

2014
Annual Action Plan

CITY OF SAN ANGELO
COMMUNITY & HOUSING SUPPORT



Annual Action Plan

Plan Preparation by:

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Chris Deanda, Special Projects Coordinator

City Council 2014

Dwain Morrison, Mayor

Rodney Fleming, Councilman
Single Member District 1

Marty Self, Councilman
Single Member District 2

Johnny Silvas, Councilman
Single Member District 3

Don Vardeman, Councilman
Single Member District 4

Elizabeth Grindstaff, Councilwoman
Single Member District 5

Charlotte Farmer, Councilwoman
Single Member District 6

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City of San Angelo's CD Strategic Framework

<p>Mission: Increase homeownership, support community development, eliminate blight and increase access to affordable housing for low-to-moderate income citizens free from discrimination.</p>			
<p>Program Strategic Goals</p>	<p>Create a suitable living environment</p>	<p>Provide decent, affordable housing</p>	<p>Create economic opportunities</p>
	<ul style="list-style-type: none"> ● Increase quality of low/moderate income neighborhoods by enforcing city code ● Eliminate substandard properties in neighborhoods targeted for revitalization 	<ul style="list-style-type: none"> ● Provide safe and sanitary living conditions ● Prevent homelessness by providing rental assistance to special needs including mentally disabled ● Increase number of new homeowners 	<ul style="list-style-type: none"> ● Revitalize neighborhoods in order to spur population growth which in turn will spur economic growth ● Prevent homelessness by providing rental assistance to special needs including mentally disabled
<p>Cross-Cutting Strategic Goals</p>	<p>Ensure equal opportunity in housing</p>		
	<ul style="list-style-type: none"> ● Provide a fair and efficient administrative processes free of discrimination 		
	<p>Embrace high standards of professionalism and customer service</p>		
	<ul style="list-style-type: none"> ● Continue to increase local contractor participation in the program while maintaining city regulations and standards 		
	<p>Promote participation of community organizations</p>		
<ul style="list-style-type: none"> ● Continue to grow relationships with community based volunteer group to assist in neighborhood revitalization projects 			

**APPLICATION FOR
FEDERAL ASSISTANCE**

Version 7/03

1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction		2. DATE SUBMITTED 08/15/2014	Applicant Identifier B-14-MC-48-0025	
Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction		3. DATE RECEIVED BY STATE	State Application Identifier	
		4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier	
5. APPLICANT INFORMATION				
Legal Name: City of San Angelo		Organizational Unit: Department: Neighborhood & Family Services		
Organizational DUNS: 07-854-7502		Division: Community & Housing Support		
Address: Street: 72 West College		Name and telephone number of person to be contacted on matters involving this application (give area code)		
City: San Angelo		Prefix: Mr.	First Name: Robert	
County: Tom Green		Middle Name		
State: Texas		Last Name Salas		
Zip Code 76903	Suffix:			
Country: United States		Email: robert.salas@cosatx.us		
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 7 5 - 6 0 0 0 6 5 9		Phone Number (give area code) 325-657-4274	Fax Number (give area code) 325-481-2628	
8. TYPE OF APPLICATION: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> <input type="checkbox"/>		7. TYPE OF APPLICANT: (See back of form for Application Types) Municipal Other (specify)		
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): Community Development Block Grant 1 4 - 2 1 8		9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and Urban Development		
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of San Angelo, TX (within city limits only)		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Annual Action Plan for the City of San Angelo, Texas. CDBG funding to provide provide decent housing, a suitable living environment, and expanding economic opportunities principally for persons of low to moderate income.		
13. PROPOSED PROJECT Start Date: 10/01/2014		14. CONGRESSIONAL DISTRICTS OF: a. Applicant 17th		
Ending Date: 09/30/2015		b. Project 17th		
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?		
a. Federal	\$	701,672 ⁰⁰		
b. Applicant	\$.00		
c. State	\$.00		
d. Local	\$.00		
e. Other	\$.00		
f. Program Income	\$	40,000 ⁰⁰		
g. TOTAL	\$	741,672 ⁰⁰		
		a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE: b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372 <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
		17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No		
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.				
a. Authorized Representative				
Prefix Mr.	First Name Daniel		Middle Name	
Last Name Valenzuela		Suffix		
b. Title City Manager		c. Telephone Number (give area code) 325-657-4241		
d. Signature of Authorized Representative		e. Date Signed 7/15/14		

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ATTEST:

Alicia Ramirez
Alicia Ramirez, City Clerk

Standard Form 424 (Rev.9-2003)
Prescribed by OMB Circular A-102

**APPLICATION FOR
FEDERAL ASSISTANCE**

Version 7/03

1. TYPE OF SUBMISSION: Application		2. DATE SUBMITTED 08/15/2014	Applicant Identifier M-14-MC-48-0224
<input type="checkbox"/> Construction	Pre-application	3. DATE RECEIVED BY STATE	State Application Identifier
<input checked="" type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction	4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier
<input type="checkbox"/> Non-Construction			
5. APPLICANT INFORMATION			
Legal Name: City of San Angelo		Organizational Unit: Department: Neighborhood & Family Services	
Organizational DUNS: 07-854-7502		Division: Community & Housing Support	
Address: Street: 72 West College		Name and telephone number of person to be contacted on matters involving this application (give area code)	
City: San Angelo		Prefix: Mr.	First Name: Robert
County: Tom Green		Middle Name	
State: Texas	Zip Code 76903	Last Name Salas	
Country: United States		Suffix:	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 7 5 - 6 0 0 0 6 5 9		Phone Number (give area code) 325-657-4274	Fax Number (give area code) 325-481-2628
8. TYPE OF APPLICATION: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> <input type="checkbox"/>		7. TYPE OF APPLICANT: (See back of form for Application Types) Municipal Other (specify)	
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): HOME Investment Partnership Program 1 4 - 2 1 8		9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and Urban Development	
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of San Angelo, TX (within city limits only)		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Annual Action Plan for the City of San Angelo, Texas. HOME Investment Partnerships Program funding to provide decent housing and a suitable living environment principally for person of low/moderate income.	
13. PROPOSED PROJECT Start Date: 10/01/2014		14. CONGRESSIONAL DISTRICTS OF: a. Applicant 17th	
Ending Date: 09/30/2015		b. Project 17th	
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
a. Federal	\$ 249,956 ⁰⁰	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:	
b. Applicant	\$. ⁰⁰	b. No. <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372	
c. State	\$. ⁰⁰	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
d. Local	\$. ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?	
e. Other	\$. ⁰⁰	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No	
f. Program Income	\$ 30,000 ⁰⁰		
g. TOTAL	\$ 279,956 ⁰⁰		
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.			
a. Authorized Representative			
Prefix Mr.	First Name Daniel	Middle Name	
Last Name Valenzuela	Suffix		
b. Title City Manager	c. Telephone Number (give area code) 325-657-4241		
d. Signature of Authorized Representative	e. Date Signed 7/15/14		

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EXECUTIVE SUMMARY

This Annual Action Plan outlines the activities which will be undertaken during the program year beginning October 1, 2014 and ending September 30, 2015 using federal funds granted to the City of San Angelo by the U.S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant (CDBG) and HOME Investment Partnerships grant (HOME) programs. Programs and activities described in this plan are intended to primarily benefit low-income and moderate-income residents of the City of San Angelo, neighborhoods with high concentrations of low-income and moderate-income residents, and the city as a whole.

Specifically, the plan identifies resources, addresses objectives and outcomes for funded activities, provides a description of geographic areas being affected, outlines plans to address the needs of the homeless and special needs citizens, and addresses the city's goals as they relate to affordable housing.

Based on citizen recommendations, the city plans to focus on four major activities: neighborhood revitalization, housing rehabilitation/preservation, clearance, and tenant-based rental assistance.

Objectives and outcomes: These activities address goals set in the 2010-2014 Consolidated Plan and meet one of the three **objectives** of the CDBG program:

1. Creating a Suitable Living Environment
2. Providing Decent Housing
3. Creating Economic Opportunities

Moreover, funded activities will address, and are consistent with, the following three **outcome** categories as outlined by the Outcome Performance Measurement System published in the Federal Register on June 10, 2005 (70FR 34044):

1. Improving availability or accessibility of units or services
2. Improving affordability not just of housing but of other services
3. Improving sustainability by promoting viable communities

Evaluation of Past Performance: The City of San Angelo has been successful over the past year in furthering key housing objectives and goals cited in the 2010-2014 Consolidated Plan. We met or will have met all of the annual goals for emergency and housing repairs, tenant-based rental assistance, and the Homebuyers Assistance Program (HAP), and new home construction. Completion data for all projects will be reported in the Consolidated Annual Performance & Evaluation Report (CAPER).

Citizen Participation: This plan is the product of public outreach consistent with the City of San Angelo's 2010-2014 Five-Year Consolidated Plan. Public participation efforts included several public meetings and hearings, discussions with agencies and groups that provide services, assist and/or advocate for low-to-moderate-income citizens.

The Community & Housing Support (CHS) staff provided program information to include eligible activities and funds available for 2014. During these public meetings held throughout the city at various times and locations, public comment was received regarding the allocation of CDBG and HOME funds. All comments were accepted. In addition, a 30 day public comment period was provided from June 25, 2014 thru July 28, 2014.

FEDERAL RESOURCES

Over the past several years, the City of San Angelo has seen an annual reduction in funding for both CDBG and HOME funds with only a few exceptional years where the city saw slight increases in CDBG funds. Although these reductions adversely affect the city’s ability to meet the needs of low-to-moderate income citizens, we will continue to strive to meet or exceed our goals by finding and taking advantage of synergies with local organizations and government entities wherever possible.

Federal Resources

	CDBG	HOME	TOTAL
Federal Entitlement	\$701,672	\$249,956	\$951,628
Estimated Program Income	\$40,000	\$30,000	\$70,000
<i>Estimated Total Funds Available</i>	\$741,672	\$279,956	\$1,021,628

Program Administration Caps

	CDBG	HOME
CDBG Federal Entitlement	\$701,672	\$249,956
Estimated Program Income	\$40,000	\$30,000
Administration Cap Allowance	\$155,917	\$27,995
<i>Planned Administration Expenditures</i>	\$155,917	\$27,995

CDBG Public Service Activity Cap

	CDBG
CDBG Federal Entitlement	\$701,672
Prior Year Program Income	\$40,000
Public Service Cap Allowance	\$111,250
<i>Planned Public Service Expenditures</i>	\$0

HOME CHDO Set-Aside

	HOME
HOME Federal Entitlement	\$249,956
Minimum Required CHDO Set-Aside	\$37,494
<i>Actual Amount Set-Aside</i>	\$90,000

ACTIVITIES TO BE UNDERTAKEN

The following tables list the activities and programs that will be supported using 2014 CDBG and HOME funds.

CDBG Projects	Allocation
Administration/Planning	
CHS Admin	\$148,334
Rehab/Preservation	
CHS - Housing Rehab Program	\$389,625
<i>Program Delivery</i>	\$126,625
<i>Rehab Projects</i>	\$155,000
<i>Emergency Repairs</i>	\$108,000
Helping Hands	\$15,000
Clearance	
Code Compliance	\$38,000
Debt Service	
Section 108 Loan Repayment	\$150,713

HOME Projects	Allocation
HOME Admin	\$27,996
Homebuyer Assistance Program	\$110,960
MHMR – Tenant-based Rental Assistance (TBRA)	\$51,000
Galilee CDC (CHDO Set Aside Reserve)	\$90,000

HOME MATCH REQUIREMENTS

The City intends to meet its match requirement by:

- Utilizing the difference in the market value of tax foreclosed property and the sales price of that property
- Identifying non-federal funds to be used for match

LOCAL FUNDS TO BE USED TO MEET CONSOLIDATED PLAN

Low and moderate income persons should have decent, safe, sanitary, and affordable housing. To address this continuing problem, the City will offer its owner-occupied single family housing complete rehabilitation, housing repairs, and emergency repairs 100% grant programs as well as its Neighborhood Revitalization/Enhancement Program to qualified low/moderate income households. In addition, the City will use approximately \$360,000 from the half cent sales tax for single family housing construction in target neighborhoods.

PROPOSED CDBG/HOME PROJECT DESCRIPTIONS

Listed below are detailed descriptions of activities recommended for funding under 2014 CDBG and HOME grant programs. Descriptions include timelines for each project, additional funding received for specific use of the project, and what national/local objectives the project addresses.

CDBG FUNDED PROJECTS

\$148,334 CDBG Administration/Planning

Staff and related costs required for overall program management, coordination, monitoring, reporting, and evaluation of CDBG and HOME programs.

Additional Funding: None
NATIONAL OBJECTIVE: NA
CONS. PLAN OBJECTIVE: Non-Housing Community Development
ELIGIBLE ACTIVITY: 21A General Program Administration §570.206

\$389,625 City's Housing Rehabilitation Program

Continues funding for the Housing Rehabilitation/Preservation Program which includes:

- Housing Rehabilitation
- Emergency Repairs
- Program Delivery

Housing Rehab Neighborhood Blitz - \$155,000 will be for Housing Rehab Neighborhood Blitz projects. Assistance will be provided to at least 25 eligible low/moderate income citizens (homeowners or rental units) within the city limits of San Angelo. Projects will consist primarily of siding replacement and painting. However, some housing units may need additional repairs such as windows and insulation. Landlords will be required to adhere to affordability timelines and HUD rent limits and caps for the duration of the affordability period. Projects are scheduled first come first served and will be executed throughout the year.

Emergency Repairs - \$108,000 will fund 100% grant for low/moderate income homeowners for up to \$5,000.00 in Emergency Repairs. An emergency is a situation or condition that occurred without warning (within two (2) weeks), is detrimental to life, health, or safety and requires immediate action. Action must be taken within 24-72 hours to remediate the emergency situation. Modifications to provide barrier-free living space, when feasible, for homes occupied by either disabled or elderly individuals requiring such modifications will also be included. The goal for this funding is to complete repairs for at least 22 unduplicated households with a final goal of 40. Services continue throughout the year.

Program Delivery - \$126,625 will fund salaries and benefits for program staff and provide funds for operating the Rehab programs.

Additional Funding: None
NATIONAL OBJECTIVE: Benefit 100% low/moderate income households
CONS. PLAN OBJECTIVE: Affordable Housing
ELIGIBLE ACTIVITY: 14A Rehabilitation §570.202

\$38,000 Code Compliance

Funds the salary and benefits for a City of San Angelo Code Compliance Officer. This officer will be assigned to enforce codes, such as junk, junk vehicles, tall grass and weeds, junk appliances, refuse, unsightly material and temporary signs, and related state laws in low/moderate income areas defined by the 2010 Census. On average,

the Code Compliance Division performs about 2900 compliance activities annually, which include inspection, re-inspection and violation documentation in low/moderate income areas. The service provided by the officer will aid in the elimination of conditions which are detrimental to health, safety and public welfare in targeted areas of the City. Year-long project.

Additional Funding: None
NATIONAL OBJECTIVE: Benefit at least 51% low/moderate income
CONS. PLAN OBJECTIVE: Non-Housing Community Development
ELIGIBLE ACTIVITY: 15 Code Enforcement Activities §570.202(c)

\$150,713 Debt Service

Repayment of the Section 108 Loan for Rio Vista Park Renovation and the Producer's Park Development. This loan totaling \$2,035,000 plus interest will be paid back over period not to exceed 20 years.

Additional Funding: None
NATIONAL OBJECTIVE: Benefit at least 51% low/moderate income persons
CONS. PLAN OBJECTIVE: Public Facilities
ELIGIBLE ACTIVITY: Parks, Recreational Facilities §570.201(c)

\$15,000 Helping Hands

Funds minor repairs to provide cost-free, safe, secure, and weatherproof housing for elderly homeowners. The Helping Hands program will be used to assist with minor repairs to plumbing, electrical, and other conditions that present an unsafe or unsanitary condition for the homeowner. Approximately 25 homeowners will be assisted through the Helping Hands Program. Projects are scheduled twice a year using community volunteers.

Additional Funding: \$10K from United Way
NATIONAL OBJECTIVE: Benefit 100% low/moderate income households
CONS. PLAN OBJECTIVE: Affordable Housing
ELIGIBLE ACTIVITY: 14A Rehabilitation §570.202

HOME FUNDED PROJECTS

\$138,956 City's Affordable Housing Program

Funds provided for HOME administration and Homebuyers Assistance Programs to continue to revitalize the current City Council identified Rio Vista, Blackshear, Reagan and Fort Concho target areas through down payment and closing cost assistance. Of the amount allocated, \$27,996 will provide for administration costs and \$110,-*\$ will provide approximately 14 families down payment and closing cost assistance to purchase a home. Projects will be executed throughout the year.

Additional Funding: None
NATIONAL OBJECTIVE: Benefit Low/Moderate Income Persons Benefit
CONS. PLAN OBJECTIVE: Affordable Housing
ELIGIBLE ACTIVITY: 12,13,14A Affordable Housing/Site Improvements
Rehabilitation/New Construction §92.205(a)

\$51,000 MHMR Tenant-based Rental Assistance

Funds provide tenant-based rental assistance (TBRA) to 21 clients with a chronic mental illness residing within the San Angelo city limits over a period of a year. The HOME funds requested will provide rental assistance, one time security deposit assistance, and one-time utility deposit assistance. TBRA may be used on any rental property within the City of San Angelo that meets HUD's minimum Housing Quality Standards. Yearlong services will be provided.

Additional Funding: None
NATIONAL OBJECTIVE: Benefit Low/Moderate Income Persons
CONS. PLAN OBJECTIVE: Special Needs/Homeless Populations
ELIGIBLE ACTIVITY: 05S Tenant-Based Rental Assistance §92.205(a)

\$90,000 Galilee Community Development Corp – CHDO Construction Grant

Funds provide for new home construction for low/moderate income residents. GCDC's current goal is to build at least 3 homes with the 2014 allocation and with other resources.

Additional Funding: None
NATIONAL OBJECTIVE: Benefit Low/Moderate Income Persons
CONS. PLAN OBJECTIVE: Affordability Housing
ELIGIBLE ACTIVITY: 12 Construction and Housing §92.205(a)

SUMMARY OF OBJECTIVES AND OUTCOMES

The mission of the City's Community & Housing Support Division is to help increase homeownership, support community development, eliminate blight and increase access to affordable housing for low-to-moderate income citizens. We execute the mission through a variety of programs that includes minor and complete rehabilitation, new home construction, homebuyer's assistance, demolition, and emergency repairs.

Whenever possible, the city creates partnerships and synergies with local non-profit organizations that provide services and housing opportunities to low-to-moderate income citizens. These organizations include Community Housing Development Organizations (CHDO) and Habitat for Humanity.

The City of San Angelo has established three main objectives which are consistent with the 2010-2014 Consolidated Plan and meet one of the three national objectives of the CDBG program:

- Creating a Suitable Living Environment
- Providing Decent Housing
- Creating Economic Opportunities

Our plan to meet these objectives covers a myriad of activities. Some of these activities include increasing code enforcement efforts in low-to-moderate income target neighborhoods, coalescing with non-profit organizations that provide home repair to target citizenship, increasing the number of recreational facilities in target neighborhoods to include parks, expanding access to affordable rental housing, increasing the number of housing rehab projects across the city, increasing demolition activities in blighted areas, and exploring new housing opportunities with housing partners.

As we work to meet these objectives, we anticipate that all funded activities will address, and are consistent with, at least one of three outcomes:

- Improving availability or accessibility of units or services
- Improving affordability not just of housing but of other services
- Improving sustainability by promoting viable communities

Meeting Objectives Matrix

	Suitable Living Environment			Decent Housing			Economic Opportunities		
	<i>Avail</i>	<i>Afford</i>	<i>Sustain</i>	<i>Avail</i>	<i>Afford</i>	<i>Sustain</i>	<i>Avail</i>	<i>Afford</i>	<i>Sustain</i>
Hsg Rehab Programs				✓					
Emergency Repairs				✓					
Code Enforcement			✓						
HAP					✓				
MHMR - TBRA					✓				
CHDO Set-Aside					✓				
Section 108 Park Improvements			✓						
Helping Hands						✓			

CDBG & HOME Project Tie-in to Annual Objectives and Outcomes One-year Housing Goals (PY2014)

	NON-HOMELESS	SPECIAL NEEDS
Emergency Repairs	40	
Rehabilitation	50	
New construction	3	
Rental Assistance		21
First-time Homebuyers Assistance	14	

GEOGRAPHIC DISTRIBUTION

Community-wide projects are directed toward low-to-moderate income persons and are usually carried out throughout targeted low-to-moderate income Census Tract Block Groups. These projects are offered on a community-wide basis because, while there are distinct areas with high concentrations of low-to-moderate income populations within the City, over the years the low-to-moderate income population has spread throughout the community. This is especially true for elderly and special needs residents. Out of fairness to all eligible low-to-moderate income residents, these programs are offered on a city-wide basis.

Community-wide projects:

- Emergency Repair Program
- Homebuyers Assistance Program

Target Area projects consist of those projects conducted in four City Council designated target areas, Rio Vista, Blackshear, Reagan, and Fort Concho. Code Compliance and the annual Neighborhood Blitz will be conducted strictly in target area neighborhoods as well as new home construction earmarked for the Neighborhood Revitalization Program.

Galilee Community Development Corporation is currently the only CHDO that has applied for 2014 CHDO set-aside funds. Although CHDO funds are not limited to target areas, Galilee has decided to focus on the target areas for their operations.

Approximately \$283K (\$38K Code Compliance, \$155K Neighborhood Blitz, \$90K CHDO new home construction) will be expended specifically in the neighborhoods targeted for revitalization which equates to 28% of total CDBG & HOME funds available for the program year.

AFFORDABLE HOUSING FOR HOMELESS/SPECIAL NEEDS

The City of San Angelo's actions as they relate to homeless and special-needs households are identified below.

Homeless Needs

There should be sufficient emergency shelters available for the needs of the homeless; however, the main emphasis should be on providing transitional and permanent housing. The local Salvation Army began a new program which they hope will alleviate some of the problems. This transitional housing program offers selected participants a place of residence with low nightly rates in order to provide the opportunity to save money for a home or apartment. Tenants are housed for three to four months, and each participant is required to take part in a financial course and to find a job. Staff then evaluates the tenants after 90 days and if qualified, the program pays the first month's rent and helps with utilities.

In addition to the Salvation Army, there are two transitional housing programs for men and women managed by the Alcohol & Drug Abuse Council that provide transitional housing for individuals suffering from drug and alcohol addiction. Also, the Institute of Cognitive Development provides transitional housing for families made homeless through domestic violence. These transitional housing programs will continue in 2014.

Moreover, the majority of homeless individuals are associated with mental health issues. The city will assist in addressing this problem through its efforts described below regarding the Special Needs Population.

Housing for Special Needs Population

Elderly, frail elderly, handicapped, disabled and other special needs persons should likewise have the opportunity to live in decent, safe, sanitary affordable housing. Furthermore, this housing should be accessible and barrier free when required. Housing rehabilitation assistance through the Amy Young barrier removal program will be provided to homeowners with disabilities to fund renovations necessary to make their homes accessible. Additionally, the PHA offers several barrier free units to those qualified individuals needing accessible housing.

MHMR Services of the Concho Valley will receive HOME funds to provide tenant-based rental assistance (TBRA) to 30 clients with a chronic mental illness residing within the San Angelo city limits over a period of a year. The HOME funds requested will provide rental assistance, one time security deposit assistance, and one-time utility deposit assistance. TBRA may be used on any rental property within the City of San Angelo that meets HUD's

minimum Housing Quality Standards. Initial and annual inspections of the units are required in order to assure that the funds are being used for decent, safe and sanitary properties.

Helping Hands will be provided to low-to-moderate income elderly home owners by funding renovations necessary to make their homes accessible. At least 10 homeowners annually will be assisted with such services.

Construction of a handicap accessible duplex at the Forest Park Duplexes was completed during the 2007 Program Year, adding affordable housing units for two elderly or disabled people/households. The HOME funded Forest Park Duplexes now provides affordable housing to 10 elderly or disabled people/households in 2014.

Galilee Community Development Corporation will provide handicap accessibility features in houses constructed under its HOME funded New Construction Program when such features are requested by participant families.

PUBLIC HOUSING

The PHA will continue to offer 174 public housing units consisting of 90 Low Rent Public Housing Family units, 60 elderly units, and 24 Acquisition Project units. The Desert Shadows complex will continue to offer 224 units for rent, but under the Land Use Restriction Agreement in effect only 112 of those units are available at less than market rent for low-to-moderate income tenants. The PHA will continue to provide the Housing Choice Voucher Rental Assistance Program, formally known as Section 8 to serve qualified low-to-moderate income families in San Angelo.

During FY 2002, the Housing Authority sold two of its Affordable Housing Program apartment complexes which resulted in a decrease of affordable housing units operated by the PHA from 221 to 168. Because of a Land Use Restriction Agreement (LURA), the two complexes will continue to benefit 53 lower income families in the City of San Angelo through private operation until expiration of the LURA. During FY 2004, the Housing Authority sold a third Affordable Housing Program apartment complex to a local hospital. The PHA accomplished having the LURA removed so that the hospital could demolish the complex and use the land for other non-housing purposes. This resulted in a decrease of 56 affordable housing units. PHA now has only 112 affordable housing units under its operation.

The PHA intends to make modifications to public housing based on the Section 504 needs assessment. They intend to install lighting to enhance security; complete modernization of 1-2 units per year for the next five years; convert units to total electric for all units over the next five years. The PHA indicated that it will employ effective maintenance and management policies to minimize the number of public housing units off-line and reduce the turnover time for vacated public housing units. The PHA is also planning to continue a winterization program to properly seal and insulate windows and doors and improve the efficiency of all units through the purchase of "Energy Star" rated systems. The PHA has partnered with the local SAPD to implement a Crime Free program to reduce crime and vandalism. This addition to the residents lease will include all Public Housing residents as well as residents living in the Affordable Housing program.

In 2012, The Housing Choice Voucher program was awarded twenty-five additional vouchers to assist HUD's mission of eliminating homelessness among veterans. The Veteran's Affairs Supportive Housing program is fully leased due to efforts of the PHA staff and a partnership with the Big Springs VA office. With the addition of these twenty-five vouchers the PHA has 808 Housing Choice Vouchers to offer low and very low income families.

For 2014, the PHA will continue to encourage residents to submit responses both telephonically and in writing concerning any PHA matters. In addition, the Executive Director holds quarterly sessions concerning quality of life matters. The resident Advisory Group provides input to the PHA. Also, the PHA has resident volunteers as Area Block Captains to provide input and notify the PHA of any site concerns.

BARRIERS TO AFFORDABLE HOUSING

The major barrier to affordable housing is still a lack of funds. While education and/or job training may provide a means to increasing income and improving living conditions for some low income families, low income elderly and disabled will not likely be able to achieve these goals through education or job training.

Slow economic development in San Angelo is another barrier to affordable housing for some citizens. The City of San Angelo has undertaken aggressive measures to remedy the problem. One of those measures was to extend the ½ cent sales tax to fund performance-based job creation and business retention. The City of San Angelo Development Corporation (COSADC) provides grants to businesses interested in setting up or expanding operations in San Angelo. Types of businesses include manufacturing, warehousing/distribution, data processing, telecommunications services, research and development, information services, correctional institutions, mining, and agricultural services.

Other efforts to reduce barriers to economic development include:

- Tax Abatement (using net present value of the abatement)
- Financing (using amount COSADC guarantees, participates or lends directly)
- Infrastructure Improvements
- Land Purchases, leasehold improvements and construction (using amount provided by COSADC)
- Training expense reimbursement
- Relocation expense reimbursement for equipment and/or personnel

Other Assistance: San Angelo's public and private sectors work together to help create an atmosphere for new job creation. The Chamber of Commerce can provide coordination of services such as incentives, training, financing arrangements, available land and building location service, and refer business owners to helpful services provided by our Angelo State University Small Business Development Center and the Concho Valley Center for Entrepreneurial Development.

The City of San Angelo Council and staff believe that it does not have regulatory provisions which bar or create barriers to affordable housing. The City Council is keenly aware of the need to keep permit fees and property taxes low and is committed to raising fees and taxes only when absolutely necessary for essential services. On May 18, 2010, the City Council adopted the 2009 International Building, Existing Building, Residential, Energy, Fire Plumbing, Mechanical and Fuel Gas Codes. They also adopted the 2008 National Electric Code. Several of the codes were modified to reflect local building practices. City of San Angelo building permit fees were increased by the Council in 2003; however, following a survey of comparable cities in Texas conducted by the City of San Angelo Permit/Inspections Department, permit fees for new construction remain in line with other cities in our area and those throughout the state which are of similar size. In 2014, the City will continue to review its various development standards and building codes to identify any potential barriers to the production or maintenance of affordable housing. It should be noted that the City has waived permit fees for construction projects funded under the Neighborhood Enhancement/Revitalization Program and will continue to do so during 2014. Additionally, through the City's Urban Redevelopment Program, tax lots may be purchased for \$750.

In addressing the barriers to affordable housing, the City will continue to offer its owner-occupied Housing Rehabilitation Program and the Neighborhood Revitalization/Enhancement Program and will continue its 100% Emergency Repairs Grant Program through the Community & Housing Support Division. The Community & Housing Support Division will also administer the Homebuyers Assistance Program which offers down payment and closing cost assistance to low to moderate income homebuyers and will continue to operate the eight-unit Forest Park Duplexes for low to moderate income elderly or disabled residents.

OTHER ACTIONS

During grant year 2014, the City of San Angelo will take action to address obstacles to meeting underserved needs in several areas as discussed below.

Foster and Maintain Affordable Housing

Low and moderate income persons should have decent, safe, sanitary, and affordable housing. To address this continuing problem, the City will offer its owner-occupied and rental single family housing rehabilitation and emergency repairs 100% grant programs. Owner-occupied and rental single family housing rehabilitation is critical to aging neighborhoods, especially lower income neighborhoods, in preventing slum/blight conditions from developing. Such neighborhoods have large concentrations of single parent families and elderly residents who lack the financial and/or physical ability to provide even routine maintenance and repairs. Unless these neighborhoods are addressed, neglect will occur and will ultimately result in deterioration of the housing stock and contribute to the further decline of these neighborhoods.

The Housing Rehabilitation Program Neighborhood Blitz is funded with \$155,000 of 2014 CDBG funds. Rehabilitation assistance to low-to-moderate income persons for the purpose of replacing siding and painting the exterior walls to help reduce blight conditions in the neighborhood. In addition, an allocation of \$108,000 of 2014 CDBG funds will enable the department to continue an Emergency Repairs 100% Grant component to the Housing Rehabilitation Program, which will provide assistance with a 100% grant up to \$5,000 for homeowners in need of emergency repairs. The city will also fund Helping Hands that will target rehabs of elderly homeowners, allocating \$15,000 for 2014 program year.

Down payment and closing cost assistance will be provided for income qualified homebuyers under the City's Homebuyers Assistance Program (HAP) which has been allocated HOME funds in the amount of \$110,960. The assistance will be provided as a forgivable, no-interest deferred payment loan which will not have to be repaid as long as the homeowner occupies the home as his or her principal residence for the full five year affordability period.

To further aid in addressing the priority of Housing, the City will assist Galilee Community Development Corporation in construction of three houses for low-to-moderate income families.

HOME funds will be provided for tenant-based rental assistance to 21 persons/households. Additional information regarding the City's Housing objective is contained in this Annual Action Plan under Activities to be undertaken.

Lead-Based Paint Hazards

The HOME Neighborhood Enhancement/Revitalization rehabilitation component and Housing Rehabilitation Program will adhere to the HUD Regulation on Lead-Based Paint Hazards in Federally Owned Housing and Housing Receiving Federal Assistance, 24 CFR Part 35, Subpart J, that went into effect on September 15, 2000. In response to this regulation and as one of the 2000 Annual Action Plan goals, CHS staff prepared and incorporated a chapter on Lead-Based Paint Hazards in its rehabilitation program guidelines, which is applicable to both CDBG and HOME funded activities.

The CHS Housing Program Coordinator received training and is currently certified by the State in order to carry out the required lead-based paint inspections, risk assessments, interim control/abatement work, lead abatement supervisor, and clearance testing.

Anti-Poverty Strategy

The City recognizes that its future economic viability rests with elimination of poverty. San Angelo has and will continue to undertake efforts in housing and supportive services to improve the quality of life of its low-to-moderate income residents so long as funding for such activities is available. The major factor in predicting poverty and locking people into a life of poverty is the lack of education and job skills. Being without requisite education and skills necessary to obtain a job paying more than minimum wage prevents many residents from departing the ranks of the impoverished. Therefore, workforce development and area-wide economic development have been identified as priorities which will aid the City in reducing the number of persons living below the poverty level.

The West Texas Training Center, which opened January 3, 2001, is located on property owned by the City and is the focal point of a cooperative effort amongst the City, San Angelo Independent School District, Angelo State University, Howard College, the Chamber of Commerce, and regional business, industry and health care organizations to meet the occupational training needs of the Concho Valley region and West Texas. The Center was renovated/constructed through funding provided by \$1.2 million in an EDA grant, \$925,000 from a State Special Item Appropriations grant, \$40,000 from Howard College and additional funding from the San Angelo Health Foundation.

Institutional Structure and Coordination of Activities

The City of San Angelo Community & Housing Support Division, which administers CDBG and HOME funds is a division of the municipal government. The PHA is a separate entity with a Board of Directors appointed by the Mayor of the City of San Angelo. However, the CHS staff will continue to work with the PHA staff to leverage other federal funds earmarked for affordable housing.

As established by the many cooperative efforts undertaken by the City of San Angelo described previously in this Plan, coordination of activities is an ongoing process. In 2014, the CHS staff will continue to provide technical assistance to all non-profit organizations within the City, particularly those which are the Subrecipients of CDBG and HOME funds and those which are HOME Community Housing Development Organizations. The staff typically provides technical assistance on the availability of federal grants and the availability of private grants and funds to include faith-based organizations. Technical assistance is also provided on program compliance, documentation, and monitoring matters.

PROGRAM-SPECIFIC REQUIREMENTS

The activities planned provide for the expenditure of all CDBG funds expected to be available during the program year, including program income. No amount has been excluded for eligible activities that have been identified for the contingency of cost overruns. There is no surplus from urban renewal settlements. No grant funds have been returned to the line of credit for which the planned use has not been included in a prior statement, plan or amended plan. No income will be received from float funded activities in 2014. No "urgent need" activities are allocated 2014 CDBG funding. Approximately 80% of CDBG funds will be used to benefit low-to-moderate income persons.

HOME investments by the City of San Angelo in fiscal year 2014 will consist of grant funds and program income funds. No HOME funds will be used to refinance existing debt secured by multi-family housing being rehabilitated with HOME funds; therefore, no such guidelines are required. The City intends to use 2014 HOME funds for First-time Homebuyers. Our guidelines for recapture of funds are included in the City's HOME program documents for the Home Buyer's Assistance Program, the Neighborhood Enhancement/Revitalization Program which includes a down payment and closing cost component, and Galilee Community Development Corporation's housing construction program, all of which assist homebuyers. All housing under these programs must be acquired by

homebuyers whose family qualifies as low-income and the housing must be the principal residence of the family throughout the applicable affordability period. In the case of default, the case will be handed to the City's Legal Department in order to initiate foreclosure proceedings.

Recapture of Funds

The CDBG/HOME investment subject to **recapture** is based on the amount of assistance provided and the affordability period on which it is based. Repayment of proceeds at transfer of the property must be reinvested in another HOME-eligible activity. The beneficiaries of that investment must also be low-income households. In the event of a sale, short sale, and/or foreclosure, the amount recaptured will be limited to the amount of "net proceeds" available at the time of such occurrence.

Tenant-based Rental Assistance (TBRA)

MHMR Services of the Concho Valley will receive HOME funds to provide TBRA to 21 patients with a chronic mental illness residing within the San Angelo city limits over a period of a year. The HOME funds requested will provide rental assistance, one time security deposit assistance, and one-time utility deposit assistance. TBRA may be used on any rental property within the City of San Angelo that meets HUD's minimum Housing Quality Standards. Initial and annual inspections of the units are required in order to assure that the funds are being used for decent, safe and sanitary properties.

Minority Outreach

For all HOME project bids CHS ensures fair and sufficient notice to all businesses and contractors, including minority owned businesses. These notices are advertised in the local newspaper and on the local public television station. Additionally, the CHS staff mails out personal letters to local vendors/contractors encouraging them to participate in HOME programs. We also conduct telephonic personal contact with minority owned businesses to explain our programs and urge those businesses to participate.

Community & Housing Support is partnering with the West Texas Organizing Strategy (WTOS), a neighborhood support group, to provide minority outreach predominately in the target areas which are mainly populated with low-to-moderate income minority families. Outreach has and will include participation in housing fairs in several target areas and train the trainer sessions that will arm WTOS volunteers with information on CHS programs, which then will be relayed to minority persons via WTOS volunteers.

MONITORING PLAN

It is incumbent upon the City to require compliance with all applicable federal requirements and to assure the appropriate expenditure of funds. To ensure accountability for public funds and timely progress toward Consolidated Plan goals, the City of San Angelo employs and will continue to utilize a comprehensive monitoring plan. To assure adequate quality control and to demonstrate compliance with the applicable federal rules, the essential aspects of this monitoring plan include both quantitative and qualitative elements as follows:

- Establishment and clear communication of performance standards and goals through the Annual Action Plan and Subrecipient Agreements;
- Consistent maintenance of accurate and complete records by both the Department and Subrecipients;
- Verification of accountability throughout term of contract and documentation of same by monitoring and preparing a written report concerning each request for reimbursement, which will be shared with the respective Subrecipient;

- Frequent communication with Subrecipients through written correspondence, telephone conversations, and meetings as appropriate;
- Provision of technical assistance for assurance of compliance with federal regulations and contract requirements; and
- On-site monitoring visits as needed and documentation regarding same, which will be shared with the respective Subrecipient.

These activities are within the Community and Housing Support Department's staff capabilities, time, and financial capacity and will provide a reasonable and accurate test for program and contract compliance.

Compliance monitoring will occur on both projects implemented directly by the City and those operated by Subrecipients. For example, all housing rehabilitation activities must meet the Housing Quality Standards prescribed by HUD and the City's applicable minimum code requirements. The Housing Rehabilitation Program Administrator will conduct periodic interim inspections and final inspections to verify correct methods and materials as well as quality workmanship and timely completion of the specified work. All rehabilitation projects will include a quality control interview to ascertain owner satisfaction.

Ultimately, the nature of each Subrecipient project will determine the exact scope and method of monitoring activities for that project undertaken by the City. All Subrecipients receiving grant funding from the City Council to implement certain Consolidated Plan activities and goals will be required to enter a written funding agreement with the City. The agreement will define the responsibilities and scope of work related to each project or program. Each contract will provide for correction of deficiencies or continued non-compliance with requirements of the contract. All contractors will be required to carry the minimum levels of insurance prescribed by the City and Certificates of Insurance must be provided before the project can be started.

On-site monitoring of each Subrecipient will occur as needed to ensure compliance, maintenance of adequate and accurate records, and proper use of funds. Subrecipients will be required to develop a system to verify client eligibility as well as a system for maintaining grant-funded project files. Subrecipients will be required to provide periodic reports supplying pertinent program information, which will be reviewed for compliance with contract terms and federal regulations. Technical assistance will be provided to each contractor and Subrecipient as appropriate to achieve compliance with the monitoring plan requirements.

Monitoring Housing Programs

The City of San Angelo intends to use the existing housing delivery system to achieve its production and service goals. While this will include managing some in-house programs, many programs and services will be contracted out to sub-grantees such as Community Housing Development Organizations (CHDO). For specific development projects, funds will be allocated to eligible projects on a competitive basis.

The City monitors housing rehabilitation, new construction, and tenant-based rental assistance activity and all other Community and Housing Support activity carried out by sub-recipients on an as needed basis. The monitoring process also includes an ongoing review of production levels as benchmarked in the Five-Year Consolidated Plan.

On a regular basis, the City reviews applications for specific project funding, reviewing all available funds against the needs of projects in the pipeline. This is in addition to reviewing project feasibility, providing technical assistance, and monitoring the progress of projects under construction on an on-going basis.

On a monthly basis, the City reviews all sub-grantee operating expenses by examining bills and supporting documentation for monthly program expenditures, including administrative and construction costs.

The City comprehensively reviews Subrecipient/Sub-grantee performance levels; reviews overall performance against goals, as well as analyze consolidated budget statements. The City conducts regular ongoing site visits as well as program and tenant file monitoring of the Home Neighborhood Revitalization Programs that include Homebuyers Assistance Program (HAP), Home Ownership Program, Tenant-based Rental Assistance, and CHDO housing program to ensure compliance with program goals and federal regulations. On-site visits are scheduled based on the experience and performance of subrecipients/sub-grantees. The more experience and the better a subrecipient/sub-grantee performs, the less often the city needs to monitor on site. However, the city regularly, if not monthly monitors client information to ensure eligibility.

Property inspections are built into our service delivery system and are conducted as prescribed by HUD. Properties are closely monitored beginning at the time funds are committed to the completion of construction or rehabilitation, with monitoring that follow in subsequent years.

Pre-Inspection: Once a client is eligible for assistance, a pre-inspection of the residential structure will be conducted for:

- Emergency repair
- Rehabilitation
- Homebuyers assistance (HAP)
- Tenant-based rental assistance (TBRA)

Pre-inspection is necessary to access the level of rehab assistance required and to confirm problems reported by client in the case of rehab and emergency repair activity. Pre-inspection is also necessary to ensure homebuyer and TBRA dwelling meet minimum Housing Quality Standards (HQS) and are acceptable candidates for both HAP and TBRA programs. A standard housing quality checklist which was derived from the city's latest building codes is used for determining suitability for HAP & TBRA programs. For rehab, a local CHS Construction Inspection form will be used to assess required assistance. For emergency repairs, a visual inspection accompanied by photo records will be conducted.

Final Inspection: A final inspection is conducted to ensure all work identified in the specifications are completed for rehab, reconstruction, and new construction. The CHS Construction Inspection form will be used for the final inspection in these cases. For emergency repairs, only a visual and photo record are conducted to ensure completion of work.

One-year Housing Quality Standards Inspection: For new home construction a one-time quality inspection will be conducted by the Housing Rehab Program Administrator at the one year anniversary of project completion to ensure all items under warranty are in compliance to local codes and quality standards. Contractors will be required to remedy findings by the Inspector per contract specifications.

Affordability Periods: Annually, the HOME Program Administrator and Housing Rehab Program Administrator conduct inspections on HOME and CDBG funded units to include CHDO built units to ensure compliance to the affordability period as stated in the legal documents. This will be accomplished by the following:

1. Check the current water bill with the Water Billing Department to ensure the client is still the main recipient at the appropriate address
2. Check with the Tom Green County Appraisal District to ensure name on tax rolls has not changed
3. If the name listed in either the water bill or tax roll does not match original client's name, a title search will be conducted followed by a site visit.
4. If non-compliance to the affordability period is discovered, action to recapture funds will be taken.

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.

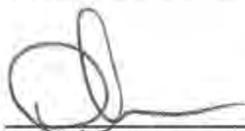
Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

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 the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
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/Authorized Official

7/15/14

Date

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 a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. **Overall Benefit.** The aggregate use of CDBG funds including section 108 guaranteed loans during program year 2014, 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 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

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

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



Signature of Authorized Official

7/15/14

Date

City Manager

Title

Specific HOME Certifications

The HOME participating jurisdiction certifies that:

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

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

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

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



Signature of Authorized Official

7/15/14

Date

City Manager

Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING:

A. Lobbying Certification

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

CITIZEN COMMENTS

Neighborhood Meetings Southside Recreation Center 4/22/14 Carl Ray Recreation Center 4/29/14

- Staff began public meetings with introductions and request from citizens to provide input on how to spend the annual CDBG/HOME grant funds. After initial comments, staff provided status of funds. Specific comments: Funding is radically going down. CDBG is currently funding rental rehab, emergency repairs, Neighborhood Blitz, demolition, code compliance, and Helping Hands. HOME is currently funding HAP, CHDO, and TBRA for special needs.
- Comment: Can you apply for other grants to match funds for the Neighborhood Blitz? The Blitz makes a bigger impact than Rental Rehabs. WTOS supports the Blitz over Rental Rehabs.
- Response: We can apply for other grants to help fund our programs. We intend to apply for the same grant that has helped us with the roof program once we can determine matching funds.
- Comment: I also want the Blitz, not Rental Rehabs. Rental Rehab just provides spot treatment whereas the Blitz makes a huge impact.
- Comment: Does the amount of CDBG funds used for Code Compliance cover water violations as well?
- Response: It only covers water violations that happen to be in the target areas where the target area restricted code officer reports.
- Comment: What does Helping Hands do, or what did they do this year so far?
- Comment: Helping Hands assists homeowners who are 62 years of age and older. This past year, they assisted 39 homes with some repairs and painted/repainted the exterior of the homes.
- Comment: Can you help repair trailer houses?
- Response: Yes, but only if the trailer is permanently fixed to the land, and the owner owns the land as well.
- Comment: What is the First Time Homebuyer Program?
- Response: That program provides first time home buyers with up to \$15,000 for down payment and closing cost assistance, not to exceed 15% of the appraised value of the home. The home must be inside the city limits and the buyer must qualify for a mortgage through a participating lender.
- Comment: Does City Council want to cancel these programs?
- Response: No. They just don't want to contribute general funds.
- Comment: With landlord assistance, the landlords profit. Why do we want to help them?
- Response: Because they, with our assistance, are able to improve the living conditions of the renter, and they are restricted to low to moderate income renters and must adhere to HUDs Fair Market Rent during the affordability period.
- Comment: Do they have to bring it up to code? What happens if they don't comply?
- Response: Yes. If they don't comply, they must repay the funds in full plus interest.
- Comment: What if a homeowner needs a ramp? What program does she fall under?
- Response: None. Helping Hands may be able to assist if she is elderly. We can help find assistance for her.

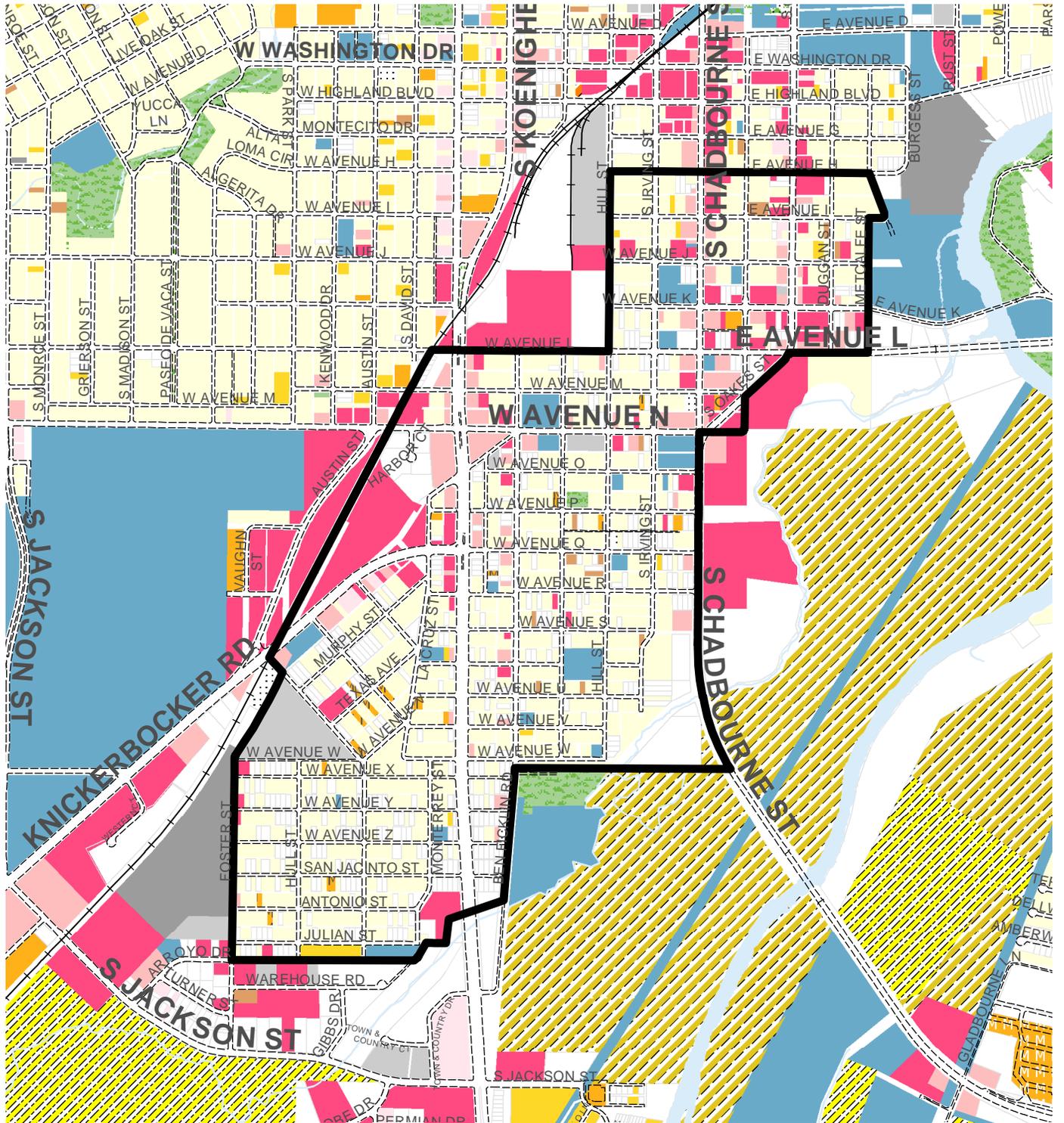
- Comment: Is HH a 501c3?
- Response: Yes. They are under Galilee Community Development Corporation.
- Question by Bob: What do you think we should do with Rehab? Blitz or Rental Rehab?
- Comment: Blitz. More families get help.
- Comment: Blitz. There is more community involvement.
- Comment: Blitz. It is more community friendly and has more curb appeal.
- Comment: What happens when Rental Rehab goes away? Do those on the waiting list still get help?
- Response: No. Other than those who we've already committed to this year, we cannot help any more applicants if the program goes away.
- Comment: I think you should take the \$15,000 from Helping Hands and give it to the Neighborhood Blitz. The people in charge of Helping Hands don't let the program work.
- Response: I believe that we should provide them this lowered funding because it may be the last year for the program. We can make recommendations to the Helping Hands director if the program needs tweaking.j
- Comment: Why does GCDC get a certain percent, and what is the %?
- We are required to allocate 15% of our HOME Entitlement funds to a CHDO. At this time, Galilee is the only certified CHDO in San Angelo.

Target Area Maps



Community Development
 Target Area - Rio Vista

1 inch equals 1,400 feet



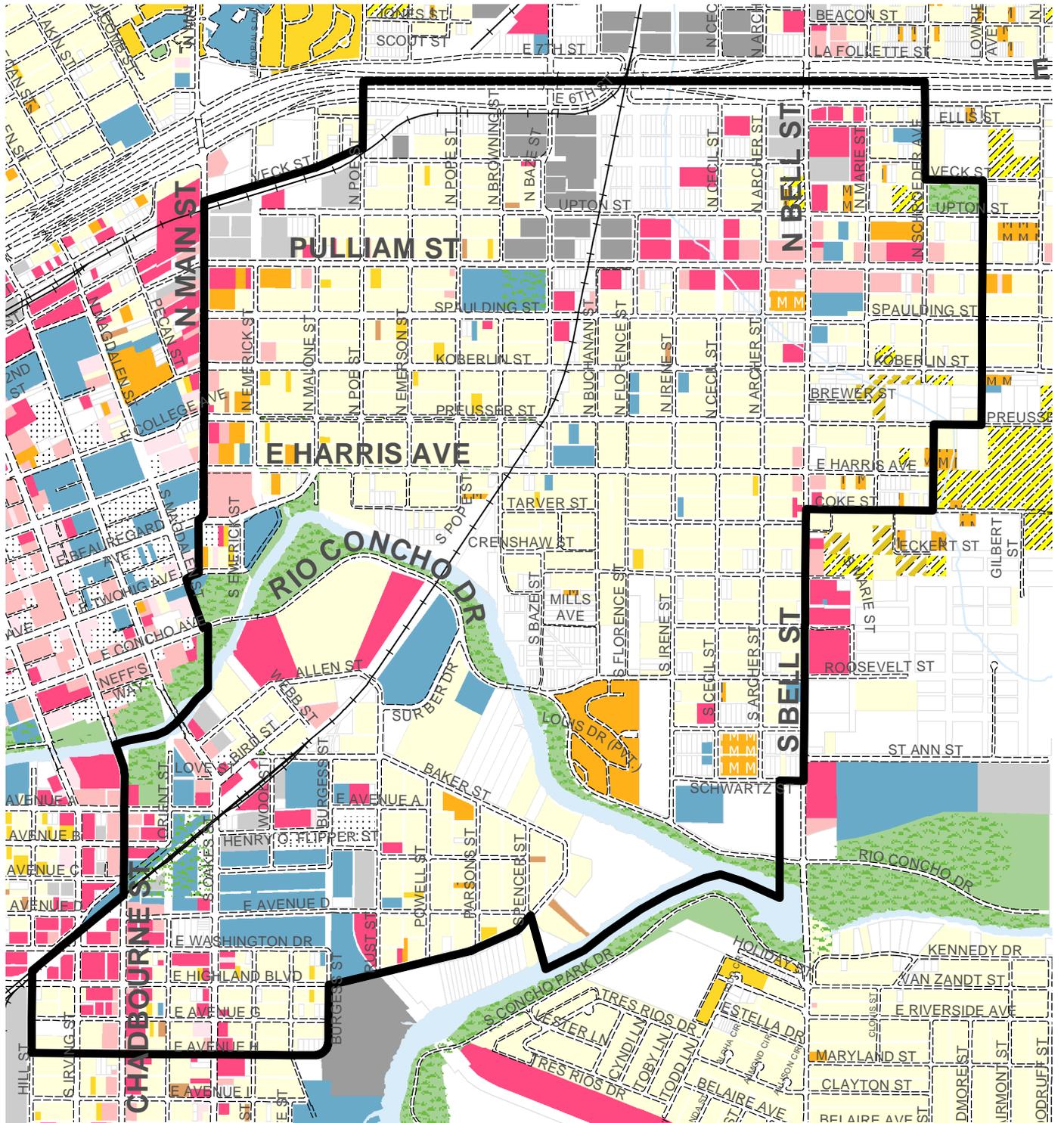
Land Use

- | | | | |
|--------------------------|---|---|--|
| Industrial, Heavy | Residential, Low Density (single-family detached) | Mobile Home Park | Agriculture_Residential (3-10 acre lot with house) |
| Industrial, Light | Residential, Medium Density (townhouse, duplex) | Parks_Recreation | Parking Lot Offsite |
| Office | Residential, High Density (apartments) | Public_Semi-Public | Vacant |
| Retail_Personal Services | Two Single-Family on One Lot | Agriculture (cultivated land) | |
| Commercial | Mobile Home (individual) | Agriculture_Commercial (ranches, dairies) | |



Community Development
 Target Area - Fort Concho

1 inch equals 1,400 feet



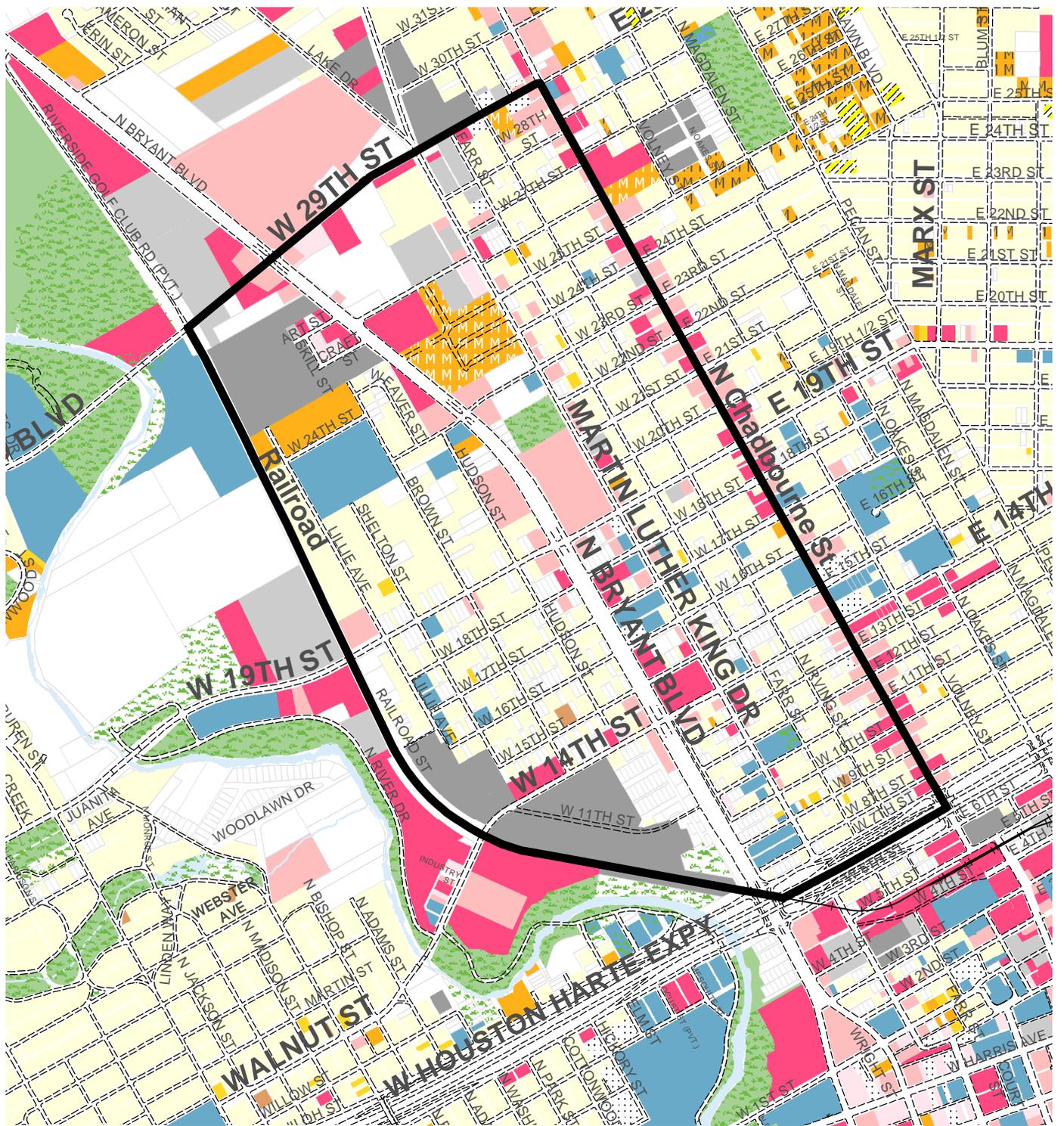
Land Use

- | | | | |
|--------------------------|---|---|--|
| Industrial, Heavy | Residential, Low Density (single-family detached) | Mobile Home Park | Agriculture_Residential (3-10 acre lot with house) |
| Industrial, Light | Residential, Medium Density (townhouse, duplex) | Parks_Recreation | Parking Lot Offsite |
| Office | Residential, High Density (apartments) | Public_Semi-Public | Vacant |
| Retail_Personal Services | Two Single-Family on One Lot | Agriculture (cultivated land) | |
| Commercial | Mobile Home (individual) | Agriculture_Commercial (ranches, dairies) | |



Community Development
 Target Area - Blackshear

1 inch equals 1,400 feet



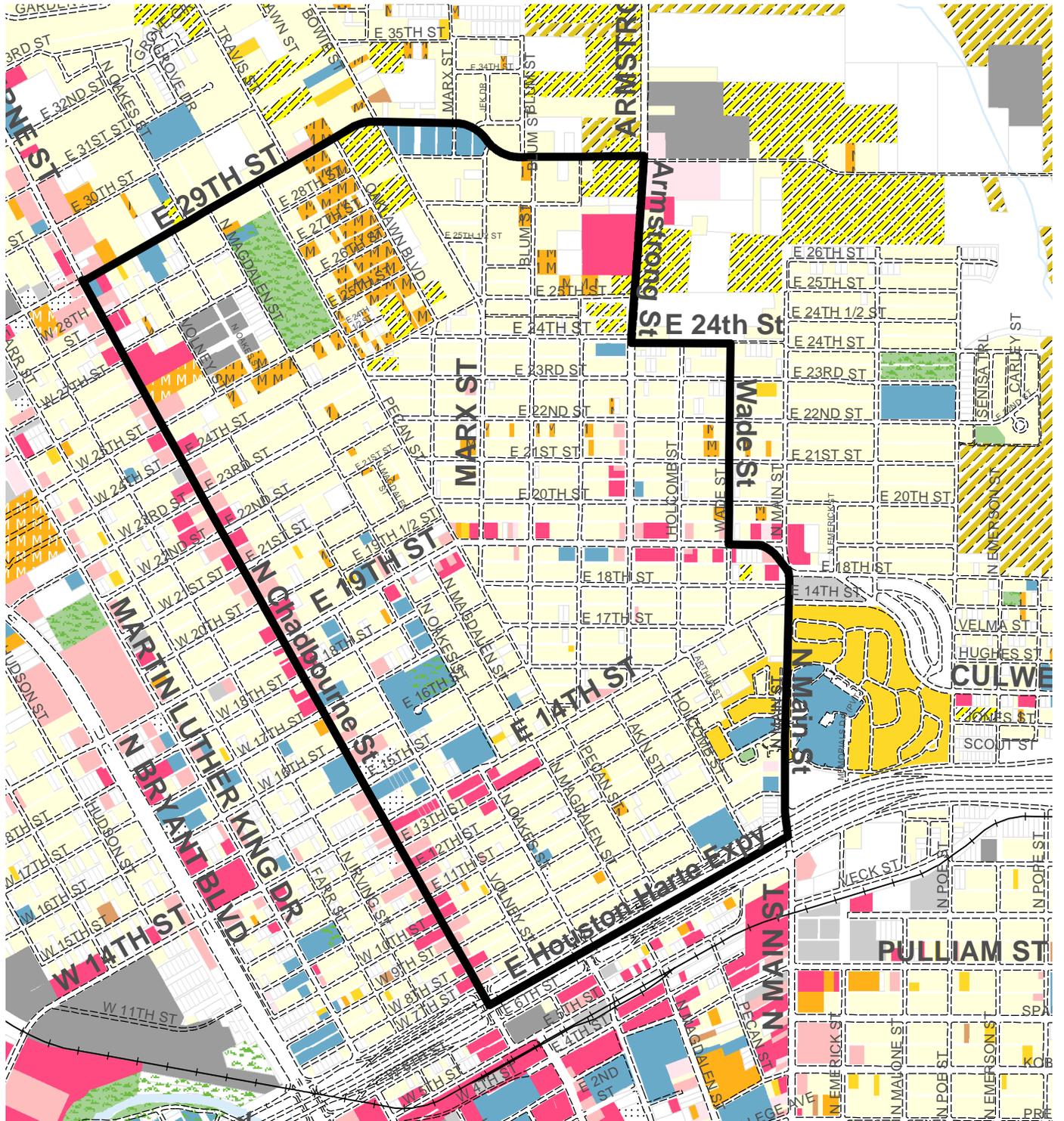
Land Use

- | | | | |
|--------------------------|---|---|--|
| Industrial, Heavy | Residential, Low Density (single-family detached) | Mobile Home Park | Agriculture_Residential (3-10 acre lot with house) |
| Industrial, Light | Residential, Medium Density (townhouse, duplex) | Parks_Recreation | Parking Lot Offsite |
| Office | Residential, High Density (apartments) | Public_Semi-Public | Vacant |
| Retail_Personal Services | Two Single-Family on One Lot | Agriculture (cultivated land) | |
| Commercial | Mobile Home (individual) | Agriculture_Commercial (ranches, dairies) | |



Community Development
 Target Area - Reagan

1 inch equals 1,400 feet



Land Use

- | | | | |
|--------------------------|---|---|--|
| Industrial, Heavy | Residential, Low Density (single-family detached) | Mobile Home Park | Agriculture_Residential (3-10 acre lot with house) |
| Industrial, Light | Residential, Medium Density (townhouse, duplex) | Parks_Recreation | Parking Lot Offsite |
| Office | Residential, High Density (apartments) | Public_Semi-Public | Vacant |
| Retail_Personal Services | Two Single-Family on One Lot | Agriculture (cultivated land) | |
| Commercial | Mobile Home (individual) | Agriculture_Commercial (ranches, dairies) | |