



CITY OF GASTONIA
Gastonia, North Carolina

**Office of Community
Development**

Community Development Annual Action Plan

Fiscal Year 2008-2009

Office of Community Development
181 S. South Street, Room 206
PO Box 1748
Gastonia, NC 28052
(704) 866-6752
fax (704) 866-6067

Program Year 4 of the 2005 – 2010 Consolidated Plan

Community Development Annual Action Plan



City of Gastonia 2008 - 2009 ANNUAL ACTION PLAN

Executive Summary

The purpose of the Annual Action Plan is to report activities planned for the upcoming year. The Plan enables public officials, community organizations, public and private institutions to make sound decisions regarding the priorities for the use of resources. The Plan enables the City to view its HUD programs not as isolated tools to solve narrow functional problems, but rather as an invitation to embrace a comprehensive vision of housing and community development. The Community Development Division based the information contained herein on public hearings, meetings with service provider agencies, extensive data collection, interviews and citizen input.

The City of Gastonia through the Citizen Participation Process amended the 2005-2010 Consolidated Plan to include an activity not specifically mentioned in the Consolidated Plan. The Consolidated Plan was amended to include the use of CDBG and HOME funds with North Carolina Housing Finance Low Income Housing Tax Credit Projects. The Annual Plan was approved by full Council on May 6, 2008.

Highland East

As an African-American neighborhood, Highland was starved of resources for long periods of its history. Despite these adverse circumstances, a strong community spirit was developed and maintained to this day, with numerous churches acting as communal focal points, and community leaders ready and willing to speak out on neighborhood issues. The area falls roughly into two sections, bisected by US Highway 321, Chester Street, running north-south. To the east is the original Highland neighborhood, historically an African-American community. Gateway Village Senior Housing, a 4.3 million dollar tax credit project began construction in March and will provide 40 units of decent affordable elderly housing.

Individual Development Account Program (IDA)

The IDA Program is structured to help low-income people build assets. An IDA is a matched savings account designed to help a low-income person accumulate a few thousand dollars to acquire an asset. The IDA program will be used for home ownership only. CDBG will be used for match funds in accordance with the CDBG regulations; HOME and ADDI funds will also be used as down payment assistance in accordance with the HOME and ADDI regulations.

HOMESAVERS Foreclosure Prevention Program

This program will be structured to provide assistance to families who are at risk of losing their primary residence. Extenuating circumstances must have caused financial delinquency and now the applicant demonstrates an ability to resume monthly mortgage payments. CDBG funds will be provided to assist with monthly mortgage payments. Referrals will be made by Highland Family Resource Center for qualified families. Program will assist with loan modification process with mortgage lender and provide budgeting and financial education.

Energy Efficiency Assistance

Assistance will be provided to families for energy conservation. Energy audits will be performed to measure energy deficiencies in the home. Information will be provided to teach consumers to be proactive in reducing their home energy cost, saving money through no-and low-cost energy efficiency measures and behavioral changes.

Planning Process

The City of Gastonia/Gastonia Consortium carries out federal programs administered by the U.S. Department of Housing and Urban Development (HUD). The City of Gastonia is the Lead Entity in the jurisdiction. The Consolidated Plan establishes an ongoing unified vision of community development action through 2010, which is a result of collaborative and coordinated efforts during the development phase and through the Annual Action Plan development process. The City of Gastonia Community Development Division uses the input received in its development phase that helps determine needs for housing, homeless assistance, supportive housing for special needs and non-housing community needs; develops strategies for addressing the priority needs; and places into action projects and activities that are consistent with those strategies.

Strategic Goals of the Gastonia Consortium are to:

1. Promote safe, decent affordable housing;
2. Increase homeownership opportunities;
3. Ensure equal opportunity in housing;
4. Strengthen communities within the consortium;
5. Maintain high standards in accountability, management and ethical work practices;
and
6. Promote the development and participation of community-based organizations including faith-based initiatives.

In addressing the Strategic Goals of the Gastonia Consortium, the following policy priorities for the Consolidated Plan are:

1. Provide housing opportunities for increased Homeownership and Rental Housing for Low/Moderate-Income Persons with Disabilities, Elderly, Minorities and Families with Limited English Proficiency;
2. Promote improvement in the Gastonia Consortium Community;
3. Encourage Accessible Design Features and Energy Star Participation;
4. Encourage Removal of Regulatory Barriers to Affordable Housing;
5. Provide full and equal access to grass roots, faith-based and other community-based organizations as well as participation of minority and women-owned entities in the HUD-funded programs and projects; and
6. Promote the elimination of Chronic Homelessness.

The Annual Plan serves to:

- Identify all resources – federal and non-federal
- Meet the objectives of the Strategic Plan
- Address activities to be undertaken to meet priority needs
- Address homeless and other special needs activities
- Address obstacles to meet underserved needs
- Foster and maintain affordable housing
- Evaluate and reduce lead-base paint hazards
- Reduce the number of poverty level families
- Address increase of foreclosures resulting in deterioration of housing stock and neighborhoods
- Develop institutional structure
- Enhance coordination between public and private housing and social service agencies
- Foster public housing improvements and resident initiatives
- Promote Fair Housing and Equal Opportunity

SOURCE OF FUNDS:

\$ 631,500 CDBG Entitlement Funds
6,300 CDBG Program Income
80,000 CDBG Program Re-program – Prior yrs.
821,447 HOME Entitlement Funds
7,477 ADDI Funds
24,500 HOME Program Income
200,000 HOME Program Re-program - Prior yrs.

GENERAL QUESTIONS

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year.
2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215 (a) (1)) during the next year and the rationale for assigning the priorities.
3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs.

Program Year 4 Action Plan General Questions response:

The City of Gastonia/Consortium, located in the central piedmont of the State of North Carolina, covers all of Gaston County except the towns of High Shoals and Spencer Mountain and includes Kings Mountain of which a major portion is in Cleveland County. For purposes of the Consolidated Plan the geographic local jurisdiction includes:

FOR CDBG: City of Gastonia (only)

FOR HOME: City of Gastonia (lead entity), and Cities of Belmont, Bessemer City, Cherryville, Kings Mountain, Lowell, Mount Holly, and Towns of Cramerton, Dallas, McAdenville, Ranlo, Stanley, and the unincorporated areas of Gaston County.

Cities or townships in Gaston County that chose not to participate in the Gastonia Consortium include: Spencer Mountain (Population 51) and High Shoals (Population 729); therefore, relatively all of Gaston County are current participants.

Areas of low income and minority areas are parallel. The greatest concentration of minority population and the lower income is located in the City of Gastonia along the Highway 321 North Corridor. Other pockets of the minority population and lower income include the southeastern section of the town of Dallas and some portions of the City of Kings Mountain. However, it should be noted with the Gastonia Consortium Agreement that Consortium activities, using HOME funds are limited to two specific activities: Direct Homeownership Assistance and Homeowner Rehabilitation Loans.

Although HOME funds will be used throughout the Gastonia Consortium Area, based upon the identified need, the major concentration for the next year will be the greatest area of low-income minorities identified in the Housing Market and Needs Assessment. This area, called Highland, is located along the Highway 321 North Corridor in the City of Gastonia, which has high levels of both minority populations and poverty. Highland East is the area submitted as a HUD Neighborhood Revitalization Strategy Area. A "Homeownership Zone" has been designated in the Highland West area. Approximately fourteen (14) new affordable housing units will be constructed for first-time homebuyers under the American Dream Down payment Initiative and the IDA Program.

There are three main priorities for the fourth year of the Annual Plan, which are:

1. Persons and families at 30% or less of Median Family Income
 - Provide rehabilitation grants for elderly homeowners;
 - Provide assistance for homeowners to address health and safety issues, energy conservation, handicap accessibility and water and sewer taps.
 - Provide security deposits for families entering public housing or section 8 and other low income persons; and
 - Provide economic opportunities to residents in public housing through educational, job skills readiness, money management and future homeownership.
 - Provide educational and financial assistance to homeowners to prevent foreclosure of primary residence.
2. Persons and families at 31% to 50% of Median Family Income
 - Provide affordable housing through new construction, acquisition for rehab/resale;
 - Provide assistance for homeowners to address health and safety issues, energy conservation, handicap accessibility and water and sewer taps.
 - Alleviate slum and blight on a spot basis;
 - Provide direct homeownership assistance;
 - Provide homeownership education for public housing and Section 8 residents.
 - Provide educational and financial assistance to homeowners to prevent foreclosure of primary residence.
3. Homeless persons
 - Support local homeless initiatives, particularly those that end chronic homelessness;
 - Provide gap financing for developers of permanent housing for the homeless and special needs population.

Actions to overcome obstacles:

1. Development of NRSA in challenged community;
2. Creation of "Homeownership Zone" for persons at 50% - 60% of area median income;
3. Partner with non-profits for development of rental housing for homeless and special needs population;
4. Continuation of IDA Program; and
5. Continue to develop an affordable housing plan that addresses local zoning regulations and barriers to affordable housing.
6. Address the needs of families due to sub-prime mortgage lending abuse that strips wealth from families.

Managing the Process

1. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.

2. Identify the significant aspects of the process, by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.
3. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.

Program Year 4 Action Plan Managing the Process response:

The City of Gastonia is the lead agency of the local jurisdiction that is responsible for oversight and development of the Consolidated Plan. The City of Gastonia's Community Development Division administers and monitors programs covered by the Consolidated Plan. Community Development works in partnership with other local governments in the HOME Consortium, private non-profit organizations as Community Housing Development Organizations or as sub-recipients and both private for profits and non-profits organizations interested in developing affordable housing, economic development opportunities and other activities proposed in the Consolidated Plan. The City of Gastonia, as lead agency in the jurisdiction, shall carry out the fourth Year Annual Plan through its Community Development Division. The CD Division works in partnership with other organizations. Partnerships include:

Designated CHDO's: Reinvestment in Communities of Gaston County and Highland Family Resource Center. The CD Division provides technical assistance with construction activities as needed and monitors program compliance. CD works with Highland Family Resource Center also as a CDBO in the development of housing using CDBG and 108 Loan Funds, and economic development initiatives. CD works with the Gastonia Housing Authority to address educational and life skills for PHA residents in order to equip the residents with wealth building tools. The CD Division works with Reinvestment in Communities to address ongoing homeless issues in the Tri-County Continuum of Care through capacity building of homeless service providers including annual sponsorship of the CoC SuperNOFA grant writing process and coordination of all community-wide services. CD shall provide technical assistance to Reinvestment in Communities to apply for additional grants to increase affordable rental housing for elderly and people with special needs. Reinvestment in Communities will partner with Gaston Residential Services to construct 8 units of housing for persons with special needs.

Private non-profit organization partnerships with CD are As One Ministries, Habitat for Humanity of Gaston County, With Friends and Interfaith Hospitality Network. CD works with As One Ministries to maintain a homeless day shelter that is often the initial contact with chronically homeless individuals. CD works in partnership with Habitat for Humanity of Gaston County to increase the stock of homeownership opportunities for low-income families by providing property and/or site preparation work for new housing construction. With Friends provides services to runaway youth. Interfaith Hospitality Network works with area churches and businesses to provide housing and services to homeless families.

Public Housing Authorities: The Gastonia Consortium works principally with the largest PHA to develop anti-poverty strategies for public housing residents to equip them to move from public housing to private unsubsidized rental housing or homeownership.

The development phase of the Annual Plan's basis begins with the 2005-2010 Consolidated Plan and encompasses a number of local studies, plans, reports and other documents.

A public hearing, hosted by the Citizens Advisory Board, was held in Gastonia during the development phase of the process on February 7, 2008 at 6:30 p.m. at St. Peter's AME Zion Church with the Highland Community. A final public hearing was held on April 22, 2008 at 5:30, after the draft of the Annual Plan was published for comment. Prior to the public hearing, draft copies of the Annual Plan were made available at all Gaston County community/recreation centers, public libraries, public housing authorities and the City's Community Development office. Additionally, copies were provided to all interested parties by request. All public hearings were advertised in the non-legal section of the local newspaper, the Gaston Observer. A 30-day comment period (4/1/08 – 5/1/08) was provided for citizen comments prior to the completion of the Annual Plan.

The public hearings addressed the following:

1. Annual Action Plan
2. The revitalization plans for the Highland Community
3. Amendment to 2005 – 2010 Consolidated Plan to include use of CDBG funds for interim assistance for low to moderate families to prevent foreclosures of their primary residence.

In addition to the public hearings, an informal meeting was held with the Citizens Advisory Board. Members of this board are neighborhood representatives of the six precincts of the City of Gastonia as well as representatives from unincorporated areas of Gaston County. A committee of this Board, the HOME Advisory Committee, includes representatives of each city or township in the Gastonia Consortium. The Board is appointed for the purpose of representing low/mod income citizens. It provides a method for residents, particularly in lower income neighborhoods, to address local challenges and recommend proposed changes as solutions for the challenges to the City of Gastonia/Gastonia Consortium.

All of the information gathered during the development phase through public hearings, informal meetings, focus groups, governmental information, telephone calls and personal contacts were concentrated into the Annual Plan.

Actions to enhance coordination:

Our goal is to assist all public and private service provider agencies in furnishing shelter for the homeless, affordable housing for low-income families and individuals, and provide support for special needs and other fragile populations.

The cooperation among all provider agencies, whether public or private, is the greatest strength in the City's delivery system. The Consolidated Plan not only creates a network of agencies, but identifies an agency "in charge" of the effort. The Community Development Division meets with the local lending institutions, non-profit and private

organizations, and the Gastonia Housing Authority on a quarterly basis to determine the successes and failures of the various programs. An added strength of the delivery system involves the unwavering support of the private sector. The Gaston Rental Association, the Board of Realtors, real estate developers, and the banking community all send representatives to meetings and show continuous interest in meeting the needs of the citizens we serve. Experienced staff employed by each agency to administer the various programs is one of the most important factors in our delivery system. However, some weaknesses exist in the current system. First, public awareness, despite our best efforts, remains low. Secondly, local elected officials have not made affordable housing a fundable priority. Insufficient funds from both public and private resources provide a tremendous gap in our delivery system.

Citizen Participation

1. Provide a summary of the citizen participation process.
2. Provide a summary of citizen comments or views on the plan.
3. Provide a summary of efforts made to broaden public participation in the development of the Consolidated Plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.
4. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

Program Year 4 Action Plan Citizen Participation response:

The City of Gastonia maintains a Citizen Participation Program centered on a Citizen Advisory Board. The City Council adopted the Plan in 1978 and revised it in 1998 and 2005. The purpose of the Citizen Participation Plan is to provide residents with an adequate opportunity to participate in planning and evaluating the Community Development Program of the City of Gastonia and Gastonia Consortium. This Plan guides all activities of the Community Development Division. The Citizens Advisory Board consists of one resident selected by the Council to represent each of the City's six (6) wards or other areas deemed appropriate by the Council. Additionally, there are two (2) at-large members appointed by the Gaston County Commissioners to represent the County's unincorporated areas. The respective city's mayor or town clerk for the HOME Consortium Committee appoints representation for each city or township in the Gastonia Consortium, which is a subcommittee of the Citizens Advisory Board. There is substantial representation in the membership of the board of low and moderate-income citizens and members of minority groups. The members of the Board serve two-year staggered terms, but members may continue to serve until their successors are appointed and qualified. Members chosen to represent active neighborhood strategy areas, rehabilitation target areas and other areas designated by the Council serve terms that coincide with the period of time in which community development work is going on in the areas represented by such members.

The City of Gastonia encourages, in conjunction with consultation with public housing authorities, the participation of residents of public and assisted housing developments, in

the process of developing and implementing the consolidated plan, along with other low-income residents of targeted revitalization areas in which the developments are located.

The development phase of the Consolidated Plan places an emphasis on citizen participation as well as collaboration with many community development partners. The Consolidated Plan establishes an ongoing unified vision for community development actions for the next five years, which is a result of collaborative and coordinated efforts during the development phase and throughout the year. The City of Gastonia's Community Development Division uses the input received in its development phase to determine needs for housing, homeless assistance and other non-housing community needs, develops strategies for addressing those needs and places into action activities that are consistent with those strategies.

The Board is appointed for the purpose to represent low/mod income citizens. It provides a method for residents, particularly in lower income neighborhoods, to address local challenges and recommend proposed changes as solutions for the challenges to the City of Gastonia/Gastonia Consortium.

To maximize citizen participation, outreach efforts include a series of public notices, public hearings, and informal meetings, focus groups, solicited surveys, phone calls and personal contacts. All outreach is conducted under the supervision of the City of Gastonia Community Development Division staff. Particular effort is made to ensure input by low and moderate-income residents including minority groups and citizens with special needs during the development of the Plan as well as the final draft process of the Consolidated Plan. Public meetings and hearings are regularly scheduled at convenient times and locations to permit broad participation, particularly low-income persons and those that require handicapped accommodations. The City of Gastonia provides a translator for non-English speaking residents in the case of public hearings when the City is notified that a non-English speaking resident will be in attendance. An interpreter is provided for hearing-impaired residents. Such request must be made to the City Clerk's office no later than 48 hours prior to the public hearing. Contacts are made with agencies that serve target groups in order to ensure participation by these groups. The Gastonia Housing Authority assists the City of Gastonia Community Development Division to include public housing residents in the Consolidated Planning process by disseminating information, providing notification of public hearings and encouraging residents' participation.

In accordance with the Citizens Participation Plan (24 CFR 91.105), the City of Gastonia did the following:

1. Met with housing provider agencies to discuss the services rendered by each agency, the needs and the caseload of clients served.
2. Eighth Annual Community Forum on Housing and Homelessness was held on March 28, 2008, to receive recommendations from the community at large.
3. The Citizens Advisory Board is very active in our citizen participation process. Quarterly meetings are held with the Advisory Board to receive input and assistance in the activities carried out by the Community Development Division.
4. The Continuum of Care – Care Connection meets on a monthly basis to establish and implement goals and objectives for the homeless population.

Two public hearings were held on the following dates: February 7, 2008 at St. Peters AME Zion Church in the Highland Community at 6:30 p.m. and April 22, 2008, at City Hall in the Council Chambers at 5:30 PM. The plan was submitted for public comment for a period of 30 days beginning April 1, 2008 – May 1, 2008.

The Community Development Division does provide citizens, public agencies and other interested parties with reasonable access to records regarding any uses of any assistance for affordable and supportive housing that the jurisdiction may have received, consistent with any State and local laws regarding privacy and obligations of confidentiality.

The following comments were received during the public hearing on February 7, 2008, at St. Peter's AME Zion Church in the Highland community:

- Promises made to revitalize Highland that had never materialized.
- Requests for additional senior condominiums and town homes outside the Gateway Village Development.
- Concerns over the safety of residents initially in the Gateway Village Development while the other areas of Highland are not stabilized.
- Clarification of the use of trees as a safety and separation barrier at the Gateway Village site and plans to implement fencing for the development.
- Design standards and the ability of existing homeowners and landlords to blend in with the restructure of the neighborhood.
- Possible low-interest loans or grants for existing homeowners to upgrade their properties to meet design standards of single-family housing plan.
- A lift on the moratorium of the 321 corridor.
- Plans to address the needs of residents on the west side of Highland.

No comments were received during the public hearing on April 22, 2008 or during the public comment period.

Institutional Structure

1. Describe actions that will take place during the next year to develop institutional structure.

Program Year 4 Action Plan Institutional Structure response:

The City of Gastonia Community Development Division is the lead entity for the Gastonia/Gaston Consortium. The Consortium area includes the City of Gastonia, the unincorporated areas of Gaston County, Cities of Belmont, Bessemer City, Cherryville, Kings Mountain, Lowell, Mount Holly, and Towns of Cramerton, Dallas, McAdenville, Ranlo, and Stanley. To address the economic, physical, social, and human development needs of low-income residents in this area; the Community Development Division coordinates its efforts with other public and private agencies within the jurisdiction. The Consolidated Plan provides statistical and analytical information that assists its citizens, institutions and policy makers in establishing priorities for the allocation of federal, state and local resources. From this cooperative effort, CD will:

- Maintain a comprehensive community profile;

- Articulate the specific goals for reducing the number of households in poverty;
- Monitor and determine the housing needs of the elderly, disabled, homeless and other special needs populations;
- Identify resources needed to meet those needs;
- Monitor the needs of under-served populations;
- Examine existing and potential lead-based paint hazards;
- Report on an impediments to Fair Housing;
- Generate a list of programs and activities that address priority needs; and
- Maintain strong current partnerships through community meetings.

Monitoring

The City of Gastonia is responsible for ensuring that all Federal funds are used in accordance with all program requirements. Also the City is responsible for determining the adequacy of performance under subrecipient, CHDO and CBDO agreements and for taking appropriate action when performance problems arise. The City has implemented a Monitoring Strategy Plan, which gives attention to:

- A. Implementation
- B. Communication
- C. Follow-up

In order to accomplish this, the following criteria are examined:

- Are costs presented in sufficient detail to provide an accurate basis for examination of actual performance?

- Is documentation required from subrecipient for payment to assure funds are not being requested in excess of immediate needs?

- Where special documentation is required by the contract or project activity type such as, but not limited to, family income, etc. being maintained by the Subrecipient?

- Does agreement specify that program income be to be retained by the Subrecipient or returned to the City?

- Is subrecipient required to regularly submit reports such as progress or financial reports?

- Is the requirement to clearly specify the content of written reports made clear to the Subrecipient?

- What is our internal procedure for ensuring the quality of monitoring efforts, including documentation and intended actions, and follow through on promised actions? (Please see Subrecipient Management Plan)

- Do there appear to be any significant differences between actual performance and reported performance submitted to the City?

- Do any activities and cost charged appear to be unreasonable?

- All persons receiving assistance with Federal funds must verify their income through their source (place of work, social security, DSS, etc.). The City is responsible for ensuring that the units are brought into compliance with state and local residential building codes.

- The City shall maintain records of inspections before and after completion of work.

- The City shall provide for proper abatement of asbestos and lead paint as applicable.

- All loans will be secured by a deed of trust, deed restrictions and promissory note extending the time period of the loan.

- The City will follow all procurement regulations in the design, construction, purchasing and development of services.

- The City will ensure via contract that all Federal, State and local laws/regulations are met.

**SUB-RECIPIENT MANAGEMENT PLAN
CITY OF GASTONIA
COMMUNITY DEVELOPMENT DIVISION**

RISK ASSESSMENT

The City of Gastonia periodically looks at all sub-recipients to ascertain whether or not comprehensive monitoring is required. Generally, those who have been in the program for longer periods of time are less high risk than any new sub-recipients who might not yet be thoroughly familiar with program regulations and policies.

Such high-risk sub-recipients might include:

1. Those who are new to CDBG or HOME programs;
2. Those who have experienced turnover of key staff;
3. Those who have past compliance and performance problems;
4. Those who are carrying out high-risk activities such as acquisition, housing, economic development, and/or;
5. Those who are undertaking multiple CDBG or HOME funded activities for the first time.

MONITORING SCHEDULE

As soon as possible after the beginning of a new fiscal year, a subrecipient monitoring schedule will be established. The sub-recipients will be given ample notice of any upcoming monitoring visit, and what they might expect as well as what to have available for the City representative to review.

PREPARATION FOR MONITORING VISITS

In advance of any monitoring, City representative will prepare for the visit by reviewing the following data:

1. Sub-recipient's application for funding
2. Written agreement
3. Progress reports
4. Any financial information
5. Correspondence
6. Previous monitoring reviews

CONDUCTING ON-SITE MONITORING

Subrecipient is first notified about the purpose of the visit and to set the date for the visit. A formal notification letter will then be sent to the subrecipient that would include:

1. Confirmation of the date for the review
2. Scope of the monitoring
3. Information needed for review during the visit
4. Subrecipient staff persons who would be needed for interviews or assistance during review

An entrance conference will be held at the beginning of the visit with the executive director. The purpose and scope of the visit will be explained at this time.

During the actual monitoring procedure, the City will make every effort to keep as clear a record of information reviewed and conversations held as possible. A checklist will be used for reviewing all the necessary documentation.

After the review is complete, the City representative will again meet with the executive director or other key person to present them the preliminary results of the monitoring. At this time, too, the subrecipient will be provided an opportunity to correct any misconceptions or misunderstandings, and to report on any steps they may already be taken.

FOLLOW UP

As a follow-up to the monitoring visit, a formal written notification of the results will be provided to the subrecipient, pointing out any problems and recognizing any successes. This monitoring letter will create a permanent written record for both the City and the subrecipient. The letter will outline concerns and findings as well as deadlines for a written response and corrective actions.

The City of Gastonia is responsible for ensuring that all sub-recipients correct any problems found as a result of such monitoring. Proper follow-up and regular contact with sub-recipients ensure the following principles:

1. The accountability of sub-recipients to the City
2. The clarity and consistency of performance standards and corrective actions
3. The continuous provisions of feedback by the City to the subrecipient
4. Timely communications with sub-recipients.

Sub-Recipient Management Plan Rental Housing Projects

Monitoring of HOME rental units is required to ensure compliance with:

- Continuing affordability
- Units occupied by qualified families
- Property standards
- Effectiveness of affirmative marketing plan
- Allowable lease terms

On-site monitoring of rental units will occur annually or no less than:

- 1 to 4 units every 3 years
- 5 to 25 units every 2 years
- 26 or more units every year

On-site monitoring will include:

- Verification of tenant occupancy, rent and utility allowance
- Success of affirmative marketing plan
- Property standards
- Tenant selection and lease agreement
- Compliance of HUD HOME rental rules

A sub-recipient monitoring schedule will be established to provide ample notice of any upcoming monitoring visit and what they might expect as well as what to have available for the city representative to review.

City representative will prepare for the monitoring visit by reviewing the following data:

- Annual Project Compliance Report completed annually by the sub-recipient
- Previous monitoring reviews
- Written agreements

Conducting on-site monitoring

Sub-recipient is first notified about the purpose of the visit and to set the date for the visit.

A formal notification letter will then be sent to the sub-recipient that would include:

- Confirmation of the date for the review
- Scope of the monitoring
- Information needed for review during the visit
- Sub-recipient staff persons who would be needed for interviews or assistance during review

An entrance conference will be held at the beginning of the visit with the executive director. The purpose and scope of the visit will be explained at this time.

During the actual monitoring procedure, the City will make every effort to keep as clear a record of information reviewed and conversations held as possible. A checklist will be used for reviewing all the necessary documentation.

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Follow up

As a follow-up to the monitoring visit, a formal written notification of the results will be provided to the sub-recipient, pointing out any problems and recognizing any successes. This monitoring letter will create a permanent written record for both the City and the sub-recipient. The letter will outline concerns and findings as well as deadlines for a written response and corrective actions.

The City of Gastonia is responsible for ensuring that all sub-recipients correct any problems found as a result of such monitoring. Proper follow-up and regular contact with sub-recipients ensure the following principles:

- The accountability of sub-recipients to the City
- The clarity and consistency of performance standards and corrective actions
- The continuous provisions of feedback by the City to the sub-recipient
- Timely communications with sub-recipients.

The City of Gastonia will adhere to the following monitoring schedule of the following sub-recipients:

Sub-recipient	Notice Results/Follow-up Monitoring Date	Projected Report	Date of	Date of
RIC	7/21/08 7/22/08	1/19/09 1/20/09	Within 15 Days of Monitoring Date	Within 30 days of Monitoring Visit
As One Ministries	7/23/08	1/21/09		
With Friends	7/24/08	1/22/09		
Interfaith	7/23/08	1/21/09		
Kinross Place	7/25/08	1/23/09		

Monitoring Visits will be conducted again at the end of the fiscal year. Same as the above schedule with notifications going out in April and the visits taking place during May and June.

Internal monitoring of all activities shall be monthly to ensure appropriate delegation of duties. Each activity shall be monitored for: (1) National Objective; (2) Eligibility and Matrix Code; (3) Financial Feasibility; (4) Compliance; and (5) Accomplishments Data.

Lead-based Paint

1. Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families.

Program Year 4 Action Plan Lead-based Paint response:

In cooperation with the Gastonia Housing Authority, new section 8 rental units will be inspected for lead-based paint hazards. Units containing hazards will be abated prior to rental or unit will be rejected for Section 8.

All TBRA units will be inspected for lead-based paint hazards.

CD office shall continue to incorporate lead-hazard education in all appropriate programs.

HOUSING

Specific Housing Objectives

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan

Program Year 4 Action Plan Specific Objectives response:

PRIORITIES AND SPECIFIC OBJECTIVES:

Provide housing opportunities for increased homeownership and rental housing for very-low, low and moderate-income persons, persons with disabilities, elderly, minorities and families with Limited English Proficiency.

1. Increase accessibility of subsidized housing for very-low and low-income persons through rental security deposits;
2. Increase the number of rental housing units through CHDO and other developers of affordable housing;
3. Increase the number of affordable housing units for homeownership; and
4. Increase homeownership opportunities for low/mod income persons

Promote improvement in the Gastonia Consortium Community.

1. Increase economic opportunities in Gastonia's Center City Area
2. Implement and/or support anti-poverty strategies
3. Ensure Fair Housing and Equal Opportunity
4. Eliminate Slum and Blight on a spot basis; and

5. Maintain high standards in accountability, management and ethnics

Encourage Accessible Design Features and Energy Star Participation

1. Incorporate Accessible Design Features in all appropriate activities; and
2. Incorporate Energy Star products in all appropriate activities.

Encourage Removal of Regulatory Barriers to Affordable Housing.

1. Develop an affordable housing plan for adoption by local government.

Provide full and equal access to grass-roots, faith-based and other community-based organizations and participation of minority and women-owned entities in HUD-funded programs and projects.

1. Develop and maintain partnerships with private non-profits for implementation planned priorities and objectives;
2. Provide capacity building of private non-profits and CHDO's;
3. Encourage participation of MBEs and WBEs in provision of activities; and
4. Ensure equal access of all potential sub-recipients.

Promote the elimination of chronic homelessness.

1. Increase transitional, permanent and permanent supportive housing units through support of non-profits and TBRA funds;
2. Support increase of homeless service activities; and
3. Sponsor Continuum of Care activities through capacity building.

RESOURCES:

Federal funds covered by the Consolidated Plan shall be used to support housing activities including: new construction, acquisition/demolition/clearance, relocation assistance, housing rehabilitation administration, disposition of property, acquisition for rehabilitation and resale, homeowner emergency repairs, rental security deposits, direct homeownership assistance, IDA assets building program and CHDO/CBDO housing construction and operations. Other federal support for projects include: public services and fair housing activities, administration of CDBG and HOME funds, non-profit capacity building, economic development initiatives, match for McKinney-Vento SHP/PH projects, Habitat for Humanity new housing construction, economic development initiatives and repayment of 108 Guaranteed Loan(s).

Leveraged State funds shall support tax credit initiatives, development of supportive housing units including transitional housing and emergency repairs for very low and low-income homeowners if the opportunity becomes available. State funds shall also provide second mortgage downpayment assistance to low income homebuyers.

Leveraged Local funds shall support administrative and housing activities of CDBG and HOME (City of Gastonia in-kind), homebuyer loans through mortgages, supportive services for homeless and chronically homeless persons through non-profit organizations, and economic development initiatives through private for-profit corporations.

Needs of Public Housing

1. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.
2. If the public housing agency is designated as “troubled” by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.

Program Year 4 Action Plan Public Housing Strategy response:

The Gastonia Consortium shall support the needs stated by the Gastonia Housing Authority. The Gastonia Consortium shall work with the Gastonia Housing Authority, the largest of the three PHAs in the jurisdiction, to actively engage the residents in self-sufficiency programs through the ROSS program that will empower them to become homeowners. Additionally, the jurisdiction will provide a number of tools that assist public housing and Section 8 residents through entitlement funds. The purpose is to engage public housing residents and encourage them to become active in their current housing situation as well as plan for future moves to potential homeownership. These tools are:

- Provide a security deposit (only) program for residents entering public housing and section 8;
- Provide a series of classes that teach housing education, financial education, lending and home purchase education, homebuyer readiness, and pre and post homeownership that will promote self-sufficiency; and
- Provide economic development opportunities through career and educational assessments, educational development, skills training, and job development and placement.

None of the PHAs in the jurisdiction are classified as “troubled”.

Barriers to Affordable Housing

1. Describe the actions that will take place during the next year to remove barriers to affordable housing.

Program Year 4 Action Plan Barriers to Affordable Housing response:

Work within the jurisdiction to develop an affordable housing plan that will address specific local zoning regulations and incorporate affordable ways for private developers to include affordable housing in new developments.

Update the Direct Homeownership Assistance Program to meet the needs of lower income participants by increasing the maximum limit on assistance within the limits set by HUD.

Maintain licensed contractor on staff to build affordable housing units for homeownership and/or to provide technical assistance to local non-profits to build affordable rental hous

HOME/American Dream Down Payment Initiative (ADDI)

1. Describe other forms of investment not described in 92.205(b).
2. If the participating jurisdiction (PJ) will use HOME or ADDI funds for homebuyers, it must state the guidelines for resale or recapture, as required in 92.254 of the HOME rule.
3. If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt.
4. If the PJ is going to receive ADDI funds, please complete the following narratives:
 - a. Describe the planned use of the ADDI funds.
 - b. Describe the PJ's plan for conducting targeted outreach to residents and tenants of public housing and manufactured housing and to other families assisted by public housing agencies, for purposes of ensuring that the ADDI funds are used to provide down payment assistance for such residents, tenants, and families.
 - c. Describe the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers.

Program Year 4 Action Plan HOME/ADDI response:

1. No other forms of investment are being used.
2. The City of Gastonia will continue to use the recapture provisions for both HOME and ADDI.

Recapture Provisions

The City of Gastonia HOME Program design provides down payment and closing costs assistance in the form of a soft second mortgage secured by a Note and Deed of Trust. To ensure affordability, the City imposed the **Recapture Requirement Option**. The period of affordability is based upon the total amount of the HOME funds subject to recapture described in paragraph (a)(5)(ii)(A)(5).

In accordance with Section 92.254(a)(5)(ii) of the HOME Final Rule the City of Gastonia has established the following guidelines for recapture enforced through the executed note and recorded Deed of Trust:

Reduction during the affordability period – The down payment assistance must be recaptured on a pro-rata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period, when the first of the following occurs:

- (1) The home is sold or title is transferred.
- (2) The home ceases to be the owner's principal residence.
- (3) The mortgage is refinanced.

3. The PJ will not use HOME funds to refinance multifamily housing, but we will use HOME funds to refinance single-family housing for rehabilitation using the following guidelines:

The cost to refinance existing debt by housing that is being rehabilitated with HOME funds:

- For single-family (1 to 4) owner-occupied housing when loaning HOME funds to rehabilitate the housing, if the refinancing is necessary to reduce the overall housing costs to the borrower and make the housing more affordable.
- For multi-family projects, when loaning HOME funds to rehabilitate the units if refinancing is necessary to permit or continue affordability under 92.252.

Refinancing Guidelines:

- A. The project must demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. The minimum level of rehabilitation is \$10,000 per unit.
- B. Require a review of management practices to demonstrate that disinvestments in the property has not occurred, that the long term needs of the project can be met and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated:
 1. The new investment is being made to maintain current affordable units and;
 2. Create additional affordable units
 3. The required period of affordability shall be a minimum of years or the life of the loan whichever is greatest.
 4. The investment of HOME funds will be consortium wide.
- C. HOME funds cannot be used to refinance multifamily loans made or Insured by any Federal program, including CDBG.

4. ADDI Use of Funds and Targeting:

a. Description of Planned Use of Funds

1. Down payment and Closing Cost Assistance: Down payment and Closing Cost Assistance up to \$10,000 for approximately 2 families. The maximum amount of \$10,000 shall not exceed 6% of the purchase price. The ADDI Initiative is to make down payment assistance for the purchase of a principal residence available to low-income families between 31% - 50% of the area median who are first-time homebuyers.
2. Recapture Provisions: The City of Gastonia ADDI Program design provides down payment and closing cost and rehab assistance in the form of a soft second mortgage secured by a Note and Deed of Trust. To ensure affordability, the City imposed the Recapture Requirement Option. The period of affordability is based upon the total amount of the ADDI and HOME funds subject to recapture described in paragraph (a)(5)(ii)(A)(5). In accordance with Section 92.254 (a)(5)(ii) of the HOME Final Rule the City of Gastonia has established the following guidelines for recapture enforced through the executed note and recorded Deed of Trust:

Reduction during the affordability period – The down payment assistance must be recaptured on a pro-rata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period, when the first of the following occurs:

- The home is sold or title is transferred.
- The home ceases to be the owner's principal residence.
- The mortgage is refinanced.

- b. Plan for Conducting Targeted Outreach: In accordance with 24 CFR Part 91.220 of the ADDI Interim Rule the City of Gastonia will follow a two phase approach in conducting targeted outreach to residents and tenants of public and manufactured housing throughout the Consortium Area.

Phase I – Public Information

A. An information/education packet will be developed to be used as a marketing and outreach tool. It will include an informational flyer about the ADDI program for first-time homebuyers with a question and answer summary sheet. The information will include a one-page synopsis of the ADDI program, a brochure on fair housing laws, a fact sheet with income, rent and mortgage limits and a simple example of how a family of low-income can be assisted by the ADDI program and become a homeowner. Contact information will be included.

B. Information will be delivered to all public housing agencies and manufactured housing sites within the Consortium Area. A special public notice will be placed in the Gastonia Gazette and Gaston Observer. The notice will invite renters, realtors, investor/owners and first-time homebuyers to contact the City of Gastonia for additional information. An information workshop for residents, tenants, and families will be scheduled within 30 days of the Funding Approval Agreement. An informational meeting will also be scheduled with Realtors and Lending Institutions to discuss the ADDI Initiative and lending criteria as it relates to low-income families.

C. The City of Gastonia will partner with a local Latino non-profit organization to be the point of contact with special outreach for the Latino community.

D. All information will display the HUD Fair Housing Logo.

Phase II – Publicity

Assistance from the local housing and service provider agencies and organizations, local newspapers and television stations will be enlisted to publicize the ADDI program and marketing through newsletters, newspaper coverage, public service announcements, billboards, distribution points for brochures.

- c. Description of Actions to be Taken to Ensure the Suitability of Families to Undertake and Maintain Homeownership: The Gastonia Housing Authority has a Homeownership Program call Cooperative Housing Opportunities and Innovative Collaborative Efforts (C.H.O.I.C.E). CHOICE is a two-tier program which offers a:
- (1) Buyer Ready Club for very low-income residents/applicants that are within 18 months or less of purchasing a home; and
 - (2) Homebuyer Club identifies difficulties families might face when purchasing a home. A longer time frame is needed to resolve many barriers. Ideal

members for the Homebuyer Club are families that may need up to 3 years to complete the path to homeownership. The program is designed to help families make wise choices and navigate through complex financial situations.

The program identifies difficulties families might face as they pursue the goal of homeownership. The City of Gastonia has a Homeownership Program for housing education and counseling. The programs will educate potential homebuyers from beginning of the process until closing. Once applicant has purchased a home, post homeownership counseling will be given.

HOMELESS

Specific Homeless Prevention Elements

1. Sources of Funds – Identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act Programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly owned land or property. Please describe, briefly, the jurisdiction's plans for the investment and use of funds directed toward homelessness.
2. Homelessness – In a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.
3. Chronic homelessness – The jurisdiction must describe its planned action steps it will take over the next year aimed at eliminating chronic homelessness by 2012. Again, please identify barriers to achieving this.
4. Homeless Prevention – The jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.
5. Discharge Coordination Policy – Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.

COMMUNITY DEVELOPMENT

Community Development

1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community

Development Needs Table (formerly Table 2B), public facilities, public improvements, public services and economic development.

2. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG Program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low and moderate-income persons.

Program Year 4 Action Plan Community Development response:

Public Services and Economic Development Initiatives are non-housing needs identified that shall be addressed with funds covered by the Consolidated Plan.

Public Services:

Homelessness and Chronic Homelessness, economic opportunities for residents of public housing and resolution of Fair Housing complaints. The source of funds to address these needs shall be through CDBG funds. Public Services are to address identified needs in the jurisdiction that have been used to develop the strategic goals and policy priorities for:

- a. Eliminating chronic homelessness
- b. Providing housing opportunities for low income persons
- c. Ensure equal housing opportunity for all races and classes

Economic Development Initiatives:

Commercial Loan for Center-City Revitalization, Commercial Retail Center

Construction in a low-income area and Float-Funded Activities as may be needed.

The source of funds to address these needs shall be through two (2) 108 Guaranteed Loans approved in 2000 and 2004. The Economic Development Initiatives are consistent with the previous Consolidated Plan as ongoing initiatives.

These projects are consistent with addressing the needs of targeted persons in the less than 30% of MFI.

OBJECTIVES for Public Services:

1. Short-term: Partner with non-profits to address chronic homeless issue.
Long-term: Reduce chronic homelessness by 50% in five years.
2. Short-term: Partner with GHA to provide education class to residents.
Long-term: Provide homeownership opportunities to three residents yearly.
3. Short-term: Inform public of assistance with fair housing conflicts.
Long-term: Resolve or provide referral for all persons with Fair Housing issues.

OBJECTIVES for Economic Development Initiatives:

1. Short-term: Engage developer to recruit anchor tenant for retail center

- Long-term: Through private development, complete business retail center with at least one anchor tenant to employ six low/mod income persons on completion of project.
2. Short-term: Engage property owners in Center-City Revitalization Plan.
- Long-term: Complete two to four revitalization activities in the Center-City to employ three low/mod income persons on completion of each activity.

Antipoverty Strategy

1. Describe the actions that will take place during the next year to reduce the number of poverty level families.

Program Year 4 Action Plan Antipoverty Strategy response:

The purpose in developing the Consolidated Plan is to provide decent housing, a suitable living environment and to expand economic opportunities for low/mod income persons. The Plan itself has the overall goal of impacting low/mod income persons in order to reduce poverty. The specific antipoverty objective shall focus on low-income persons that reside in public housing or have Section 8 Vouchers. The Gastonia Consortium shall partner with the Gastonia Housing Authority to engage public housing residents to become active in their current housing situation as well as plan for future homeownership through the IDA wealth-building program. Entitlement funds shall be provided to the PHA to:

1. Provide a series of classes that teach housing education, financial education, lending and home purchase education, homebuyer readiness, and pre- and post-homeownership that will promote self-sufficiency; and
2. Provide Economic Development opportunities through career and educational assessments, educational development, skills training, and job development and placement.

Additionally, through the local Department of Health and Human Services, the Work First/TANF and the Work Force Investment programs actively engage persons living in poverty to increase their economic situations through education and job training skills. A number of participants in this program are also public housing residents.

NON-HOMELESS SPECIAL NEEDS HOUSING

Non-homeless Special Needs (91.220 (c) and (e))

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Program Year 4 Action Plan Specific Objectives response:

Priority for non-homeless persons with special needs is:

To provide safe, decent affordable housing opportunities and increased homeownership for persons with special needs.

Objective 1: Increase rental housing availability for low-income persons with special needs.

Objective 2: Increase homeownership opportunities for low-income persons with special needs.

Plans for increasing both rental and homeownership opportunities include:

1. Provide leveraging funds for private non-profit organizations to apply for Section 811 and Section 202 for the elderly and disabled if available.
2. Continue to endorse successful Shelter Plus Care grants for renewal to house homeless persons with special needs.
3. Provide leveraging funds for private non-profit organizations to develop Tax Credit projects through the State of North Carolina Housing Finance Agency if available.

Housing Opportunities for People with AIDS – Does not apply.

HOPWA funds are administered in a seventeen county consortia by Mecklenburg County. Gaston County is part of that consortium.

Specific HOPWA Objectives – Does not apply.

OTHER NARRATIVE

Leveraging of Funds:

Leveraging of additional resources: The City has partnered with the local lending institutions to assist homebuyers with the purchase of affordable housing. The local banks have modified their CRA Programs to be used with our Affordable Housing Downpayment Assistance Program. This remains our most successful program to date. Other agencies receive funds from State programs and foundations. These monies are used to leverage our CDBG and HOME funds by providing services identified in our Consolidated Plan.

Match Requirements:

The HOME Program is the only program of which the City is required to match funds. The funds are satisfied by:

- Donated property by the City of Gastonia and private citizens
- Foreclosed property (taxes)
- Acquisition of property – difference between actual purchase price and fair market value as determined by an appraisal
- Any eligible fees waived by city/county government
- Other agencies within the jurisdiction are responsible for the match contribution required by the various programs. Most match requirements are met through private donations and/or foundations
- PMI waived by lending institutions

Public Owned Land/Property:

The City of Gastonia has in place a policy which states that any vacant land and or houses that can be used to expand housing opportunities to persons of low/mod income will be donated to Community Development for affordable housing.

Resources:

A. Federal Resources

1. CDBG
2. HOME
3. Section 108 Loan
4. Shelter Plus Care
5. ESG
6. FEMA
7. HOPWA
8. Public Housing and Section 8 Program Funds
9. HUD FHA

B. Private and Non-Federal Resources

1. RIC
2. Shelter of Gaston County

3. Gaston Dept. of Social Services
4. Crisis Assistance Ministry
5. Gaston-Lincoln Area Mental Health
6. Holy Angels
7. Habitat for Humanity
8. Gaston Residential Services
9. Gaston Community Action Agency
10. Local Lending Institutions
11. Highland Family Resource Center
12. As One Ministries
13. With Friends
14. USDA Rural Development
15. Fannie Mae
16. Freddie Mac
17. North Carolina Housing Finance Agency
18. Gastonia Housing Authority
19. Salvation Army
20. Flynn Fellowship Home

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

I. 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

II. 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



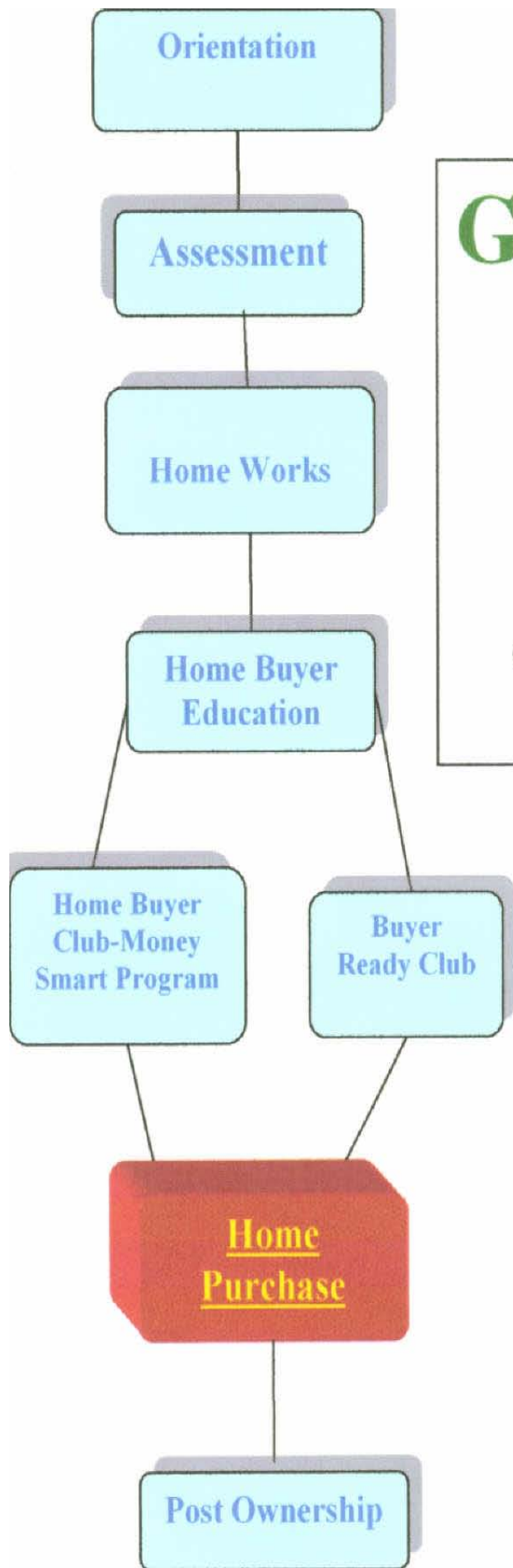
C.H.O.I.C.E.

**Cooperative Housing
Opportunities and Innovative
Collaborative Efforts**

**Your Income
Your Credit
Employment History**

**Public Housing
Homeownership Program**





Gastonia Housing Authority

C.H.O.I.C.E
Cooperative Housing
Opportunities and Innovative
Collaborative Efforts



**Gastonia Housing Authority
C.H.O.I.C.E**

Homeownership Introduction

In beginning the road to homeownership each participant may choose any number of paths to owning their own home. All prospective homeowners should attend HomeWorks which promotes good occupancy, economic self-sufficiency, and the importance of employment stability. Upon successful completion, participants will be invited to attend a Homebuyer Education Class.

With this solid foundation, participants now choose the path most likely to fit their lifestyle. Qualifying for the Buyer Ready Club means 6-18 months to homeownership. These prospective homeowners have demonstrated that they meet or are close to meeting all of the requirements of owning their own home.

Joining the Home Buyer Club means that the prospective homeowner need further strengthening of the foundations of homeownership. In depth programming, such as The Money Smart Program, intensive homebuyer education and regularly attended housing counseling sessions will be offered to every club member.

On either path, the more financial education and support provided the less chance that the buyer will be faced with the possibility of foreclosure; it also will promote homeowner stability and independence. Within months of the first homeowner closing on their home, the Homebuyer Club will have access to a mentor(s) who can provide guidance and support to the prospective homeowner. These mentors will be offered a new opportunity in community leadership as they support new club members. The best program advertising is always demonstrated through success!

Phases of the program are to be taught through a cooperative effort of the City of Gastonia Community Development Division, Gastonia Housing Authority Community Services, and North Carolina Cooperative Extension Service:

Orientation- City of Gastonia Community Development Division
GHA Community Services Homeownership Team

Assessment- City of Gastonia Community Development Division
GHA Community Services Homeownership Team

HomeWorks- GHA Community Services Homeownership Team

Home Buyer Education- City of Gastonia Community Development Division
GHA Community Services Homeownership Team

Buyer Ready Club and Home Buyer Club - City of Gastonia Community Development Division and
GHA Community Services Homeownership Team

Home Purchase – GHA Participant

Post Ownership - City of Gastonia Community Development Division
GHA Community Services Homeownership Team

City of Gastonia Community Development Affordable Housing Program

Homeownership Center

Down Payment and Closing Costs Assistance

How you qualify:

- Must be a resident of the City of Gastonia, the unincorporated areas of Gaston County and the City of Belmont, Town of Staley, Town of Ranlo, City of Lowell, City of Bessemer City, Town of High Shoals, Town of Dallas, City of Kings Mountain and City of Cherryville.
- Must be able to establish that total family income is reported and within the guidelines established by the Department of HUD.

Homebuyer Education

All prospective homeowners are required to attend homebuyer classes. Classes are available to assist the homeowner to establish a stable financial status. The classes highlight the responsibilities associated with homeownership.

Homebuyer, Credit and Budget Counseling

If an applicant has financial difficulties that hinder his/her buying potential, i.e. credit, loss of a job, etc., then homebuyer counseling is available if applicant works through the process. The applicant and counselor thoroughly examine the problems and determine the best approach to curing them.

Buyer Ready Club

For those families within 18 months or less of purchasing their own home, Buyer Ready Club will assist with meeting all of the final requirements. Learn the importance of saving money, of keeping credit in top condition, and of avoiding all the financial pitfalls that will keep families from making that home purchase. Financial programs such as Smart Money can be customized to fit the club's needs. Other classes, materials and programs will be provided to meet the specific needs of the families.

Homebuyer Club

The Homebuyer Club identifies difficulties that families might face when aiming for homeownership. A longer time frame is needed to resolve many barriers. Ideal members for a Homebuyer Club are families that may need to take up to 3 years to complete the path to homeownership. The Homebuyer Club is designed to help members navigate through a complex financial system.

Members meet on a regular basis for an extended period of time and together try to support each other in overcoming obstacles. They provide support for the additional time families need to correct credit problems, reduce debts and save money. Many members have been long time renters and are unaware of the financial and psychological merits of homeownership. A common reaction is anxiety about taking responsibility and the long-term commitment to owning a home.

In depth comprehensive programming such as Smart Money is used to increase a member's level of readiness. The program focuses on achieving long-term goals. Applicants meet to receive instruction, monitor their savings, mutual support and problem solving.

Individual financial concerns are dealt with in private counseling sessions while other topics are dealt with within a supportive group setting where participants identify the obstacles in their lives that act as barriers to obtain their home.

All programs are presented in a supportive environment that will increase dialogue among families. The ultimate goal is to remove the barriers that reduce a families' homeownership opportunities.

The Information Resource Center

Brochures, pamphlets, applications, videos consumer info, and fact sheets will be readily available for applicants and their families. Materials will be available to take home and free of charge.

Topics covered include: credit, mortgages, consumer issues, home repair, loans, money management, home ownership, etc.

Link: www.cityofgastonia.com

Certifications

Annual Action Plan 2004-2005

Statutes and Regulations

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 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
6. 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;
7. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is 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;
8. 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;

1. 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 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;
2. 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
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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

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

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

Signature/Authorizing Official Date

City Manager
Title

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:

1. 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 particular urgency because existing housing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available;
2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2007-2008 (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;
3. 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:

1. 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

2. 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 U.S.C. 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint - Its notification, inspection, testing and abatement procedures concerning lead-based paint will comply with the requirements of 24 CFR §570.608;

Compliance with Laws - It will comply with applicable laws.

Signature/ Authorized Official

Date

City Manager

Title

ESG Certifications

The Emergency Shelter Grantee certifies that:

Major rehabilitation/conversion – It will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 10 years. If the jurisdiction plans to use funds for purposes less than tenant-based rental assistance, the applicant will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 3 years.

Essential Services – It will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served.

Renovation -- Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal, State, local and private assistance.

Matching Funds -- It will obtain matching amounts required under 576.71 of this title.

Confidentiality – It will 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 under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement – To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, operating facilities, and providing services assisted through this program.

Consolidated Plan – It is following a current HUD-approved Consolidated Plan or CHAS.

Signature/Authorized Official

Date

City Manager
Title

HOPWA Certifications

The HOPWA grantee certifies that:

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

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

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

Signature/Authorized Official

Date

City Manager
Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

This certification 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.

B. 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 know, 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)

181 South Street, Gastonia, Gaston County, North Carolina 28053

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 24, subpart F.

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 controlled substance;

“Employee” means the employee of a grantee directly engaged in the performance of work under a grant, including; (i) All “direct charge” employees; (ii) all “indirect charge” employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) 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).