekly Pre-Certification Workshops offered each Thursday at 2:00 p.m. at the Affirmative Action Office located at 611 Walker, 7th floor, Houston, Texas 77002. These workshops address certification requirements and procedures and provide business owners with information on how to do business with the City. All programs and services geared toward small, as well as minority- and women-owned businesses are available to businesses owned by persons with disabilities and disadvantaged business enterprises.

Recruiting efforts are implemented to increase and maintain the number of certified minority owned businesses in the City's MWDBE program. After the company is certified, the Contract Compliance Officers refer the MWDBE to prime contractors, suppliers, and City departments who utilize their services and products.

In accordance with Resolution 81-2, the Certification and Outreach Section also works with many community groups. Affirmative Action co-sponsors or sponsors many meetings, conferences, and activities each year, including Government Procurement Connections, the EXPO Business Opportunity Marketplace and Minority Enterprise Development Week (MED Week).

- MWBE Goals and Program Information
- Pre-Certification Workshop & the Certification Process
- Requirements for Certification
- Advantages of Certification
- MWBE Directory

- Criteria for Social and Economic Disadvantage (For DBE certification)
- Personal Net Worth Information (For DBE certification)

The City's Small/MWBE assistance section provides programs that foster the economic growth and development of MWDBEs.

HOME Matching Funds. The City, as a fiscally distressed Participating Jurisdiction in the HOME Program, must match 12.5 cents for each dollar of HOME funds spent on affordable housing. The match must come from state or local, non-federal sources, and constitutes a permanent contribution to the HOME Program. Since July 2005, the City requires multifamily applicants to help generate match and requires that they provide and document the match as pledged in relation to their award. Rules regarding what can be counted as a match under the HOME Program are very specific; therefore, HCDD strictly adheres to and maintains compliance with 24 CFR 92.

The HOME match obligation may be met with any of the following sources

- Cash or cash equivalents from a non-federal source
- Value of waived taxes, fees or charges associated with HOME projects
- Value of donated land or real property
- Cost of infrastructure improvements associated with HOME projects
- Value of donated materials, equipment, labor and professional services

The match requirement for the City has been met with cash contributions from its Housing and Homeless Bond Fund, Resolution Trust Corporation Property Acquisition, Sales Program funds, and Tax Increment Reinvestment Zone (TIRZ) Affordable Housing Set-Aside funding. Information regarding the match will be updated in the 2010 CAPER, which will be submitted to HUD in September 2011.

Housing Opportunities for Persons Living With AIDS (HOPWA)

Spending Deadline. For each grant received, the City has three years to expend funds.

Planning and Administrative Cap (Grantee). HCDD will construct the 2011 Annual Action Plan budget based on the requirement that no more than three percent of the allocation be used for planning and administration costs. Periodic meetings involving Finance Division and program staff utilizing HOPWA funds will be held to ensure that ongoing spending complies with this regulation.

Planning and Administrative Cap (Project Sponsor). HCDD will construct the 2011 Annual Action Plan budget based on the requirement that no more than seven percent of the allocation be used for planning and administration costs by project sponsor. Periodic meetings involving the Finance Division and program staff utilizing HOPWA funds will be held to ensure the ongoing spending complies with this regulation. Ongoing monitoring and accounting control mechanisms are also employed to ensure project sponsor spending complies with this regulation.

One-Year Goals. Between July 2011 and June 2012, it is anticipated that approximately 4,224 residents will be assisted through HOPWA-funded services, while 2,980 will receive tenant-based rental assistance. For FY 2012, the number of recipients is projected to decrease, as a result in funding cuts though the demand is likely to remain the same. In the case of supportive services, the number served for the last two years has stayed relatively the same, at 1,800 clients. We do not anticipate a significant change in this number for

the 2011 Annual Action Plan. HCDD projects that there will be a decrease in the number of clients who will receive homeless prevention assistance during the next fiscal year, due to the decrease in HOPWA funding.

Emergency Solutions Grant (ESG)

The Emergency Solutions Grant (ESG), formerly the Emergency Shelter Grant, calculations used in the Plan area based upon preliminary guidance provided to HCDD staff at 2009 Hearth Act training on April 5, 2011. While allocation and set-aside policies are still pending final guidance from HUD, HCDD used the following assumptions based on the formula information provided at that training.

- Up to 7.5 percent may be used for administrative expenses
- Minimum of 40 percent used for Prevention and Rapid Rehousing (20 percent each)
- Prevention and in shelter services are allocated under the Operation and Supportive Services categories and comprise a total of 60 percent of the allocation (30 percent each)
- HCDD calculated the 60/40 split after the 7.5 percent in administrative costs were deducted from the \$1,844,610 allocation

MONITORING

MONITORING SECTION

Overview. To ensure compliance with the provisions of the Housing and Community Development Act of 1974, and other federal and contractual requirements, the U.S. Department of Housing and Urban Development (HUD) requires grant recipients to establish a monitoring system to ensure objective reviews of HUD programs and activities. Monitoring is the principal means by which the City of Houston's Housing and Community Development Department (HCDD)

- Ensures that program activities are carried out efficiently, effectively, and in compliance with applicable laws and regulations
- Assists program participants in improving their performance by developing or increasing capacity and augmenting their management and technical skills
- Stays abreast of the efficacy of community planning and development administered programs and technical areas within the communities HCDD programs serve

To enhance this functional requirement, on August 6, 2010, under new leadership, HCDD was completely reorganized. As a result of this action, the Compliance & Monitoring Division was created. This Division has three sections - Contract Monitoring, Contract Compliance, and Portfolio Compliance; with a total staff of thirty-three reporting to the Assistant Director of Compliance & Monitoring.

Contract Monitoring. The Contract Monitoring section has two groups: Internal Monitoring and Contract Monitoring. The Internal Monitoring group is responsible for monitoring all internal programs and financial processes, assisting with contract development and structure, and ensuring current programs are operating and new programs are developed, according to the policies and regulations supporting each grant. The Program Monitoring group is responsible for monitoring all grant supported programs and activities (CDBG, ESG, HOME, HOPWA, NSP, and all special or one-time grants).

Contract Compliance. The Contract Compliance section monitors all activities associated with

- Section 3
- Davis-Bacon Labor Standards
- Women and Minority Business Enterprises
- Environmental Assessments
- Fair Housing concerns and impediments
- Multifamily Relocation

To ensure compliance with local and federal requirements supporting these areas, staff will conduct desk audits and site inspections, and provide technical assistance. This includes analyzing, evaluating, and enforcing applicable regulations.

Portfolio Compliance. The Portfolio Compliance section is responsible for monitoring to ensure occupancy and eligibility certifications are adhered to for single and multifamily projects. Housing Quality Standards compliance inspections are conducted for multifamily projects and minimum housing standards compliance monitoring is performed on single family rehabilitation projects. Monitoring is performed through desk audits of monthly reports, on-site reviews of tenant files and related financial data, and annual physical property inspections. These monitoring activities begin just prior to initial occupancy and continue through contractually designated loan terms, and/or the affordability period. Additionally, for multifamily projects,

this section is responsible for providing technical assistance and training to the owners and property management staff throughout this period.

Monitoring Approach and Objectives

- For all sub-recipients, contracts, and program activities, conduct at least one annual monitoring review. A risk-based analysis is performed; and high-risk programs and/or projects could see more than one monitoring review per annual contract year.
- Assess the capacity of the entity carrying out the approved project or activity.
- Determine if entity is delivering program activities as described in the agreement or contract with the City.
- Determine if costs charged to projects are eligible under applicable laws and regulations.
- Determine if there is adequate control over program and financial performance to minimize opportunity for waste, mismanagement, fraud, and abuse.
- Identify potential problem areas and assist with resolving compliance problems through discussion and negotiation, along with technical assistance and training.
- Provide adequate follow-up measures to ensure that performance and compliance deficiencies are corrected and not repeated.
- Determine if and remediate any, conflicts of interest that exist in the operation of federally funded programs.
- Ensure that required records are maintained that demonstrate compliance with applicable regulations pertaining to rental rates, occupancy, eligibility, family income, minimum property standards and usage, fair housing, Section 3, MBE participation, and Davis-Bacon wage rates.

Planning & Grants Management. The Planning and Grants Management Division also contributes to the proper function of the Compliance and Monitoring function. HCDD continues to build program management and reporting capacity to address department-wide financial and data needs. This will allow us to coordinate our efforts to

- Develop consistency in program area financial and data collection and reporting
- Meet grant spending timeliness requirements
- Meet grant commitment deadlines
- Maintain grant spending limits/caps
- Develop financial and production reporting standards & formatting
- Ensure accuracy and integrity in financial and production data
- Develop management reporting templates
- Manage other, non-grant funding sources (TIRZ, homeless & housing bonds)
- Meet non-entitlement (special) grant reporting requirements

The Department continues to develop program area resources to

- Manage program area budgets for all grant funding allocations
- Understand existing resources: IDIS/SAP/HUD Reports
- Track program area activity in SAP/IDIS/Pipeline
- Project program area financial forecasts/budgets

- Identify, collect, and present financial and production data required for the Consolidated/Action Plan, CAPER, Housing Plan, Non-entitlement grant reporting, and ad hoc reporting, as needed
- Explore development of database to support performance measurement and other data collection/tracking needs

The Department has developed program area specific “Performance Measurement” training to create program area subject matter expertise in developing performance measures and to facilitate program area tracking of performance measures and other activities/measures deemed beneficial for program and department management.

HCDD SECTION 3 PROGRAM

HCDD's Section 3 Program Goals.

- Employment: Thirty percent of the aggregate number of new hires during a one-year period of the project.
- Contracting: (a) At least 10 percent of the total dollar amount for all contracts for building trade work associated with housing rehabilitation, construction, and other public construction with federal funds subject to Section 3 requirements; and (b) At least three percent of the total dollar amount of all other covered Section 3 contracts to eligible Section 3 businesses.

Section 3 Hiring Policy for Individuals.

- Primary Priority: Low- and very low-income residents in “affected neighborhoods” adjacent to or near where a project is located
- Second Priority: Other low- and very low-income residents throughout the City

Section 3 Outreach.

Sub-grantees, private entities, developers, and contractors are contractually obligated to:

- Conduct aggressive employment outreach to a number of community-based agencies
- Accept and give preferential employment consideration to referred Section 3 eligible individuals
- Perform appropriate employment outreach

Section 3 Outreach Partner Agencies.

HCDD will engage in on-going outreach and educational efforts throughout the year. The City will send announcements to the following community-based business organizations two calendar weeks prior to the closing date of any Section 3 applicable project

- African American Chamber of Commerce of Greater Houston
- Alliance of Minority Contractors of Houston
- Asian Chamber of Commerce
- Association of Business Contractors, Houston
- Hispanic Chamber of Commerce
- Houston Citizens Chamber of Commerce
- National Association of Minority Contractors (NAMC Greater Houston)
- Tri-County Black Chamber of Commerce
- National Association of Women in Construction, Houston Branch
- SER – Jobs for Progress, Inc.
- Women’s Business Enterprise Alliance
- Women's Chamber of Commerce of Texas

ALLOCATIONS & APPLICATIONS

**PROJECTED USE OF ALL GRANT FUNDS
BUDGET
(2011 – 2012)**

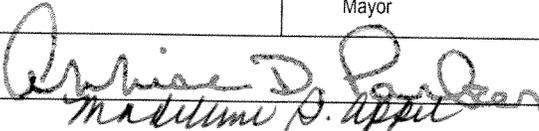
ALL FUNDING SOURCES

The following represents a detailed breakdown of anticipated federal allocations by program and projected "Program Income." The total of \$46,934,866 will finance improvement projects during the 37th Program Year (July 1, 2011 – June 30, 2012). See Description of Activities for more detailed information.

Entitlement Grant* (includes reallocation funds):	
CDBG	\$27,341,979
Prior years reallocation	\$0
HOME	\$12,415,504
ESG	\$1,844,610
HOPWA	\$7,127,183
Sub-Total	\$48,729,276
Total Estimated Program Income:	
CDBG	\$3,071,711
HOME	\$159,378
Sub-Total	\$3,231,089
Section 108 Loan Guarantee Fund	\$0
Total Funding Sources	\$51,960,365
Other Funds	
Submitted Proposed Activities Totals	\$51,960,365

CDBG APPLICATION & BUDGET

Application for Federal Assistance

		2. Date Submitted	Applicant Identifier CDBG – B11-MC-48-0018
1. Type of Submission: Application: Non-Construction Pre application:	3. Date Received by State		State Application Identifier TX-W-20100430-0003-50
	4. Date Received by Federal Agency		Federal Identifier
5. Applicant Information			
Legal Name City of Houston DUNS #832431985		Organizational Unit Housing and Community Development	
Address 601 Sawyer P. O. Box 1562 Houston, TX 77251		Contact James Noteware, Director 713-868-8305	
6. Employer Identification Number (EIN): 746001164		7. Type of Applicant: Municipal	
8. Type of Application: Type: New		9. Name of Federal Agency: U. S. Department of Housing and Urban Development	
10. Catalog of Federal Domestic Assistance Number: Catalog Number: 14.218 Assistance Title: Community Development Block Grant		11. Descriptive Title of Applicant's Project:	
12. Areas Affected by Project: City of Houston			
13. Proposed Project:		14. Congressional Districts of:	
Start Date 07/01/11	End Date 06/30/12	a. Applicant	b. Project
15. Estimated Funding:		16. Is Application Subject to Review by State Executive Order 12372 Process? Review Status: Program not covered	
a. Federal \$27,341,979			
b. Applicant	\$0		
c. State	\$0		
d. Local	\$0		
e. Other	\$0	17. Is the Applicant Delinquent of Any Federal Debt? No	
f. Program Income	\$3,071,711		
g. Total	\$30,413,690		
18. To the best of my knowledge and belief, all data in this application/pre application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded.			
a. Typed Name of Authorized Representative Annise D. Parker		b. Title Mayor	c. Telephone Number (832) 393-1011
d. Signature of Authorized Representative 		e. Date Signed 5-11-11	

Attest/Seal:

W. Russell

City Secretary

Countersigned:

Ronald C. Shaw

City Controller

Ch. B. ...

DATE OF COUNTERSIGNATURE: May 12, 2011

APPROVED:

[Signature]

Director

Housing and Community Development Department

APPROVED AS TO FORM:

Barbara J. Pierce

Assistant City Attorney

**PROJECTED USE OF CDBG FUNDS BUDGET FOR
THIRTY-SEVENTH PROGRAM YEAR
(July 1, 2011 - June 30, 2012)**

PUBLIC FACILITIES AND IMPROVEMENTS

Neighborhood Facilities (Public/Private)		\$5,829,241
Program Delivery Costs		\$300,000
	SUB-TOTAL	\$6,129,241

HOUSING

Single Family Home Repair		\$3,477,566
Single Family Home Repair Relocation		\$300,000
Program Delivery Costs		\$1,500,000
Lead-Based Paint Testing (SFHR Program)		\$350,000
Lead-Based Paint Matching Grant		\$650,000
	SUB-TOTAL	\$6,277,566

PUBLIC SERVICES

ESG - Match		\$700,000
Various Public Services		\$4,400,376
	SUB-TOTAL	\$5,100,376

ECONOMIC DEVELOPMENT

Economic Development Assistance Programs		\$2,400,000
	SUB-TOTAL	\$2,400,000

NEIGHBORHOOD PROTECTION

Code Enforcement & Legal Department		\$3,586,400
	SUB-TOTAL	\$3,586,400

RETROFITTING FOR ACCESSIBILITY

Neighborhood Facilities & Single Family Housing		\$537,369
	SUB-TOTAL	\$537,369

PROGRAM ADMINISTRATION

CDBG Program Administration		\$5,742,704
Legal Department Administration		\$253,385
Finance Department Administration		\$86,649
	SUB-TOTAL	\$6,082,738

PROGRAM DELIVERY

Procurement - Legal & Audit Services		\$300,000
	SUB-TOTAL	\$300,000

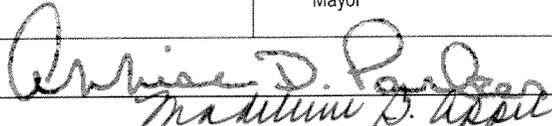
	TOTAL	\$30,413,690
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ESTIMATE OF THIRTY-SEVENTH YEAR CDBG PROGRAM INCOME

SOURCE OF PROGRAM INCOME	AMOUNT
Multifamily Housing Loan Repayments	\$671,711
Small Business Revolving Loan Repayments	\$1,300,000
Palm Center Operations	\$1,100,000
Other Program Income	\$0
TOTAL	\$3,071,711
PROJECTED USE OF PROGRAM INCOME	AMOUNT
Small Business Revolving Loan Fund	\$1,300,000
Palm Center Operations	\$1,100,000
All Other Programs:	
Neighborhood Facilities & Single Family Housing – Accessibility Retrofit	\$537,369
Administration	\$134,342
TOTAL	\$3,071,712
TOTAL FUNDING DOLLARS AVAILABLE 2011 Plan Year	AMOUNT
Thirty-Seventh Year CDBG Allocation	\$27,341,979
Estimated Program Income	\$3,071,711
TOTAL	\$30,413,690

HOME APPLICATION & BUDGET

Application for Federal Assistance

		2. Date Submitted	Applicant Identifier HOME – M11-MC-48-0206
1. Type of Submission: Application: Non-Construction Pre application:	3. Date Received by State		State Application Identifier TX-W-20100430-0003-50
	4. Date Received by Federal Agency		Federal Identifier
5. Applicant Information			
Legal Name City of Houston DUNS #832431985		Organizational Unit Housing and Community Development	
Address 601 Sawyer P. O. Box 1562 Houston, TX 77251		Contact James Noteware, Director 713-868-8305	
6. Employer Identification Number (EIN): 746001164		7. Type of Applicant: Municipal	
8. Type of Application: Type: New		9. Name of Federal Agency: U.S. Department of Housing and Urban Development	
10. Catalog of Federal Domestic Assistance Number: Catalog Number: 14.239 Assistance Title: HOME Investment Partnerships		11. Descriptive Title of Applicant's Project: Multifamily rehabilitation, construction, homebuyer assistance	
12. Areas Affected by Project:			
13. Proposed Project:		14. Congressional Districts of:	
Start Date 07/01/11	End Date 06/30/12	c. Applicant	d. Project
15. Estimated Funding:		16. Is Application Subject to Review by State Executive Order 12372 Process? Review Status: Program not covered	
h. Federal	\$12,415,504		
i. Applicant	\$0		
j. State	\$0		
k. Local	\$0	17. Is the Applicant Delinquent of Any Federal Debt? No	
l. Other	Prior Years Funding \$0		
m. Program Income	\$159,378		
n. Total	\$12,574,882		
18. To the best of my knowledge and belief, all data in this application/pre application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded.			
e. Typed Name of Authorized Representative Annise D. Parker		f. Title Mayor	g. Telephone Number (832) 393-1011
h. Signature of Authorized Representative 		e. Date Signed 5-11-11	

Attest/Seal:

Conrad Russell

City Secretary

Countersigned:

Ronald C. Green

City Controller

Ch. B. Vonn

DATE OF COUNTERSIGNATURE: May 12, 2011

APPROVED:

J. Stetson

Director

Housing and Community Development Department

APPROVED AS TO FORM:

Barbara J. Pierce

Assistant City Attorney

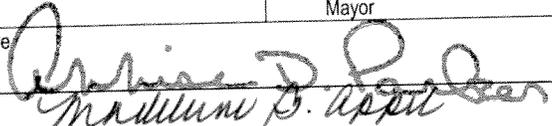
**PROPOSED USE OF HOME FUNDS
ALLOCATION OF FUNDS**

	Amount
Single Family Downpayment/Closing Cost Assistance (New or Existing Home)	\$4,301,209
Multifamily Acquisition/Rehabilitation/New Construction/Relocation	\$4,167,209
Community Housing Development Organization (CHDOs) Operations	\$2,514,976
Single/Multifamily Set-Aside	\$1,697,609
Pre-Development Assistance	\$188,623
CHDO Operating Expenses	\$628,744
Program Delivery Costs	\$334,000
Multifamily	\$234,000
Homebuyer Assistance	\$100,000
Planning and Program Administration	\$1,257,488
TOTAL	\$12,574,882*
Project HOME Allocation	\$12,415,504
Sources of Estimated Program Income:	
Multifamily Housing Loan Repayments	\$159,378
Other Program Income	\$0
TOTAL	\$12,574,882

*Includes Program Income

HOPWA APPLICATION & BUDGET

Application for Federal Assistance

1. Type of Submission: Application: Non-Construction Pre application:	2. Date Submitted	Applicant Identifier HOPWA – TXH11 – F004
	3. Date Received by State	State Application Identifier TX-W-20100430-0003-50
	4. Date Received by Federal Agency	Federal Identifier
5. Applicant Information		
Legal Name City of Houston DUNS #832431985	Organizational Unit Housing and Community Development	
Address 601 Sawyer P. O. Box 1562 Houston, TX 77251	Contact James Noteware, Director 713-868-8305	
6. Employer Identification Number (EIN): 746001164	7. Type of Applicant: Municipal	
8. Type of Application: Type: New	9. Name of Federal Agency: U. S. Department of Housing and Urban Development	
10. Catalog of Federal Domestic Assistance Number: Catalog Number: 14.241 Assistance Title: Housing Opportunities for Person with AIDS	11. Descriptive Title of Applicant's Project: Housing services, homelessness prevention for individuals and families affected by AIDS and HIV.	
12. Areas Affected by Project: Houston, Pasadena and Baytown, Harris, Fort Bend, Montgomery, Liberty, Waller and Chambers Counties.		
13. Proposed Project:	14. Congressional Districts of:	
Start Date 07/01/11 End Date 06/30/12	a. Applicant	b. Project
15. Estimated Funding:	16. Is Application Subject to Review by State Executive Order 12372 Process? Review Status: Program not covered	
a. Federal \$7,127,183		
b. \$0		
c. Applicant \$0		
d. State \$0		
e. Local \$0		
f. Other \$0		
g. Program Income \$0		
h. Total \$7,127,183	17. Is the Applicant Delinquent of Any Federal Debt? No	
18. To the best of my knowledge and belief, all data in this application/pre application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded.		
a. Typed Name of Authorized Representative Annise D. Parker	b. Title Mayor	c. Telephone Number (832) 393-1011
d. Signature of Authorized Representative 	e. Date Signed 5-11-11	

Attest/Seal:

City Secretary

Countersigned:

City Controller

DATE OF COUNTERSIGNATURE: May 12, 2011

APPROVED:

Director

Housing and Community Development Department

APPROVED AS TO FORM:

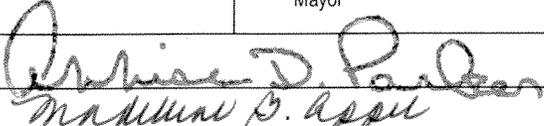
Assistant City Attorney

HOPWA 2011 ACTION PLAN – PROGRAM SUMMARY BUDGET

Eligible Activities	Short-term Facilities		SRO Dwellings		Community Residences		Other Housing		Non-Housing		TOTALS		
	HOPWA Funds	Other Funds	HOPWA Funds	Other Funds	HOPWA Funds	Other Funds	HOPWA Funds	Other Funds	HOPWA Funds	Other Funds	HOPWA Funds	Other Funds	HOPWA Percent
Acquisition/Rehab/Conversion/Repairs/Lease													0.0%
New Construction													0.0%
Operating Costs					810,920						926,933		13.0%
Technical Assistance/Housing Information/Resource ID													0.0%
Supportive Services					150,310				1,352,790		1,718,140		24.1%
Project or Tenant-based Rental Assistance							1,648,821				1,884,708		26.4%
Short-term Rent, Mortgage, & Utility Subsidies							1,648,800				1,884,684		26.4%
Grantee Administration									187,054		213,815		3.0%
Sponsor Administration									436,460		498,903		7.0%
TOTAL					961,230		3,297,621		1,976,304		7,127,183	0	100.0%

EMERGENCY SOLUTIONS GRANT (ESG)
(2011-2012)

Application for Federal Assistance

		2. Date Submitted	Applicant Identifier ESG – S11 – MC-48-0003
1. Type of Submission: Application: Non-Construction Pre application:	3. Date Received by State		State Application Identifier TX-W-20100430-0003-50
	4. Date Received by Federal Agency		Federal Identifier
5. Applicant Information			
Legal Name City of Houston DUNS #832431985		Organizational Unit Housing and Community Development	
Address 601 Sawyer P. O. Box 1562 Houston, TX 77251		Contact James Noteware, Director 713-868-8305	
6. Employer Identification Number (EIN): 746001164		7. Type of Applicant: Municipal	
8. Type of Application: Type: New			
10. Catalog of Federal Domestic Assistance Number: Catalog Number: 14.231 Assistance Title: Emergency Solutions Grant		11. Descriptive Title of Applicant's Project:	
12. Areas Affected by Project: City of Houston and Harris County			
13. Proposed Project:		14. Congressional Districts of:	
Start Date 07/01/11	End Date 06/30/12	e. Applicant	f. Project
15. Estimated Funding:		16. Is Application Subject to Review by State Executive Order 12372 Process Review Status: Program not covered	
i. Federal \$1,844,610			
j. Applicant \$0			
k. State \$0			
l. Local \$0			
m. Other \$0			
n. Program Income \$0			
o. Total \$0		17. Is the Applicant Delinquent of Any Federal Debt? No	
18. To the best of my knowledge and belief, all data in this application/pre application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded.			
a. Typed Name of Authorized Representative Annise Parker		b. Title Mayor	g. Telephone Number (832) 393-1011
h. Signature of Authorized Representative  Madeline B. Appel		e. Date Signed 5-11-11	

Attest/Seal:

Erin Russell

City Secretary

Countersigned:

Ronald C. Shaw

City Controller

Ch. B. ...

DATE OF COUNTERSIGNATURE: May 12, 2011

APPROVED:

[Signature]

Director

Housing and Community Development Department

APPROVED AS TO FORM:

Barbara J. Pierce

Assistant City Attorney

2011 EMERGENCY SOLUTIONS GRANT BUDGET

<u>Use of Funds¹</u>	<u>Amount</u>
Administration	\$138,346
Operations	\$511,879
Essential and Supportive Services	\$511,879
Prevention	\$341,253
Rapid Rehousing	\$341,253
TOTAL	\$1,844,610
 <u>ESG - Allocation</u>	 \$1,844,610
 <u>ESG In-Kind Contributions</u>	
HCDD Match ²	\$700,000
Subgrantee Match	\$1,144,610
TOTAL IN-KIND	\$1,844,610

¹ ESG Allocations are pending final HUD guidance on the allocation and required set-aside amounts. HCDD proposed use of funds assumptions based formulas provided at on April 5, 2011, HEARTH Act Training.

² Community Development Block Grant (CDBG) Match (\$700,000) is already included in the CDBG allocation/application.



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.

- This certification does not apply.
 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.

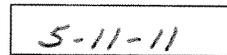
Authority of Jurisdiction -- The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

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.



Annise D. Parker
Signature/Authorized Official



Date

Name

Title

Address

City/State/Zip

Telephone Number

- This certification does not apply.
 This certification is applicable.

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) 2011, 2012, 2013, (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



5-11-11

Date

Annise D. Parker

Name

Mayor

Title

901 Bagby

Address

Houston, Texas 77002

City/State/Zip

832-393-1011

Telephone Number

- This certification does not apply.
 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.

Annise D. Parker
Matthew D. Apple

5-11-11

Signature/Authorized Official

Date

Annise D. Parker

Name

Mayor

Title

901 Bagby

Address

Houston, Texas 77002

City/State/Zip

832-393-1011

Telephone Number

- This certification does not apply.
 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;

Annise D. Parker
Maddame D. Appel

Signature/Authorized Official

5-11-11

Date

Annise D. Parker

Name

Mayor

Title

901 Bagby

Address

Houston, Texas 77002

City/State/Zip

832-393-1011

Telephone Number

- This certification does not apply.
 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.

Annsie D. Parker
Madeline D. Appel

5-11-11

Signature/Authorized Official

Date

Annsie D. Parker

Name

Mayor

Title

901 Bagby

Address

Houston, Texas 77002

City/State/Zip

832-393-1011

Telephone Number

- This certification does not apply.
 This certification is applicable.

ESG Certifications

I, Annise D. Parker, Chief Executive Officer of Jurisdiction, 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.

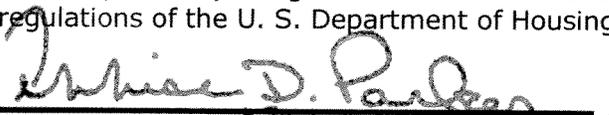
I further certify that the local government will comply with:

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


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.
--

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

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

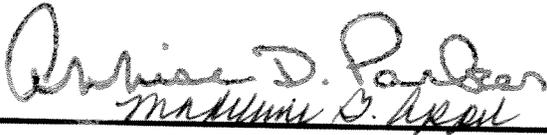
Jurisdiction

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


Annise D. Parker
Mayor

5-11-11

Signature/Authorized Official

Date

Annise D. Parker

Name

Mayor

Title

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