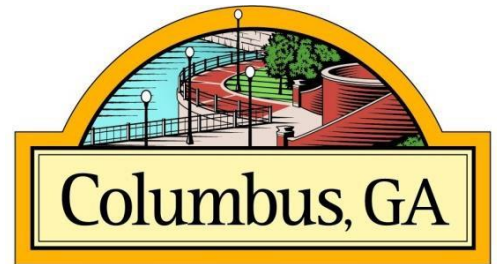


Columbus Consolidated Government

Second Year CAPER
FY 2017 – FY 2021 Five Year Consolidated Plan



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CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

The Consolidated Annual Performance and Evaluation Report (CAPER) is a summary of the activities of the City of Columbus for Program Year 2017/City's FY 2018 towards the accomplishment of the goals/objectives outlined in its Five Year Consolidated Plan (ConPlan). The report shows how the city of Columbus progressed towards the accomplishment of its five-year goals. The Federal resources provided by the Department of Housing and Urban Development (HUD) includes funds from the Community Development Block Grant (CDBG) and the HOME Investment Partnerships Program (HOME). The report also outlines the various forms of leveraging that made the City's efforts more successful. The overall goal of the Program Year 2017/City's FY 2018 CAPER is to ensure all projects and funds primarily serve very low, low- and moderate-income persons in the following areas:

1.) Increase, create, and sustain affordable housing

- NeighborWorks Columbus
- Open Door Community House
- Fair Housing Activities

2.) Increase suitable living environments

- Demolition Services
- Homeless Resource Network
- Mercy Medical
- The Urban League/STEM Program
- The Urban League/Housing
- Parks and Recreation/Computers
- Boys & Girls Club
- Direct Service Corporation

3.) Reduce poverty/expand economic opportunity

- Home for Good/CoC
- Economic Development

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)
 (Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.)

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Economic development	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	70	0	0.00%	54	0	0.00%
Economic development	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	15	0	0.00%	0	0	
Housing/services for persons who are homeless	Public Housing Homeless	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	6750	1571	23.27%	1548	1571	101.49%
Housing/services for persons who are homeless	Public Housing Homeless	CDBG: \$	Homeless Person Overnight Shelter	Persons Assisted	0	107		0	107	
Improve access to and quality of housing.	Affordable Housing	CDBG: \$ / HOME: \$	Rental units constructed	Household Housing Unit	0	8		4	8	200.00%
Improve access to and quality of housing.	Affordable Housing	CDBG: \$ / HOME: \$	Rental units rehabilitated	Household Housing Unit	0	2		0	2	
Improve access to and quality of housing.	Affordable Housing	CDBG: \$ / HOME: \$	Homeowner Housing Added	Household Housing Unit	15	0	0.00%	2	0	0.00%
Improve access to and quality of housing.	Affordable Housing	CDBG: \$ / HOME: \$	Homeowner Housing Rehabilitated	Household Housing Unit	20	6	30.00%	24	6	25.00%
Improve access to and quality of housing.	Affordable Housing	CDBG: \$ / HOME: \$	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	40	28	70.00%	15	28	186.67%
Improve access to and quality of housing.	Affordable Housing	CDBG: \$ / HOME: \$	Housing for Homeless added	Household Housing Unit	0	0		0	0	

		\$								
Improve access to and quality of housing.	Affordable Housing	CDBG: \$ / HOME: \$	Housing for People with HIV/AIDS added	Household Housing Unit	0	0		0	0	
Improve public facilities and infrastructure	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1000	0	0.00%	250	0	0.00%
Improve public facilities and infrastructure	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	106	106	100.00%	106	106	100.00%
Planning and administration	Administration	CDBG: \$ / HOME: \$	Other	Other	1	1	100.00%	1	1	100.00%
Provide public services	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	15680	9254	59.02%	3925	9254	235.77%
Provide public services	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities for Low/Moderate Income Housing Benefit	Households Assisted	5740	2713	47.26%	1100	2713	246.64%
Remove slum and blight	Non-Housing Community Development	CDBG: \$	Buildings Demolished	Buildings	50	6	12.00%	10	6	60.00%

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

The activities undertaken by the City of Columbus are consistent with the documented priorities established in the ConPlan. The priorities, goals, and objectives Identified in the ConPlan are designed to assist lower income residents needing housing, jobs, and services.

Federal CDBG funds are intended to provide low- and moderate-income (LMI) households with viable communities, including decent housing, a suitable living environment and expanded economic opportunities. Eligible activities include community facilities and improvements, housing rehabilitation and preservation, affordable housing development activities, public services, economic development, planning, and administration. The system for establishing the priority for the selection of these projects in Columbus is predicated upon the following criteria:

- Meeting the statutory requirements of the CDBG program
- Meeting the needs of LMI residents
- Focusing on LMI areas or neighborhoods
- Coordination and leveraging of resources
- Response to expressed needs
- Sustainability and/or long-term impact
- The ability to demonstrate measurable progress and success

Priority CDBG funding areas include areas where the percentage of LMI persons is 51% or higher. The following projects were completed in this reporting year with CDBG funds and addressed these community priorities:

- Demolition Services – Blight removal
- Direct Service Corporation – Public services (Elderly)
- Parks and Recreation – Public services
- The Urban League – Public services
- Homeless Resource Network – Public Services & Housing/services for the homeless/at-risk
- Boys & Girls Club – Public Services (Youth)
- Home for Good/CoC - Housing/services for the homeless/at-risk
- Minor Home Repair/Continuing Hope & Accessibility - Affordable housing repair
- Fair Housing Activities – Public Services

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

	CDBG	HOME
White	831	0
Black or African American	2,554	10
Asian	4	0
American Indian or American Native	13	0
Native Hawaiian or Other Pacific Islander	20	0
Total	3,422	10
Hispanic	127	0
Not Hispanic	3,408	10

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

As required by HUD, the City of Columbus and its subrecipients follow the Affirmative Marketing Rules. As such, all recipients of HOME funds are required to follow the affirmative marketing requirements. All printed materials are designed to inform the public, owners, or potential tenants wishing to participate in the HOME Program. All materials will include a statement regarding the Columbus Consolidated Government's Affirmative Marketing Plan as well as the applicable fair housing laws. This information is included in all media released and/or reports informing the public about the HOME Program. All newspaper and other media announcements, as well as any printed materials, include the Equal Housing Opportunity logo, slogan or statement. Fair Housing Posters are displayed in the offices of the City's subrecipients.

To market and publicize various housing programs that are available to the public, all of the programs are advertised via the City's website at <http://www.columbusga.org/CommunityReinvestment/> and its associated social media accounts.

Additionally, the websites of some of the City's subrecipients, such as NeighborWorks at <http://www.nwcolumbus.org>, The Housing Authority of Columbus Georgia at <http://www.columbushousing.org/>, and Open Door Community Housing at <http://www.opendoorcommunityhouse.org> also provide information about housing programs.

CR-15 - Resources and Investments 91.520(a)

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	CDBG	3,942,387	1,162,490
HOME	HOME	1,933,025	1,093,335
HOPWA	HOPWA		
ESG	ESG		
Other	Other		

Table 3 - Resources Made Available

Narrative

For the Program Year 2017/City's FY 2018, the City received an entitlement of \$1,371,525 in CDBG and \$646,179 HOME funds. Augmented by prior year resources and program income, these funds were distributed for housing construction, rehabilitation initiatives, public service activities, economic development, and other eligible activities. The "Resources Made Available" in Table 3 above includes CDBG and HOME entitlement funds provided to the City in previous years, but did not reflect the amount of funding available from program income.

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Citywide	100	100	All resources are spent within Muscogee County.

Table 4 – Identify the geographic distribution and location of investments

Narrative

Priority CDBG funding areas include areas where the percentage of LMI persons is 51% or higher. These areas are outlined in the attached map, "LMI Areas," in the Unique Appendices – Maps section. The ConPlan defines "area of minority concentration" and "area of low-income concentration" as those census tracts that have concentrations of minority populations or low-income populations, respectively, statistically and significantly larger than the minority or low-income population for the City as a whole. For the purposes of this report, "Minority concentration" is defined as those tracts with greater than 58.5% (County average) minority concentration. "Poverty concentration" is defined as those tracts with a poverty rate greater than 23.2% (County average). These areas are highlighted in the attached maps, "Minority Concentration" and "Poverty Concentration," in the Unique Appendices - Maps section.

The City utilizes HOME and CDBG funds throughout the jurisdiction to serve low- and moderate-income persons. A portion of HOME and CDBG funds will be used for the rehabilitation and renovation of single-family homes in low-income neighborhoods to improve the housing conditions within those neighborhoods. This method of allocation will enable the City to serve the most disadvantaged residents given the limited funding available.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The nonprofit organizations funded have additional financial capacity through foundations and fundraising campaigns. In addition, the City encourages applicants and subrecipients to seek out other public and private resources that address the needs and goals identified in the ConPlan. Federal funds provide these organizations with the opportunity to expand their services to benefit low- and moderate-income persons.

The City of Columbus receives a 50% HOME match reduction. For CDBG funds, no match is required, but CDBG funds are often used in tandem with other funding sources. The HOME match requires organizations who receive HOME assistance to provide the necessary match using non-federal funds, which is verified through a report submitted to the City on an annual basis. In this regard, the City continues to partner with nonprofit developers with emphasis of leveraging its entitlement funds in assisting with implementation of policies and programs. During the Program Year 2017/City's FY 2018, the City's total match liability for the HOME funds was \$63,212.

The Home for Good organization focuses on alleviating chronic homelessness in the City. As the lead agency for the Continuum of Care, Home for Good coordinates and performs all federally mandated activities necessary to secure federal homeless funds on behalf of the community's Continuum of Care document, including the annual enumeration, annual funding application, administration of the homeless management information system, and collection and dissemination of performance data. The Home for Good Organization leveraged \$26,100 in funding from outside organizations and assisted 1,571 individuals.

While the City continues to use HOME and a portion of its CDBG funding allocations for new affordable housing opportunities, additional public and private resources are fundamental in assisting with implantation of policies and programs. Programs such as the Low-Income Housing Tax Credit (LIHTC) and Historic Tax Credit (HTC) programs provide additional capital to address the shortage in affordable housing. During the Program Year 2017/City's FY 2018, the city of Columbus was awarded two LIHTC projects. One of which, the Claflin High School will be the product of both LIHTC and HTC programs. Located on 1532 5th Ave, the Claflin High School is near downtown Columbus where the development will provide 44 affordable apartment units, 18 of which will be new units built where the former schoolyard area is. The Claflin High School is listed on the National Register of Historic Places due to Its significance in the

area of black ethnic heritage as a rare example of a well-built African-American school constructed before the landmark 1954 U.S. Supreme Court ruling in Brown v. Board of Education. This particular project is an example of a historically significant building leveraging the LIHTC and HTC programs to provide funding for affordable housing units.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	85,298
2. Match contributed during current Federal fiscal year	364,735
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	450,033
4. Match liability for current Federal fiscal year	63,212
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	386,821

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
3349	02/19/2018	19,735	0	0	0	0	0	19,735
3367	06/13/2018	5,000	0	0	0	0	0	5,000
3372	10/13/2017	340,000	0	0	0	0	0	340,000

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at begin-ning of reporting period \$	Amount received during reporting period \$	Total amount expended during reporting period \$	Amount expended for TBRA \$	Balance on hand at end of reporting period \$
1,068	5,511	6,542	113	38

Table 7 – Program Income

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period

	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Dollar Amount	469,712	0	0	469,712	0	0
Number	4	0	0	4	0	0
Sub-Contracts						
Number	5	0	0	0	5	0
Dollar Amount	23,366	0	0	0	23,366	0
	Total	Women Business Enterprises	Male			
Contracts						
Dollar Amount	275	275	0			
Number	1	1	0			
Sub-Contracts						
Number	0	0	0			
Dollar Amount	0	0	0			

Table 8 - Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted

	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition

Parcels Acquired	0	0
Businesses Displaced	0	0

Nonprofit Organizations Displaced	0	0
Households Temporarily Relocated, not Displaced	0	0

Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

Table 10 – Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	15	28
Number of Non-Homeless households to be provided affordable housing units	6	8
Number of Special-Needs households to be provided affordable housing units	24	8
Total	45	44

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	15	28
Number of households supported through The Production of New Units	4	8
Number of households supported through Rehab of Existing Units	24	8
Number of households supported through Acquisition of Existing Units	2	0
Total	45	44

Table 12 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The City has established a partnership with Habitat for Humanity and Access 2 Independence in administering the Minor Home Repair Continuing Hope & Accessibility Programs to assist income eligible elderly and disabled individuals with much needed repair, maintenance, weatherization, safety, and beautification of homes. During the Program Year 2017/ City's FY 2018, the City vetted and issued Notice to Proceeds to a total of 18 projects going through these programs. However, due to the City receiving its federal appropriations at a much later date than usual, many of such programs were pushed back as a result. Additionally, the Minor Home Repair Continuing Hope & Accessibility Programs are relatively new initiatives and would

require reasonable time to get things in proper working order. The 18 projects are currently underway and will be reported on in the Program Year 2018/ City's FY 2019 CAPER. Under the project activity Rehab:Administration, where the preparation of environmental reviews, review of scope of work, providing technical assistance, etc. for our home rehabilitation programs through Habitat for Humanity and Access to Independence, a total of 8 projects was recorded in IDIS.

The City partners with Open Door Community House to administer its Tenant Based Rental Assistance (TBRA) Program, which currently provides 28 extremely low-income households with assistance in transitioning from homelessness and/or shelters into rental housing during this reporting period. TBRA vouchers assist individuals with security deposits, utility deposits, and rental assistance for 24 months. There are currently 28 total TBRA voucher holders which include the 9 new voucher holders during the Program Year 2017/City's FY 2017.

While the City continues to use HOME and a portion of its CDBG funds for new affordable housing opportunities, additional public and private resources are fundamental in assisting with implantation of policies and programs. Programs such as the LIHTC and HTC programs provide additional capital to address the shortage in affordable housing.

During the Program Year 2017/City's FY 2018, the city of Columbus was awarded two LIHTC projects. One of which, the Clafin High School will be the product of both LIHTC and HTC programs. Located on 1532 5th Ave, the Claflin High School is near downtown Columbus and will provide 44 affordable apartment units, 18 of which will be new units built where the former schoolyard area is. The other LIHTC development will be located at the old site of Meritas Mill on 705 35th Street. This development, known locally as Highland Terrace Apartments is a proposed 102-unit community that will provide affordable housing opportunities for the elderly population. Both of these projects will turn underperforming properties back into productive use while providing affordable housing options for the community.

Discuss how these outcomes will impact future annual action plans.

In regards to the table referenced above, the projects that have been completed to date and currently programmed with funding are expected to meet or exceed the goals set in the ConPlan for the provision of affordable housing units. The mismatch between the number of Special-Needs households to be provided affordable housing units is in reference to the Minor Home Repair Continuing Hope & Accessibility Programs carried out by Habitat for Humanity and Access 2 Independence, respectively. As mentioned above, there are currently 18 projects down the pipeline that due to unavoidable circumstances, will be completed during the following Program Year. These 18 projects will be in addition to the goals set forth in the Program Year 2018/ City's FY 2019 Annual Action Plan.

Although the City currently works with many community-based organizations, the primary impediment to the City's ability to meet underserved needs is the limited amount of entitlement funding and the fact that most nonprofit organizations operate on shoestring budgets. The City continues to face a reduction of funding at the local, state, and federal levels which will

significantly limit the resources available to address the shortfall of affordable housing units. Because of this shortfall, the City seeks to allocate \$200,000 for multifamily affordable housing developments which will leverage and expand affordable housing options for income eligible renter households. Additionally, the City has allocated \$368,240 for affordable housing acquisition and/or rehabilitation. These funds will provide additional leverage for the acquisition, rehabilitation, and/or resale of homes to income eligible residents.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	0	9
Low-income	0	8
Moderate-income	0	0
Total	0	17

Table 13 – Number of Households Served

Narrative Information

An analysis of the housing market identifies the increasing need to preserve existing affordable housing units while advancing efforts to create a diverse supply of additional affordable units. The City's housing market presents significant impediments to development of an adequate supply of affordable housing for LMI individuals and families. Loss of major manufacturing employment opportunities coupled with rising housing costs has created a significant barrier to affordable housing.

Real median incomes in the area have declined while housing costs have risen, resulting in an increased need for affordable housing options. Between 2000 and 2016, the median income for County residents actually *declined* by 11% after adjusting for inflation, while median gross rent increased by 17% and median homeowner housing costs increased by 15%. This means that households throughout Columbus are paying a relatively larger share of their income on housing costs alone. The combination of falling inflation-adjusted income and rising housing costs translates to diminished buying power for households.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

As a participant in the local CoC, led by Home for Good, the City is a partner in its plan to address homelessness and the priority needs of homeless individuals and families, including homeless subpopulations. Through the CoC, there are three core Street Outreach Providers, the PATH team, Columbus Police Department, and the Homeless Prevention Team. The Mainstream and Outreach Committee (M&O Committee) has a representative from each one of these providers and meets quarterly to get updates on progress being made in key areas. It also meets semi-annually for SOAR training. The Encampment Outreach is a process to eliminate encampments altogether and discourage homeless citizens moving to another area of the community by connecting them with services and housing. Street outreach is conducted, at a minimum, of weekly visits by CPD, biweekly by PATH and random intervals by the Homeless Prevention Team. Each group has specific service areas, such as crisis intervention, survival aid, etc. but all have the same common goal to refer homeless individuals to the CES (211) for intake and individualized services.

Coordinated Entry Access was available for all experiencing homelessness effective January 1, 2017 and provides a full needs assessment for individuals and families both sheltered and unsheltered. Furthermore, individuals/families can access support services either by self-presenting at most of the shelter facilities or through referrals. Regional emergency shelters refer participants to agencies that will assist them in obtaining mainstream resources so that they will have the financial ability to start along the road to self-sufficiency. Transitional housing programs generally refer participants to permanent housing programs/locations and provide the assistance necessary in obtaining resources to be successful when they make this transition.

Addressing the emergency shelter and transitional housing needs of homeless persons

Each year, the CoC conducts a Point-in-Time count for the Columbus region of the persons residing in emergency shelters and transitional housing facilities, as well as those living unsheltered. In addition to providing an estimated amount of homeless individuals, this information is used to understand the emergency and transitional needs of homeless persons so that they can be addressed adequately and efficiently. The CoC has implemented a plan to provide emergency shelters the benefits of participation by providing them with statistical data during the Point-in-Time and Housing Inventory Count processes. This data includes information of their clients in the Homeless Management Information System (HMIS) as a result of receiving services from HMIS participating agencies. This system connects the information of

eligible clients to the appropriate local non-profit organizations in the City. The City annually provides funding that in part, helps support the HMIS database to track the effectiveness of service providers. Through the HMIS system, the Salvation Army was able to utilize its resources to assess the effectiveness of its shelters relative to their current targeted population. The data utilized by the Salvation Army assisted their decision making by shifting their focus from single individuals to families.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

Increasing the amount of permanent and affordable housing with supportive services is key in helping homeless persons make the transition to permanent housing and independent living. The majority of chronically homeless persons have severe mental illness and/or substance abuse issues. As such, they require long-term, affordable housing options that have supplementary supportive services in order to make a successful transition into residential stability. To continue to increase the rate of Placement and Retention, the CoC has started to work on a Housing Stability Plan that will follow clients throughout their journey of housing. This model is based on providing wraparound services that address specific homeless issues, such as chronic family and youth homelessness. This data is derived from the HMIS system and is reported as System Performance Measures. Performance and Outcome Committee of the CoC have begun the process of evaluation of CoC funded and Non CoC funded programs based on Systems Performance Measures.

In addition to permanent affordable housing, the City's strategy for ending chronic homelessness addresses each of the issues that most often cause this problem:

- The high prevalence of substance abuse among chronically homeless individuals
- Inadequate education and/or job skills among many homeless persons
- The shortage of affordable housing in the City of Columbus

By placing emphasis on the above issues and with efficient coordination and collaboration with local non-profit agencies serving the homeless population, the City of Columbus can strategically pivot itself in addressing homelessness and chronic homelessness. To capitalize on this, the CoC implemented a comprehensive Homeless Prevention Strategy to effectively identify, assess, and prevent individuals and families from becoming homeless, and to divert them in a housing crises from homelessness. The City continues to fund non-profit organizations such as Home for Good that provide services to homeless individuals and families.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City recognizes the need for neighborhood-based homelessness prevention programs, such as a crisis response, stabilization team, a street outreach program, housing search placement specialists, and increased employment opportunities that provide temporary rental assistance and other services. The CoC has implemented a cohesive comprehensive system to increase access to employment and mainstream benefits. Through its Coordinated Entry System, client's needs are assessed through its intake process and subsequently connected to the appropriate services and programs. CoC funded programs/projects are required to attend Soar Training, quarterly resource fairs, and job fairs. Additionally, projects are assigned case managers/life skill managers that coordinate assistance. The Systems Performance Measures Committee assessment of the funded and non- funded programs enables the CoC to have a systematic approach to reviews.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

The Housing Authority of Columbus Georgia (HACG) serves as the primary public housing agency (PHA) on behalf of the City of Columbus. The HACG is a key player in the provision of affordable, decent, and safe housing in Columbus, and there is a strong collaborative relationship between the HACG and the City. Public supported housing serves as a bridge for families seeking to escape poverty and obtain decent, safe, and affordable housing. In addition to public housing, the HACG offers rental assistance through the Section 8 voucher program.

Although the public housing stock is generally in fair physical condition and well-maintained, continued maintenance of these units is cost-prohibitive, especially as units begin to age. The City initially identified during the planning stages of the ConPlan the need of federal funds to help finance the redevelopment of these units. Nationally, it is estimated to be around 25.6 billion of backlog for capital improvements of public housing units. As such, much of the actions taken to address the needs of public housing have revolved around public housing units undergoing Rental Assistance Demonstration (RAD) conversion. Through the RAD program, it will allow public housing agencies to leverage public and private debt and equity to reinvest in the public housing stock. In RAD, units move to a Section 8 platform with a long-term contract that, by law, must be renewed. This ensures that the units remain permanently affordable to low-income households.

During HUD's Program Year 2017/City's FY 2018, the HACG initiated RAD conversion of most of its public housing stock. The Community Reinvestment Department vetted three public housing sites; Louise T. Chase, Elizabeth F. Canty, and Warren Williams homes all went through HUD's environmental review process. These structures were all built over 50 years ago and exhibit characteristics needing attention. RAD conversion will provide for maintenance, modernization, and minor repair activities that will extend the useful life period of these units.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

At each of its public housing sites, the HACG has resident councils, security task forces, educational opportunities, and youth programming. Each of which, provide resources for residents of public housing seeking to improve their economic condition and quality of living. Additionally, the HACG reserves one spot on its board for a public housing resident and actively encourages residents to participate in planning meetings.

HACG is a Moving to Work (MTW) agency, which began in 2013 and provides the agency with more flexibility in how it uses federal funds. The Family Self-Sufficiency (FSS) program is a voluntary self-sufficiency program that provides participating families the opportunity to identify needs, improve skill sets, and work towards life goals, economic independence, and housing

self-sufficiency. The FSS program has a Program Coordinator to assist residents in finding beneficial resources.

As stated on its website, "HACG will continue to work collaboratively with all its stakeholders, such as residents, property owners, and community constituencies in the opportunity to create and study original, locally-developed housing and self-sufficiency strategies that encourage public housing and HCV families to become self-sufficient."

Actions taken to provide assistance to troubled PHAs

Not applicable. HACG is designated as a "High Performer."

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

Over the course of the past year, the City and its partners continued to reduce barriers to affordable housing, such as allocating CDBG funding for housing rehabilitation that will preserve existing affordable housing. Through the Continuing Hope and Home Accessibility programs, elderly households and households that have members with disabilities, are provided with much needed repairs and modifications. The City also provided HOME funds for both new construction and housing rehabilitation. The City continues to budget for fair housing education and outreach on an annual basis.

In order to continue to address and eliminate any potential barriers to affordable housing, the City has identified the following actions:

- 1.) Develop partnerships to build and increase the number of affordable units,
- 2.) Support and coordinate with developers for housing tax credit project applications proposed within the City,
- 3.) Provide homebuyer education, and
- 4.) Make efforts to coordinate the Land Bank Authority of Columbus Georgia in the provision of affordable housing units

The City's limited CDBG and HOME funds are the primary impediment to meeting underserved needs. As such, additional public and private resources are fundamental in assisting with implantation of policies and programs. Programs such as the LIHTC and HTC programs provide additional capital to address the shortage in affordable housing.

In regards to the items listed above, during the Program Year 2017/City's FY 2018, the City of Columbus was awarded two LIHTC projects. One of which, the Clafin High School will be the product of both LIHTC and HTC programs. Located on 1532 5th Ave, the Clafin High School is in near proximity to downtown Columbus and will provide 44 affordable apartment units, 18 of which will be new units built where the former schoolyard area is. The other LIHTC development will be located at the old site of Meritas Mill on 705 35th Street. This development, known locally as Highland Terrace Apartments is a proposed 102-unit community that will provide affordable housing opportunities for the elderly population. Both of these projects will turn underperforming properties back into productive use while providing affordable housing options for the community.

Neighborworks Columbus is a HUD approved and Georgia DCA recognized housing counseling agency that provides homebuyer education. They provide classes that will assist prospective homebuyers with the financial aspect of purchasing a home in addition to other important lessons. The homebuying process, all of its complexities and costs, present challenges for low- and moderate-income individuals. Homebuyer education is a necessity for the community as it teaches the basic “financial literacy” skills of budgeting, saving, credit and debt management.

In May 2017 the Columbus City Council approved the use of \$1,082,677 in NSP program income to fund the Columbus Land Bank Authority operations. During a substantial amendment to HUD’s Program Year 2017/City’s FY 2018, the City proposed to transfer \$532,000 of this program income to CDBG Program Income funding. From this amount, \$102,214 is proposed being allocated towards planning and administration, leaving \$429,786 to be used to acquire, dispose, demolish, rehabilitate and construct affordable housing through the City’s Land Bank Authority. The use of CDBG allows greater flexibility in the Columbus Land Bank Authority achieving redevelopment and revitalization goals, whereas use of NSP funds alone are strictly limited to geographic areas known as “Areas of Greatest Need”. Converting NSP Program Income into CDBG funds will allow for the use of land banking activities in *all* eligible low- and moderate-income areas and thus help more residents.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

During the Program Year 2017/City’s FY 2018, total funds contributed as match amounted to \$364,735, which is a significant increase from \$77,288 from last year. Although the City currently works with many community-based organizations, the primary impediment to the City’s ability to meet underserved needs is the limited amount of entitlement funding and the fact that most nonprofit organizations operate on shoestring budgets. The City continues to face a reduction of funding at the local, state, and federal levels which will significantly limit the resources available to address the shortfall of affordable housing units and community needs. Because of this shortfall, the City seeks to allocate \$200,000 for multifamily affordable housing developments which will leverage and expand affordable housing options for income eligible renter households. Additionally, the City has allocated \$368,240 for affordable housing acquisition and/or rehabilitation. These funds will provide additional leverage for the acquisition, rehabilitation, and/or resale of homes to income eligible residents.

The City has taken the necessary steps to evaluate the feasibility of a Neighborhood Revitalization Strategy Area (NRSA). Establishment of an NRSA allows greater flexibility in the use of Community Development Block Grant funds (CDBG) and bridges together government, civic, business, and non-profit organizations to revitalize distressed communities. The NRSA allows CDBG funds to be used in a more flexible manner to help with neighborhood revitalization in neighborhoods where at least 70% of the residents are of low- to moderate-incomes. Through NRSA Designation, some of the most distressed residential neighborhoods in Columbus with high concentrations of low- and moderate-income individuals will benefit from revitalization efforts. NRSA designation and accomplishments will be reported on in subsequent

Annual Action Plans and CAPERs.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

The City continues to make every effort to protect persons and the environment through compliance of HUD regulations of controlling lead-based paint hazards in housing receiving federal assistance. The City has established a partnership with Habitat for Humanity and Access 2 Independence in administering minor home repair and accessibility modifications for income eligible elderly and disabled individuals with much needed repair, maintenance, weatherization, safety, and beautification of homes. These programs are required to implement all aspects of HUD's lead-based paint regulations with particular emphasis on properties built prior to 1978. Both organizations continue their efforts to reduce lead-based paint hazards on all of their rehabilitation projects by providing outreach on the dangers, identification, and reduction of lead-based paint hazards to all program participants.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The City of Columbus plays an active role in reducing poverty and expanding economic opportunity for job creation and development. The poverty rate is based on whether a household's income can adequately provide for basic needs, which indicates a strong correlation between the labor market and the poverty rate. Ensuring there are opportunities to those who earn the least is key to reducing the number of poverty-level families. Economic development through direct technical and business assistance are the catalyst for the retention and creation of new jobs, subsequently providing opportunities for economic mobility. For the Program Year 2017/City's FY 2018 CAPER, the City promoted economic development through the following means:

- Economic Development Activities – The City is currently working on a business incubator project in partnership with the Columbus Makes It and the Greater Columbus Chamber of Commerce. Proposed project will provide individuals of all income levels the opportunity to explore business ideas and accelerate their programs.

The City continues its partnership with Home for Good, whom is the lead agency for the CoC. The CoC has implemented a cohesive comprehensive system to increase access to employment and mainstream benefits. Through its Coordinated Entry System, individuals are assessed through its intake process and subsequently connected to the appropriate services and programs.

As mentioned earlier, the City is evaluating the feasibility of a NRSA which would provide a way to target its CDBG funding resources in economically disadvantaged neighborhoods. Within an NRSA, the city of Columbus can designate comprehensive strategies to address economic development and housing needs in the targeted area. Job creation and retention activities will be part of the NRSA designation and strategy.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City's Community Reinvestment Department continues to strengthen its working relationships with social service agencies. It is critical that public and autonomous agencies work cooperatively in executing tasks. The City continues to coordinate amongst its partner agencies to promote a broadly shared understanding of community needs, collaborative and complementary approaches to addressing needs, and responsiveness to changes in conditions.

The City has a Community Development Advisory Council (CDAC) that consists of board members appointed by the mayor and council members to act as the voice of residents per the Citizen Participation Plan. This committee meets throughout the year to provide recommendations on the City's consolidated planning process.

The City continues to work closely with partner agencies and community stakeholders to develop social response programs based on community need. For example, the Community Reinvestment Department and other City representatives are active members in the CoC board and subcommittees, 211 response line through the United Way of the Chattahoochee Valley, the Columbus 2025 Initiative for Economic, Community, and Workforce Development, and Neighborhood CDBG Programs. Each program provides a response by the City to respond to the institutional needs of community partners and the individuals they serve.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The City has established a number of cooperative partnerships and collaborations with public and supportive housing providers, local government, and mental health and social service agencies to address its priority needs and will continue to do so. Examples Include:

- Single- and multifamily housing: the City partners with organizations such as NeighborWorks, Wynntonn Neighborhood Housing, and the Housing Authority of Columbus Georgia to coordinate the funding, development, and monitoring of single- and multifamily housing units funded through the HOME and CDBG programs.
- Tenant Based Rental Assistant: the City partners with a local non-profit, Open Door Community House, to manage the HOME tenant-based rental assistance program. This program is prioritized for homeless individuals and households. Support Services are offered to all TBRA households through CoC Programs.
- Single-family Housing Rehabilitation: the City partners with the Columbus Area Habitat for Humanity and Access 2 Independence to provide minor home repair and accessibility modifications for income eligible elderly and disabled individuals.
- Fair Housing: the City hosts fair housing activities in April to honor Fair Housing Month. The City of Columbus, Georgia Community Reinvestment Department partnered with the Columbus Housing Authority to administer a fair housing training seminar.

The City provides CDBG funding annually and partners with Home for Good (a local nonprofit

homeless provider) who serves as the Collaborative Applicant for the Muscogee/Russell County Continuum of Care (CoC). Home for Good coordinates a number of homelessness reduction system-wide strategies involving both public and private agencies such as Coordinated Assessment, Housing First and Rapid Rehousing through the Continuum of Care.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

During HUD's Program Year 2017/City's FY 2019, the City continued to provide funding to support fair housing activities to promote awareness of the fair housing model. The City held a fair housing training seminar in April to honor Fair Housing Month. The seminar was held in partnership with the Housing Authority of Columbus Georgia on April 18, 2018, which had the attendance of 40 people. These efforts will continue throughout the remainder of the ConPlan, where the City will place particular emphasis in the following:

- Continue outreach within targeted communities at locations such as recreation centers, community/neighborhood centers, churches, and Boys and Girls Clubs.
- Contract with a HUD-certified fair housing organization to conduct paired real estate testing in the local rental market. Publish the results in local newspapers as a means of public education and deterrence against future discrimination by landlords.
- Educate elected officials and City department staff responsible for CDBG/HOME funds in their legal obligation to affirmatively further fair housing.
- Target education and outreach to landlords who rent a small number of units, as they are likely to be unaware of fair housing laws and their legal responsibilities.
- Designate an existing staff person as the local fair housing officer and establish a formal internal process for referring housing discrimination complaints to the Georgia Commission on Equal Opportunity or to HUD.

The City continues its outreach to individuals with limited English proficiency within targeted communities. For example, the Community Reinvestment Department is active on the Hispanic Outreach Committee. The City is currently developing an adequate formal policy for ensuring that persons with limited English proficiency can access its housing and community development services and programs.

As a way to streamline programs such as CDBG/HOME, the city will host a HUD Grant Workshop for these programs on October 22, 2018. This will be the first workshop of its kind and it will provide an overview of CDBG and HOME Programs to interested non-profit organizations and affordable housing developers. The workshop will streamline the annual application process and prepare non-profit organizations and affordable housing developers for funding applications that are due in January-February 2019.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Each organization receiving CDBG and/or HOME funds are required to submit quarterly reports until the projects are complete. The quarterly and year-end reports include information on the number of clients served, income level and race/ethnicity. During the period of affordability, but subject to specific agreements, it is the responsibility of the housing provider to submit an annual tenant report to document compliance with the applicable regulations, specifically household income and fair market rents.

The Community Reinvestment Department conducts at least one monitoring visit and/or desk monitoring for each project and retains communications through email and correspondence. For the Program Year 2016/City's FY 2017 CAPER, the Community Reinvestment Department monitored all developers, subrecipients, and projects to ensure compliance required by HUD for monitoring the CDBG and HOME grant programs. Developers and subrecipients are notified in advance of a pending monitoring visit. Developers and subrecipients are also monitored on an ongoing basis through a review of reimbursement requests to substantiate the progress in accomplishing the goals/objectives of its funded activity.

This City is currently modifying its Section 3 policy, which will require contractors/vendors to provide equal employment opportunity to all employees and applicants for employment without regard to race, color, religion, sex, national origin, disability, veteran's or marital status, or economic status. The City has currently certified one business for Section 3, W.T. Miller LLC, a demolition contractor. HUD has no exclusions or exemptions for Section 3 compliance and monitors the performance of contractors, reviews annual reports from recipients, and investigates complaints. As such, the City will report to HUD the annual accomplishments regarding employment and other economic opportunities provided to low- and very low-income persons under Section 3.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The federal requirements for the ConPlan regulations require the City to make annual performance reports for federal grants available to citizens for a sufficient period of time (15

days) to permit citizens to comment on the report before being submitted to HUD. Per the City's Citizen Participation Plan, community residents and providers are informed and invited to participate in the consolidated planning process to ensure projects meet community needs. In order to obtain the views of citizens, public agencies and other interested parties, the City placed a draft copy of the Program Year 2017/City's FY 2018 on public display in the following locations during normal business hours beginning on September 12, 2018 and running through September 28, 2018:

- 420 10th Street - Columbus Consolidated Government Annex Building, 2nd Floor, Community Reinvestment Division
- 3111 Citizens Way - Columbus Consolidated Government, Citizen Services Center
- 3000 Macon Road - Columbus Public Library
- 640 Veterans Parkway - Mildred L. Terry Public Library
- 5689 Armour Road - North Columbus Public Library
- 2034 South Lumpkin Road - South Columbus Public Library

At the end of the public comment period, no public comments were received. The Program Year 2017/City's FY 2018 CAPER was made available for public review for 15 days and also made available for review on the City's website, accessible at: <http://www.columbusga.org/CommunityReinvestment/>. The notice of availability for review was published in the local newspaper The Ledger Enquirer on September 12, 2018.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The affordability of housing is one of the most pressing concerns in housing policy. Cities all over the United States have become less affordable because housing costs, especially rents, increased faster than household incomes. This is especially true for the residents of Columbus, GA, where real incomes in the area have declined while housing costs have risen, resulting in an increased need for affordable housing options. Between 2000 and 2016, the median income for County residents actually *declined* by 11% after adjusting for inflation, while median gross rent increased by 17% and median homeowner housing costs increased by 15%. This means that households throughout Columbus are paying a relatively larger share of their income on housing costs alone. The combination of falling inflation-adjusted income and rising housing costs translates to diminished buying power for households.

Although the City currently works with many community-based organizations, the primary impediment to the City's ability to meet underserved needs is the limited amount of entitlement funding and the fact that most nonprofit organizations operate on shoestring budgets. The City continues to face a reduction of funding at the local, state, and federal levels which will significantly limit the resources available to address the shortfall of affordable housing units. Because of this shortfall, the City seeks to allocate \$200,000 in HOME for multifamily affordable housing developments which will leverage and expand affordable housing options for income eligible renter households. Additionally, the City has allocated \$368,240 for affordable housing acquisition and/or rehabilitation. These funds will provide additional leverage for the acquisition, rehabilitation, and/or resale of homes to income eligible residents.

Although these two proposed projects do not represent a change in the jurisdictions objectives per se, they do represent an increased presence in the City's efforts to address the lack of affordable housing. The City will utilize the CAPER report to measure its accomplishments and progress toward the specific goals outlined by the Consolidated Plan. The CAPER's findings will determine what projects need to be modified or removed.

The City of Columbus is currently not receiving any Section 108 loans.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

While the HOME regulations state that on-site inspections must only be conducted every three years following the initial 12-month post completion inspection, the City of Columbus has chosen to expand on this by requiring our developers/ owners to conduct additional in-house inspections. This policy has been adopted into all of our written agreements as a means of mitigating potential increased repair and maintenance costs due to negligence/ignorance of issues with a rental properties. No Inspections were conducted during this program year as it did not fall on the third year for any of our older HOME rental projects and none of our newer projects had reached the 12-month preliminary post-completion inspection requirement.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

As required by HUD, the City of Columbus and its subrecipients follow the Affirmative Marketing Rules. All recipients of HOME funds are required to follow the affirmative marketing requirements. All printed materials designed to inform the public, owners, or potential tenants wishing to participate in the HOME Program includes a statement regarding the Columbus Consolidated Government's Affirmative Marketing Plan as well as the applicable fair housing laws. This information is included in all media released and/or reports informing the public about the HOME Program. All newspaper and other media announcements, as well as any printed materials, include the Equal Housing Opportunity logo, slogan or statement. Fair Housing Posters are displayed in the offices of all of the City's subrecipients.

To market and publicize various housing programs that are available to the public, all of the programs are advertised via the City's website at <http://www.columbusga.org/CommunityReinvestment/> and social media accounts. The Community Reinvestment Department utilizes Facebook as a social media tool to reach a greater and diverse audience when publicizing its events. Generally speaking, the use of social media has resulted in an increase of individuals showing up to public meetings and forums.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

There was no PI Carryover from the prior year (PY 2016 / FY 2017). There was \$5,511.21 of PI received during the year and \$4,937.59 of PI draws. At the end of the reporting year the City had a PI carryover to the next fiscal year of \$37.50.

Project	IDIS Activity ID	Amount Drawn
Tenant Based Rental Assistance	3386	\$112.50
Affordable Homeownership Program (Acquisition of Property)	3373	\$4,825.09

Table 14 - Program Income Drawn

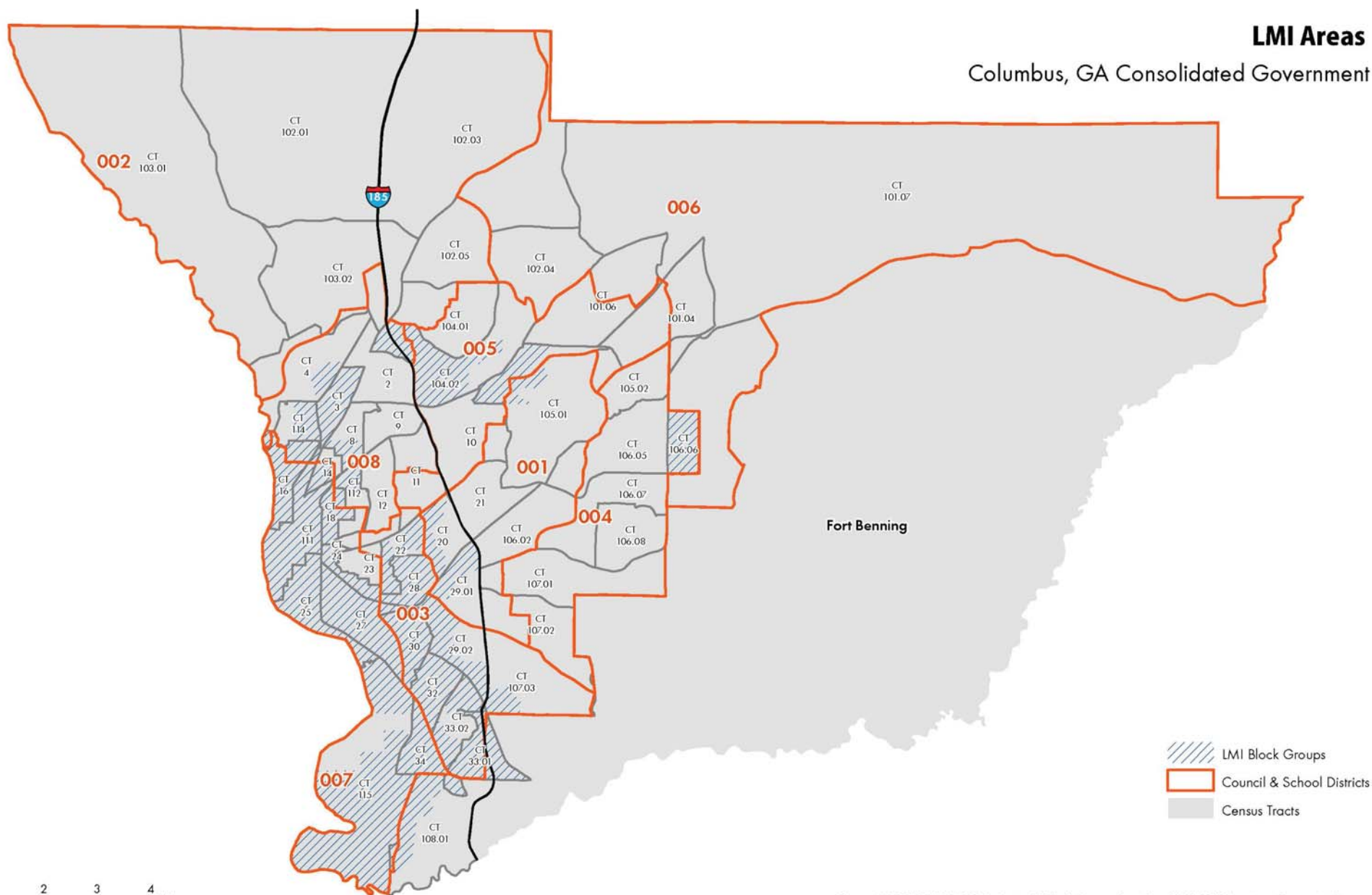
Unique Appendices

Maps

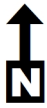


LMI Areas

Columbus, GA Consolidated Government

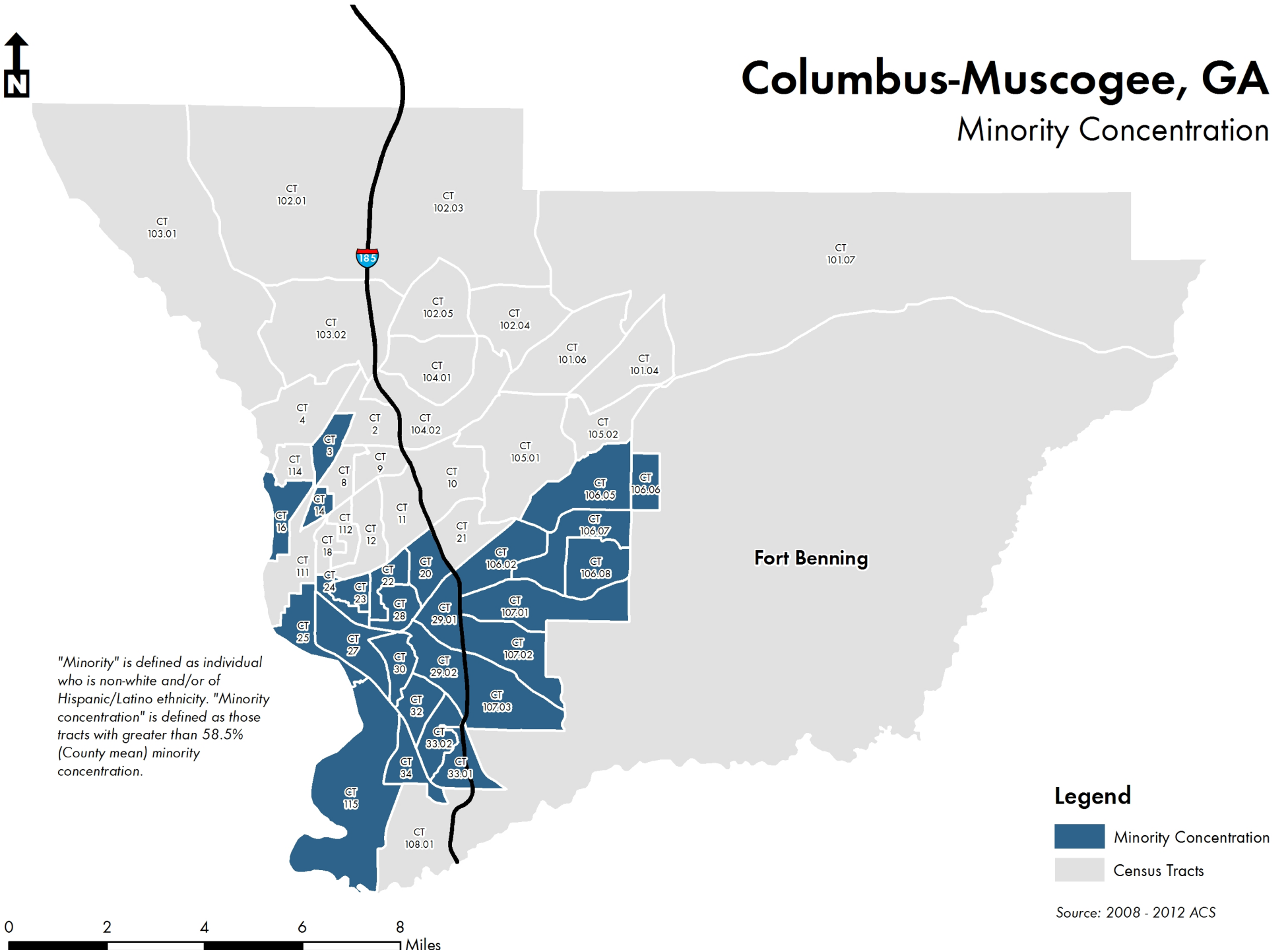


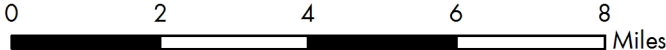
Source: HUD FY2015 LMISD by State - All Block Groups, Based on 2006-2010 American Community Survey.



Columbus-Muscogee, GA

Minority Concentration





Poverty Concentration
Census Tracts

Source: 2008 - 2012 ACS

CITY OF COLUMBUS, GEORGIA

HOME PROGRAM RESALE/RECAPTURE PROVISIONS

Revised 8/1/2016

I. BACKGROUND

Section 215 of the HOME statute establishes specific requirements that all HOME-assisted homebuyer housing must meet in order to qualify as affordable housing. Specifically, all HOME-assisted homebuyer housing must have an initial purchase price that does not exceed 95 percent of the median purchase price for the area, be the principal residence of an owner whose family qualifies as low-income at the time of purchase, and be subject to either resale or recapture provisions. The HOME statute states that resale provisions must limit subsequent purchase of the property to income-eligible families, provide the owner with a fair return on investment, including any improvements, and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. The HOME statute also specifies that recapture provisions must recapture the HOME investment from available net proceeds in order to assist other HOME-eligible families. The Columbus, Georgia HOME Program utilizes the resale/recapture methods for HOME homebuyer programs in accordance with 24 CFR 92.254(a)(5). The City of Columbus will not provide development subsidies through its HOME program, so resale provisions will not be established.

The HOME rule at §92.254(a)(5) establishes the resale and recapture requirements HOME PJs must use for all homebuyer activities. These provisions are imposed for the duration of the period of affordability on all HOME-assisted homebuyer projects through a written agreement with the homebuyer, and enforced via lien, deed restrictions, or covenants running with the land. The resale or recapture provisions are triggered by any transfer of title, either voluntary or involuntary, during the established HOME period of affordability.

When undertaking HOME-assisted homebuyer activities, *including projects funded with HOME program income*, the Columbus, Georgia HOME Program must establish resale or recapture provisions that comply with HOME statutory and regulatory requirements and set forth the provisions in its Consolidated Plan. HUD must determine that the provisions are appropriate. The written resale/recapture provisions that the City submits in its Annual Action Plan must clearly describe the terms of the resale/recapture provisions, the specific circumstances under which these provisions will be used, and how the City will enforce the provisions.

II. DEFINITIONS

Development Subsidy – a development subsidy is defined as financial assistance provided by the City to offset the difference between the total cost of producing a housing unit and the fair market value of the unit. When provided independently and absent any additional subsidy that could be classified a direct subsidy, development subsidy triggers resale.

Direct Subsidy – a direct subsidy is defined as financial assistance provided by the City that reduces the purchase price for a homebuyer below market value or otherwise subsidizes the homebuyer [i.e. down-payment loan, purchase financing, assistance to CHDO to develop and sell unit below market, or closing cost assistance]. A direct subsidy triggers recapture.

Net Proceeds – the sales prices minus superior loan repayment (other than HOME funds) and any closing costs.

Homebuyer Investment – The homeowner’s down-payment and any capital improvement investment made by the owner since purchase.

III. PERIOD OF AFFORDABILITY

The HOME rule at §92.254(a)(4) establishes the period of affordability for all homebuyer housing.

a. Period of Affordability Under Resale Provisions

The City of Columbus will not provide development subsidies through its HOME program, so resale provisions will not be established. Should the City change this policy, the resale/recapture revisions will be revised.

b. Period of Affordability Under Recapture Provisions

For HOME-assisted homebuyer units under the recapture option, the period of affordability is based upon the HOME-funded *Direct Subsidy* provided to the homebuyer that enabled the homebuyer to purchase the unit. Any HOME program income used to provide direct assistance to the homebuyer is included when determining the period of affordability.

The following table outlines the required minimum affordability periods.

If the total HOME investment (resale) or Direct Subsidy (recapture) in the unit is:	The Period of Affordability is:
Under \$15,000	5 years
Between \$15,000 and \$40,000	10 years
Over \$40,000	15 years

IV. RECAPTURE PROVISIONS

The City's Recapture Provisions permit the original homebuyer to sell the property to any willing buyer, at any price the market will bear, during the period of affordability while the City is able to recapture all or a portion of the HOME-assistance provided to the original homebuyer.

a. Applicability

Recapture Provisions are applicable to all City HOME funded homebuyer activities, as the City will provide direct subsidies only through its HOME program. Recapture Provisions are required to be used in cases involving a Direct Subsidy to a homebuyer.

b. Effect

If a homeowner chooses to sell during the Period of Affordability, the full amount of the HOME Program Direct Subsidy (less the Homebuyer Investment)) shall be recaptured and repaid to the City provided that net proceeds are sufficient. Recaptured funds shall be reinvested in other affordable housing for low to moderate income persons. If net proceeds are insufficient to repay the total HOME investment due, only a pro-rata share of the net proceeds, as set forth in the formulas below, will be recaptured. In the event that net proceeds are zero, the recapture provision still applies, but there are no funds to recapture.

c. Imposing Recapture Provisions

A clear, detailed written agreement, executed before or at the time of sale, ensures that all parties are aware of the specific HOME requirements applicable to the unit (i.e., period or affordability, principal residency requirement, terms and conditions of either the resale or recapture requirement). The HOME written agreement must be a separate legal document from any loan instrument and must, at a minimum, comply with the requirements at §92.504(c)(5) of the HOME rule. If the City provides HOME funds to a subrecipient, developer or CHDO to develop and sell affordable housing, the City must prepare and execute the agreement with the buyer, or be a party to the agreement along with the entity it funded.

The written agreement between the homebuyer and the City, as well as mortgage and lien documents are all used to impose the Recapture Provisions in HOME-assisted homebuyer projects under the recapture option. The purpose of these enforcement mechanisms is to ensure that the City recaptures the Direct Subsidy to the HOME-assisted homebuyer if the HOME-assisted property is transferred. Deed restrictions, covenants running with the land, or other similar mechanisms are required by the HOME rule to be used in homebuyer projects under the recapture option.

As provided in §92.254 (a)(5)(ii)(A), there are several options that the City may use that are acceptable to HUD to recapture funds and no option may capture more than the net proceeds, if any. The option that the City of Columbus has elected to use, in the event that the net proceeds are not sufficient to recapture the entire Direct HOME Subsidy amount, is the *shared net proceeds option in combination with a pro rata reduction over time*. The shared net proceeds formula will include

the sales price minus loan repayment (other than HOME funds), closing costs, and homebuyer investment made during the period of affordability.

If the net proceeds are insufficient to recapture the full HOME investment, only a pro-rata share of the net proceeds, as set forth in the formulas below, will be recaptured. If there are insufficient net proceeds available at sale to recapture the full pro rata amount due, the City is not required to repay the difference between the prorated direct HOME subsidy due and the amount the City is able to recapture from available net proceeds.

- To determine the pro rata amount recaptured by the City of Columbus:

$$\frac{\text{Number of Years Homebuyer Occupied Home}}{\text{Period of Affordability}} \times \text{Total Direct HOME Subsidy} = \text{Recapture Amount}$$

- To calculate the amount of net proceeds (or shared appreciation to be returned to the City of Columbus:

$$\frac{\text{Direct HOME Subsidy}}{\text{Direct HOME Subsidy} + \text{Homebuyer Investment}} \times \text{Net Proceeds} = \text{Recapture Amount}$$

- To calculate the amount of net proceeds (or shared appreciation) available to the homebuyer:

$$\frac{\text{Homebuyer Investment}}{\text{Direct HOME Subsidy} + \text{Homebuyer Investment}} \times \text{Net Proceeds} = \text{Amount to Homebuyer}$$

d. Foreclosure

Homebuyer housing with a Recapture Provision is not subject to the affordability requirements after the City has recaptured the HOME funds in accordance with its written agreement. If the ownership of the housing is conveyed pursuant to a foreclosure or other involuntary sale, the City shall attempt to recoup any net proceeds that may be available through the foreclosure sale. The City is subject to the limitation that when there are no net proceeds or net proceeds are insufficient to repay the HOME investment due, the City may only recapture the actual net proceeds, if any. Upon distribution of proceeds, all obligations for continued affordability are satisfied.

E. Enforcement

In the event of non-compliance by the homebuyer which includes failure: to maintain property as principal residence, pay taxes, assessments or insurance premiums, the City will consider this as a breach of covenant and the City may, at its option and without notice, declare the entire indebtedness due.

V. RESALE PROVISIONS

The City of Columbus will not provide development subsidies through its HOME program, so resale provisions will not be established. Should the City's policy change, the resale/recapture provisions will be revised.

VI. MONITORING RESALE & RECAPTURE PROVISIONS

For HOME-assisted homebuyer projects, the City shall require its CHDOs, developers and subrecipients, through written CHDO, Developer or Subrecipient agreements, to perform ongoing monitoring of the principal residency requirement during the period of affordability. Confirmation that the buyer is using the property as his or her principal residence may be accomplished by verifying that the buyer's name appears on utility company records or insurance company records for the home. In addition, postcard or letters mailed with "do not forward" instructions may demonstrate whether the buyer is receiving mail at the home.

Failure to comply with the resale or recapture requirements means that:

- 1) The original HOME-assisted homebuyer no longer occupies the unit as his or her principal residence (i.e., unit is rented or vacant), or
- 2) The home was sold during the period of affordability and the applicable resale or recapture provisions were not enforced.

In the case of foreclosure, the City reserves the right of first refusal on the property and will attempt to find an income eligible buyer to purchase the unit.

In cases of noncompliance under either resale or recapture provisions, the City must repay to its HOME Investment Trust Fund in accordance with §92.503(b), any *outstanding HOME funds* invested in the housing. The amount subject to repayment is the total amount of HOME funds invested in the housing (i.e., any HOME development subsidy to the developer plus any HOME down-payment or other assistance (e.g., closing costs) provided to the homebuyer) minus any HOME funds already repaid (i.e., payment of principal on a HOME loan). Any interest paid on the loan is considered program income and cannot be counted against the outstanding HOME investment amount.