

***Annual Budget Narrative Statement***  
*Performance Measurements*  
***2008 - 2009 Fiscal Year***

***I. PROGRAM ADMINISTRATION***

**A. General Administration: (CDBG Funds) \$126,307** – Funds allocated for salaries, fringe benefits and general expenses for administration of the Community Development Program (i.e. legal fees, supplies, dues and subscriptions, advertising, etc.); **(HOME Funds) \$82,141** – Funds to supplement salaries and general expenses for the administration of the HOME Program.

**Strategic Goal:** Maintain high standards of accountability, management and ethical work practices  
**Matrix Code:** 21A General Program Administration 570.206  
**Specific Objective:** N/A  
**Proposed Outcome:** Successful administration of CDBG & HOME Programs  
**Performance Measure:** Approval of Consolidated Annual Performance & Evaluation Report and Annual Action Plan by U.S. Dept. of HUD – 98% accuracy

**B. Project Delivery Costs: (CDBG Funds) \$119,035; (HOME Funds) \$144,084** – Funds allocated for salaries, fringe benefits and general expenses in the execution of the rehabilitation/new construction, affordable housing programs.

**Strategic Goal:** Promote safe, decent affordable housing  
**Matrix Code:** 14H Rehabilitation Administration 570.202  
13Direct Homeownership Assistance 570.201(n)  
**Specific Objective(s):** Decent Affordable Housing  
**Proposed Outcome:** Affordability  
**Performance Measure:** 90% of units inspected will receive rehabilitation assistance or downpayment assistance

**C. Section 108 Loan: (108 PI Funds) \$316,227** – Loan Repayment on all Section 108 loan programs.

**Strategic Goal:** Promote safe, decent affordable housing  
**Matrix Code:** 19F Planned Repayment of Section 108 Loan P&I  
**Specific Objective(s):** Decent Affordable Housing  
**Proposed Outcome:** Affordability  
**Performance Measure:** 100% required payment completed

**II. COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO):  
(HOME Funds – set-aside) \$123,211**

Reinvesting in Communities, Inc. (RIC) is the designated CHDO and will receive 15% of the HOME allocation (\$123,211). The funds will be used to develop affordable housing for low/mod income families and individuals with emphasis on special needs populations.

**Strategic Goal:** Promote safe, decent affordable housing  
**Matrix Code:** 12 Construction of housing 570.201(m)  
**Specific Objective(s):** Increase the supply of decent affordable housing  
**Proposed Outcome:** Affordability  
**Performance Measure:** 50% completion of 8 housing units

**III. COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO):  
(HOME Funds – capacity building/operating expense) \$41,070**

Reinvesting in Communities, Inc. (RIC) is the designated CHDO and will receive 5% of the HOME funds for capacity building activities and operating expense.

**Strategic Goal:** Promote the development and participation of community-based organizations  
**Matrix Code:** 21 I HOME CHDO Operating Costs  
**Specific Objective(s):** Improve access to decent affordable housing  
**Proposed Outcome:** Affordability  
**Performance Measure:** Satisfactory monitoring of projects with 95% client file accuracy

**IV. PUBLIC SERVICES**

**A. SUBRECIPIENTS: (CDBG Funds) \$85,665** – The City of Gastonia through its Citizen Participation Process has developed a Consolidated Plan that lists local housing and non-housing community development priority needs.

**Strategic Goal:** Strengthen communities within the consortium  
**Matrix Code:** 05 Public Services (General) 570.201(e)  
**Specific Objective(s):** Suitable Living Environment  
**Proposed Outcome:** Availability

**With Friends** \$20,265  
**Performance Measure:** To be determined by service(s) provided

**As One Ministries** \$38,600  
**Performance Measure:** To be determined by service(s) provided

**Inter Faith Hospitality** \$19,300  
**Performance Measure:** To be determined by service(s) provided

**Non-profit Assistance** \$7,500  
**Performance Measure:** To be determined by service(s) provided

**B. FAIR HOUSING/MBE: (CDBG Funds) \$4,000** – Funds allocated for general expenses for fair housing administration, fair housing activities, fair housing hot line and minority recruitment of contractors.

**Strategic Goal:** Ensure equal opportunity in housing  
**Matrix Code:** 05J Fair Housing activities (CDBG) 570.201(e)  
**Specific Objective(s):** Improve access to decent affordable rental housing  
Improve access to decent affordable owner housing  
**Proposed Outcome:** Availability/Accessibility  
**Performance Measure:** 100% of persons with fair housing inquiries will receive assistance and fair housing issue will be resolved or referred;  
100 persons will receive fair housing education in conjunction with the homebuyer education and counseling program

**V. CONTINUUM OF CARE HOMELESS STRATEGY AND CHRONIC HOMELESSNESS TECHNICAL ASSISTANCE**

**A. Homeless Technical Assistance: (CDBG Funds) \$40,000** – Funds allocated to provide technical assistance and build capacity for the homeless strategy; to develop and implement the Ten Year Plan to End Chronic Homelessness, Continuum of Care and Mayors Task Force on Homelessness. Activities to be administered by Reinvestment in Communities, Inc.

**Strategic Goal:** Promote the development and participation of community-based organizations  
**Matrix Code:** 19C CDBG Non-profit Organization Capacity Building  
**Specific Objective(s):** Suitable Living Environment  
End chronic homelessness  
Coordinate Super Nofa Applications for CoC  
**Proposed Outcome:** Availability/Accessibility  
Four capacity building informational meetings for non-profit staff  
**Performance Measure:** 100% of capacity training meetings held

**VI. ECONOMIC DEVELOPMENT INITIATIVES**

**A. Assets for Independence – Individual Development Accounts (IDA): (CDBG Funds) \$20,000.**

Assets for Independence (AFI) is a Federal grant program that enables local government agencies to implement an asset-based approach for giving low-income families assistance out of poverty. The asset-building program assist low-income people in becoming economically self-sufficient by teaching them about economic and consumer issues and enabling them to establish matched savings accounts called Individual Development Accounts (IDA) to purchase their first home. These accounts are held at local financial institutions in the name of the individual participant. Contributions are made by individual participants over a pre-established time period and are matched using both private and public sources. The program structure is savings and match; training and support. The five (5) year Consolidated Plan has been amended to include the IDA Program in accordance with HUD regulations and the Citizen Participation Plan.

**Strategic Goal:** An asset-based approach for giving low-income families assistance out of poverty and become economically self-sufficient.

**Matrix Code:** 13 Direct Homeownership Assistance 570.201(n)

**Specific Objective(s):** Creating Economic Opportunity  
Increase economic self-sufficiency

**Proposed Outcome:** Availability/Accessibility

**Performance Measure:** Approve and enroll 10 families for program

**B. 108 Downtown Commercial Loan Program: (108 Loan Funds) \$748,000**

- The City will offer second mortgage financing on projects that meet the City's loan program criteria. The City will only participate in projects that have been reviewed by the first mortgage lender and deemed to be prudent loans from both a cash flow and collateral perspective. This plan maximizes private sector participation and utilizes the City financing only as necessary to fill the financing gap in a proposed development. **(Funds not received but included in the budget as an un-funded activity)**

**Strategic Goal:** Downtown Revitalization

**Matrix Code:** 18A ED Direct: Direct financial assistance to For-Profit Business 570.203(b)

**Specific Objective:** Creating Economic Opportunity

**Proposed Outcome:** Sustainability: Promoting Livable or Viable Communities

**Performance Measure:** Creation of 1 new business in the downtown area  
Creation of 7 low/mod job opportunities

**VII. HOUSING ACTIVITIES**

**A. Rehabilitation Program: (CDBG Funds) \$93,800; (HOME Funds)**

**\$70,000** – A program designed to assist low to moderate-income families address health and safety issues, energy conservation, handicap accessibility, and water and sewer taps. Funding provided for approximately (25) families.

**Strategic Goal:** Promote safe, decent affordable housing

**Matrix Code:** 14A Rehab; Single-unit Residential 570.202  
14F Energy Efficiency Improvements 570.202

**Specific Objective(s):** Improve the quality of decent affordable owner housing

**Proposed Outcome:** Affordability

**Performance Measure:** 80% of homeowner housing inspected assisted with repairs/rehab

**B. New Construction – Homeownership: (HOME Funds) \$145,941 –**  
Construction of affordable housing for homeownership.

**Strategic Goal:** Promote safe, decent affordable housing

**Matrix Code:** 12 Construction of Housing 570.201(m)

**Specific Objective(s):** Increase the availability of decent affordable housing

**Proposed Outcome:** Affordability

**Performance Measure:** Construction complete for one unit

**C. Direct Homeownership Assistance: (HOME Funds) \$225,000 –**

Downpayment and closing cost assistance for approximately 40 families. This program provides 100% of any downpayment required from a low/mod

income homebuyer or pays reasonable closing costs (normally associated with the purchase of a home) incurred by a low/moderate income buyer.

**Strategic Goal:** Increase homeownership opportunities  
**Matrix Code:** 13 Direct homeownership assistance 570.201(n)  
**Specific Objective(s):** Decent Affordable Housing  
**Proposed Outcome:** Affordability  
**Performance Measure:** 90% of homebuyers receive assistance with downpayment and/or closing cost

**D. American Dream Downpayment Initiative: (ADDI Funds) \$7,477** – The ADDI Program is for first time homebuyers only with an emphasis on persons 50% of the area median or below. An initiative to move persons in public housing and section 8 voucher holders to homeownership.

**Strategic Goal:** Increase homeownership opportunities  
**Matrix Code:** 13 Direct homeownership assistance 570.201(n)  
**Specific Objective(s):** Improve access to decent affordable housing  
**Proposed Outcome:** Affordability  
**Performance Measure:** 100% of homebuyers receive assistance with downpayment and closing cost

**E. Acquisition/Demolition/Clearance (CDBG Funds) \$120,000; (HOME Funds) \$124,500** – Acquisition of property to promote neighborhood revitalization in the Highland East neighborhood strategy area and promote affordable housing development. Demolition and Clearance funds are used to demolish and clear substandard housing units not feasible for rehabilitation in order to replace with affordable housing units.

**Strategic Goal:** Promote safe, decent affordable housing  
**Matrix Code:** 01 Acquisition of real property 570.201(a)  
**Specific Objective(s):** Increase the availability of affordable owner housing  
**Proposed Outcome:** Removal of substandard/code enforced housing (10 units)  
**Performance Measure:** 90% of properties acquired that have substandard housing will be used for new construction of affordable housing

**F. Tenant-based Rental Assistance (TBRA): (HOME Funds) \$60,000** – A rental subsidy program to help individual households acquire permanent housing. The TBRA Program is part of the strategy to end chronic homelessness by offering assistance for a period not to exceed 24 months and will be administered by Reinvestment in Communities, Inc.

**Strategic Goal:** Promote safe, decent affordable housing  
**Matrix Code;** 05S Rental housing subsidies (HOME) 570.204  
05T Security Deposit  
**Specific Objective:** Decent Affordable Housing  
**Proposed Outcome:** Affordability  
**Performance Measure:** 100% of persons meeting programs criteria assisted with TBRA

**G. Tenant-based Rental Assistance (TBRA): (HOME Funds) \$30,000** – A rental subsidy program to help individual households acquire permanent housing by providing security and utility deposits.

**Strategic Goal:** Promote safe, decent affordable housing  
**Matrix Code;** 05S Rental housing subsidies (HOME) 570.204  
05T Security Deposit

**Specific Objective:** Decent Affordable Housing  
**Proposed Outcome:** Affordability  
**Performance Measure:** 100% of persons meeting programs criteria assisted with TBRA

**H. Property Disposition/Maintenance: (CDBG Funds) \$3,793** – Weed cutting, maintenance and repairs, utilities and gas service for properties owned by Community Development currently or newly acquired.

**Strategic Goal:** Increase homeownership opportunities  
**Matrix Code:** 02 Disposition 570,201(b)  
**Specific Objective(s):** Decent Affordable Housing  
**Proposed Outcome:** Affordability  
**Performance Measure:** 100% of properties maintained until disposition

**I. HOMESAVERS: (CDBG Funds) \$25,200** – A foreclosure prevention program designed to provide assistance to low and moderate-income families that are at risk of losing their home.

**Strategic Goal:** Maintain Affordable Homeownership  
**Matrix Code:** 05Q Subsistence Payments 570.204  
**Specific Objective:** Decent Affordable Housing  
**Proposed Outcome:** Affordability  
**Performance Measure:** 100% of families receive foreclosure prevention assistance

**VIII. Parks/Recreation Facilities (CDBG Funds) \$80,000** – Funds to provide park and recreational area with a walking trail adjacent to Gateway Village Senior Housing for residents and community.

**Strategic Goal:** Suitable Living Environment  
**Matrix Code:** 03F Park, Recreational Facilities  
**Specific Objective:** Suitable Living Environment  
**Proposed Outcome:** Sustainability  
**Performance Measure:** 80% of construction complete

**FEDERAL FUNDING SOURCES**

**CDBG FUNDS:**

2008 – 2009 Entitlement	\$ 631,500
Reprogram-Prior Yrs.	\$ 80,000
Program Income	<u>\$ 6,300</u>
Total	\$ 717,800

**HOME FUNDS:**

2008-2009 Entitlement	\$ 821,447
Reprogram/Prior Yrs.	\$ 200,000
Program Income	\$ 24,500
ADDI	<u>\$ 7,477</u>
Total	\$1,053,424

***TOTAL*** **\$1,771,224**

**SECTION 8 FUNDS:**

Repayment	\$ 316,227
Downtown Loan Program	\$ 748,000