

## VII. ACTION PLAN

### A. INTRODUCTION AND PURPOSE

The City of Arlington submits this Action Plan for Program Year 2005, which begins July 1, 2005 and ends June 30, 2006. The plan provides specific information on the use of grant funds, including proposed projects for Community Development Block Grants (CDBG), the HOME program, and Emergency Shelter Grants (ESG).

The primary purpose of the City's Consolidated Plan and Action Plan is to expand and strengthen partnerships in order to provide decent housing, establish and maintain a suitable living environment, and extend economic opportunities to citizens, particularly low and moderate-income persons. Partnerships with neighboring jurisdictions, the private sector, and non-profit organizations are essential for the successful implementation of this plan.

The budget and projects included in this Action Plan are based on the estimated entitlement funds for 2005-2006, as documented in the award letter from HUD. The total amount of funds budgeted in the 2005-2006 Action Plan for all three grants, including reprogrammed funds and anticipated program income, is \$8,247,652.

Source	CDBG	HOME	ESG	Total
2005 Allocation	\$3,627,032	\$1,525,650	\$139,901	\$5,292,583
Program Income	30,000			30,000
ADDI		72,978		72,978
Reprogrammed Funds	1,566,104	1,285,987		2,852,091
<b>TOTAL</b>	<b>\$5,223,136</b>	<b>\$2,884,615</b>	<b>\$139,901</b>	<b>\$8,247,652</b>

In developing the budgets, proposals under the CDBG, HOME, and ESG programs were reviewed by the Grant Review Committee of the Arlington Human Service Planners (AHSP), Grants Management staff, and the City Council Community and Neighborhood Development Committee. Copies of funding requests, including complete grant proposals, information about the organizations and their proposed activities, and related comments from staff and AHSP, are available for review in the City Manager's Office. Funding requests are also provided in this Action Plan, along with the recommended grant award amounts.

Two public hearings regarding the recommended activities and budgets proposed in this Action Plan were held. The first was at 6:30 p.m. on March 23, 2005 and the second was held at 6:00 p.m. on April 4, 2005. The purpose of these hearings was to obtain citizen comment and to allow individuals or organizations requesting funding to address the City Council. The 2005-2006 Action Plan Summary was published in the newspaper on March 13, 2005, posted on the City Web site, and copies of the Consolidated Plan and the Action Plan were available at the city's public libraries. Citizens had a 30-day period to make comments, from March 14, 2005 through April 15, 2005. The City is responding in writing to written citizen comments (see public comments in Section VIII-O). The 2005-2006 Action Plan was approved by the Arlington City Council on May 10, 2005.

A Public Hearing regarding proposed amendments to the 2005-2010 Consolidated Plan, 2005 Action Plan, and the reprogramming of CDBG, HOME, and ESG funds was held on Monday, November 21, 2005, at 4:30 p.m. Notice of the Public Hearing and a summary of amendments was published in the newspaper on Sunday, October 30, 2005 and posted on the City website. Citizens had an opportunity to comment during the public comment period from October 31 to December 2, 2005. The amendments were approved by the Arlington City Council on December 6, 2005.

The City of Arlington's 2005-2006 Action Plan outlines the use of federal funds by describing the specific activities proposed to address the needs and priorities established in the 2005-2010 Consolidated Plan. The Action Plan also reports on the availability of private funds being leveraged by the federal grant funds, specifically the amount and type of private funds anticipated for the 2005-2006 program year. The Consolidated Plan and Action Plan were submitted to HUD on May 13, 2005. The objectives and activities established in this document also provide a framework for assessing the City's performance.

<b>Planned Activities</b>				
<b>Goals</b>	<b>#</b>	<b>Objectives</b>	<b>Performance</b>	
			<b>1 Yr</b>	<b>5 Yr</b>
Affordable Housing	1	Homebuyers' Assistance	20	100
	2	Housing Rehabilitation	50	250
	3	Tenant Based Rental Assistance	20	100
		See also Central Arlington NRSA		
Central Arlington Neighborhood Revitalization Strategy Area	4	Mixed-Use Residential Facility	1	2
	5	New Owner-Occupied Housing	5	45
	6	Infrastructure Projects	1	5
	7	Housing Rehabilitation	10	50
	8	Business Façade Improvements	2	10
Homelessness	9	Homeless Shelter Care	2,600	
	10	Case Management and Support Services	1922	
	11	Transitional and Permanent Housing	125	
	12	Outreach Chronic Homeless and Refer to Housing First Programs	5	
	13	Homeless Prevention	10	
	14	Support ESG and SHP Applications	2	10

Planned Activities				
Goals	#	Objectives	Performance	
			1 Yr	5 Yr
Special Needs	15	Housing Rehab for Elderly and Disabled	5	25
	16	Meals/Case Management for Seniors	267	
	17	Transportation for Elderly	300	
	18	Day Habilitation for Disabled	25	
	19	Case Management for HIV/AIDS	50	
	20	Substance Abuse Counseling	100	
Community Dev	21	Youth Services (Public Services)	1540	
	22	Transportation (Public Services)	825	
	23	Crime Awareness (Public Services)	7000	
	24	Health Services (Public Services)	1355	
	25	Park Improvements	2	
Barriers to Affordable Housing	26	Homeownership Counseling Seminar	1	5
Anti-Poverty Strategy	27	Childcare	30	
	28	Credit Repair Seminar	1	5
Lead Based Paint	29	Lead Based Paint Training	1	5
	30	Lead Testing	20	
Planning	31	Pedestrian Infrastructure Study	1	
	32	Policy Planning Studies	1	2

## B. FEDERAL RESOURCES AND LEVERAGING

As of March 14, 2005, the City of Arlington anticipates federal resources from the U. S. Department of Housing & Urban Development (HUD) totaling \$5,292,583. This includes \$3,627,032 in Community Development Block Grant (CDBG) funds, \$1,525,650 in HOME Investment Partnership (HOME) program funds, and \$139,901 in Emergency Shelter Grant (ESG) funds.

During the program year, the City anticipates receiving program income from various activities initiated during previous funding cycles. The City administers three active revolving loan funds: the Small Business Loan Program, the Rental Rehabilitation Loan Program and the Historic Preservation Loan Program. The City is no longer making loans in these programs, but continues to service and generate program income from loans previously funded. Payments received from the loan funds, such as interest, application fees, late fees, etc., are projected to be \$30,000, which is the total anticipated program income for 2005-2006 eligible for programming.

### 1. Community Development Block Grant (CDBG) Program - Leveraging

Private and non-federal dollars will be leveraged through several CDBG-funded activities proposed in the 2005-2006 Action Plan. Activities in the Central Arlington Neighborhood Revitalization Strategy Area (NRSA) are anticipated to leverage other funds through entities such as the Tax Increment Finance District, Chamber of Commerce and Fannie Mae Deep Dive program, North Central Texas Council of Governments, and

private developers. By their nature, the four new activities planned in the NRSA (i.e., Mixed-Use Development, Owner-Occupied Housing, Pedestrian Infrastructure, and Business Façade Improvement) will leverage private capital and investments toward improved conditions in a low income target area. The Owner-Occupied Housing Rehabilitation Program and the Homebuyers' Assistance Program will also be marketed in this area. It is anticipated that these activities will serve as a catalyst for private investment.

CDBG funds will provide \$65,000 for administrative and planning costs for Arlington Human Service Planners (AHSP) leveraging \$65,000 from the United Way and other sources. The United Way of Metropolitan Tarrant County, in cooperation with community volunteers and the City of Arlington, supports AHSP, which assists in identifying gaps in social services and working to offer viable community-supported solutions. AHSP is involved in the effort to secure competitive funds to address issues such as youth violence, isolation of senior citizens, quality child care, adult literacy, and homelessness.

CDBG funds invested in public services also leverages private donations, foundation monies, other grants, and countless hours of volunteer support.

## **2. HOME Investment Partnerships Program - Leveraging**

The 25 percent match requirement under HOME has encouraged the City to leverage other monetary resources as follows. HOME funds in the amount of \$228,847 have been set aside for Community Housing Development Organization (CHDO) projects that will leverage \$57,212 in matching funds from private and non-profit sources. Tarrant County Housing Partnership will use these funds to develop affordable housing in the NRSA.

HOME match of approximately \$400,000 will be received from the Arlington Housing Finance Corporation Program and from tax exemptions provided to non-profit developers of multi-family housing and tax credit projects.

The above matching funds are estimates. Actual matching contributions will be documented by contributing entities in the Consolidated Annual Performance and Evaluation Report (CAPER), with records maintained by Grants Management.

## **3. Emergency Shelter Grant (ESG) Program - Leveraging**

Organizations receiving ESG funds are required to match 100% of their grant award, plus a prorated amount for the administrative portion of the grant, thereby leveraging an additional \$139,901 during the program year. The sources of match for each organization include donated volunteer time, donated food, salary for staff providing direct services, and the value of services provided directly to homeless persons.

Organization	Funding Amount	Match Amount	Total	Match Source
City of Arlington	\$ 6,995	\$ 0	\$ 6,995	n/a
Arlington Life Shelter	59,602	62,750	122,352	Donated Meals
The Salvation Army	23,978	25,237	49,215	Donations
The Women's Shelter	49,326	51,914	101,240	Donations
Total	\$139,901	\$139,901	\$279,802	

#### 4. Additional Estimated Resources in Tarrant County

See the Table "Resources for Low Income and Special Needs Populations" in Section VIII-P. The table provides a list of federal and state programs that have services and funds for Arlington residents. Some of these programs are specifically available for Arlington residents, while others are available for residents of Tarrant County, including Arlington. It is estimated that there will be \$414,439,432 available in 2005 for low income and special needs populations. Additional resources are found in Table 2B: Community Development Needs (see Section VIII-E).

#### C. GEOGRAPHIC DISTRIBUTION

A portion of funds from the 2005-2006 Action Plan will be concentrated in the Central Arlington Neighborhood Revitalization Strategy Area. Activities such as the Arlington Homebuyers Assistance Program, housing rehabilitation, and many of the public service activities will be provided community-wide (Section VIII-R). A summary of the geographic distribution of funds is located in the five year strategies chart of the Executive Summary (Section I, pages 2-5) and in the Action Plan project descriptions.

#### D. HOMELESS AND OTHER SPECIAL NEEDS ACTIVITIES

In 2005-2006, the City of Arlington will address homeless prevention, emergency shelter, supportive services, and transitional housing needs of homeless or at-risk individuals and families through the grant sources described in this plan. For a detailed narrative and planned activities, see Section III: Homeless Needs and Tables 1A and 1C in Section VIII.

CDBG funds will provide a transitional housing case manager through the Community Enrichment Center, dental services for homeless persons through Dental Health for Arlington, Inc., and transportation for homeless persons through Mission Metroplex, Inc.

ESG funds will be used to support basic operational expenses, essential services, and homeless prevention activities at The Arlington Life Shelter, The Salvation Army, and The Women's Shelter. Approximately \$295,231 in Continuum of Care funds and \$277,223 in 2005-2006 federal grant funds are dedicated to activities which assist the homeless in Arlington. Specific funding levels addressing each category of homeless service needs are outlined below.

**1. Outreach and Assessment**

Outreach and assessment occur at the shelters as part of their regular intake process. Outreach also occurs through day shelter services at Mission Metroplex, Homeless Programs at the Arlington Independent School District, Arlington Housing Authority, Tarrant County MHMR specialized services unit homeless outreach team, Tarrant County Department of Human Services, Catholic Charities, the Center for Continuing Education and Workforce Development, Department of Assistive and Rehabilitative Services, AIDS Outreach Center, and numerous other social service providers. Additional information about outreach strategies in Arlington is found in the 2005-2010 Consolidated Plan, Section III, pages 85 and 88.

**2. Emergency Shelters and Services**

CDBG:	
Dental Health for Arlington, Inc., Dental Services	\$47,723
Mission Metroplex, Inc., Transportation	\$66,812
ESG:	
Arlington Life Shelter: Operations, Essential Services	\$59,602
The Salvation Army, Operations	\$23,978
The Women's Shelter, Operations, Essential Services, Prevention	\$49,326

**3. Transitional and Permanent Housing**

The City of Arlington currently offers several transitional and permanent housing options. The Community Enrichment Center receives \$29,782 in CDBG funding for their Adopt-a-Family program activities. Additionally the following programs are offered through the Arlington Housing Authority. Additional transitional and permanent housing units are provided in Arlington through Continuum of Care grants.

Program	Units Available
Tenant-Based Rental Assistance	20
2004 Supportive Housing Program	28
2003 Supportive Housing Program	28
2000/2001 Shelter + Care	23
The Women's Shelter – LIFT Program	3
Tarrant County TBLA	28
MHMR Gateways Permanent Housing Program	5
Total	135

**4. Homeless Prevention**

Homeless prevention services are available through a wide range of community resources. United Way Crisis Relief Fund, for example, helps families with temporary emergency financial assistance to pay for rent, utilities, and other necessities until other resources are located. This fund is limited and often is depleted before the end of the year.

United Way's First Call for Help also directs homeless individuals to community resources for shelter, food, clothing, and employment assistance.

The Women's Shelter works with families who are in jeopardy of becoming homeless and has some funds for homeless prevention assistance. The City plans to use a portion of unexpended 2004 ESG funds, if available, for homeless prevention activities through the Tarrant County Department of Human Services eviction assistance program. This program helps prevent homelessness for residents who have received an eviction or utility termination notice and meet all other ESG prevention assistance requirements.

## **E. PROGRAM SPECIFIC REQUIREMENTS**

### **1. CDBG Requirements**

Program income is anticipated from a variety of sources during Program Year 2005. Based on current and anticipated rates of commitment of funds and loans presently outstanding, the following amounts of program income are anticipated to be received through June 30, 2006.

Small Business Loan Fund	\$27,000
Rental Rehabilitation Loan Fund	\$ 1,500
Historic Preservation Loan Fund	\$ 1,500
<b>TOTAL ANTICIPATED PROGRAM INCOME FOR PY 2005</b>	<b>\$30,000</b>

The City does not expect to participate in any float-funded activities during this Action Plan period.

### **2. HOME Requirements**

#### **a. Other Forms of Investment**

The City will not engage in any form of investment using HOME funds that is not described in 24 CFR 92.205 (b).

#### **b. Recapture Provisions**

COVERED COSTS: Homebuyers assisted by City HOME funds will be required to provide a minimum of three (3) percent of the home's sale price as a down payment. The City's HOME subsidy, along with the lenders' and title companies' reduced and/or waived fees, will contribute to the remaining portion of expenses charged to the buyer for down payment, prepaid expenses, and other closing costs normally associated with the purchase of a home.

FINANCING TERMS: HOME funds will be secured by a subordinate lien listing the City of Arlington as the lien-holder. The buyer will sign a Subordinate Deed of Trust and a

Promissory Note. The buyer will receive assistance in the form of a no-interest/deferred loan. The following will trigger repayment of the outstanding balance on the subordinate lien loan:

- discovery that the applicant knowingly falsified an application and was actually ineligible for assistance;
- buyer ceases to use the home as his or her principal residence; or
- refinance or sale of the property.

RECAPTURE POLICY: Homeowners receiving AHAP assistance will meet the affordability period if they remain in their home for the time specified (i.e., normally 5 years). The federal assistance, provided in the form of a loan, is forgiven when this condition is met. If the home is sold prior to the affordability period, the City of Arlington implements a recapture policy. This option allows the seller to sell to any willing buyer at any price; however, a portion of the net proceeds from the sale will be returned to the City to be used for other eligible HOME activities. The portion of net proceeds returned to the City is the percent of HOME funds invested in the property, less the percent of the amount forgiven (i.e., 1.67% per month or 20% per year). Additional information regarding recapture provisions is detailed in the AHAP policy.

c. Refinancing Guidelines – Not Applicable

d. Tenant-Based Rental Assistance

The BBC study detailed in Section II, Housing Needs describes the local market conditions. This section assesses the gaps in the housing supply, discusses cost burden issues, and identifies the top housing needs. The need for Tenant-Based Rental Assistance is a priority objective (page 73).

e. HOME Assisted Units – Not Applicable

f. Minority Outreach Program

The City of Arlington is committed to ensuring the participation of minorities in all its programming to the maximum extent possible. Minority and women-owned entities are identified and receive information, allowing them to bid on all HOME related projects. Contracts with CHDOs and others have a provision that encourages the use of sub-contractors and suppliers who are 51 percent owned by minorities and/or women.

g. Minority Households becoming Homeowners

The City of Arlington has established a Homebuyers' Assistance annual goal of 20 clients. Historically, this program has served a significant number of minorities. The 2003 CAPER reported

that 52 clients were served, including 11 Hispanics, eight African Americans, and two Asians. It is estimated that eight minorities will receive homebuyer assistance in PY2005.

h. Outreach to Public Housing Tenants with ADDI Funds

The City of Arlington works cooperatively with the Arlington Housing Authority in assisting Section 8 recipients in becoming homeowners (See description of the Housing Authority's Section 8 Homeownership Program on page 76). Information on the Homebuyers Assistance Program using ADDI funds is provided to Section 8 clients served through the Arlington Housing Authority.

i. Homeownership Efforts with ADDI Funds

The Arlington Homebuyers' Assistance Program provides down payment and closing cost assistance using ADDI funds. Applicants are required to take homebuyer education services through a HUD approved agency. These services are designed to prepare clients in becoming successful homeowners. This housing counseling enhances the likelihood that families will successfully transition from renters to homeowners.

**F. OTHER ACTIONS**

**1. Monitoring**

The policies and procedures for monitoring subrecipients are detailed in Section I of the Consolidated Plan (see pages 30-33). Neighborhood Services monitors its performance in meeting goals set forth in the Consolidated Plan. The monthly Financial Reconciliation reports detail all expenditures of HUD funds on a year-to-date basis. The monthly Monitoring Summary of all programs tracks accomplishments to date. The Consolidated Plan goals are tracked on a quarterly basis. These reports are reviewed by management to verify progress toward and completion of goals. Records are reviewed to ensure compliance with program requirements.

**2. Housing Code Compliance**

The City of Arlington has undertaken one affordable housing project, Arlington New Beginnings. This facility is predominantly occupied by Section 8 recipients. Consequently, the Arlington Housing Authority conducts a yearly Housing Quality Standards inspection, as well as assuring that applicable City housing codes are met.