

2004 PROGRAM YEAR

CONSOLIDATED ACTION PLAN

City of Fargo, North Dakota

Introduction

The City of Fargo is a CDBG entitlement community and a HOME participating jurisdiction. This plan will address the following topics related to the use of CDBG and HOME funds in the City of Fargo in the 2004 program year (May 1, 2004 to April 30, 2005).

- Source of Funds, including expected grant, program income, and revolving fund receipts
- Specific Consolidated Plan Objectives met by 2004 activities
- Summary of 2004 Budget and programmatic expenditure limits
- Description of Projects included in 2004 budget
- Geographic Distribution of the projects
- A summary of special considerations, including discussion on the topics of homeless and other special populations, public housing, poverty reduction strategies, lead paint hazards, minority concentrations, underserved needs, removing barriers to affordable housing, partnerships, and fair housing.
- Local plans for monitoring sub-recipients and HUD-funded activities in general

Source of Funds

Federal Resources

CDBG. The City of Fargo will receive a grant of \$835,000 in Fiscal Year 2004. Program income is estimated at \$40,000. In 1999, the city set up a revolving fund for the *Neighborhood Housing Acquisition, Rehab and Training Program (HART)*; the revolving fund is being eliminated in this year's budget. The remaining funds will be re-allocated to other eligible CDBG projects (approximately \$200,000).

HOME. The City of Fargo was designated a "participating jurisdiction" in 2003. Prior to that designation, the City received an annual allocation of HOME funds from the state of North Dakota. The City will have a HOME budget of \$781,000 to work with in 2004. The grant allocation to the City is estimated at \$590,000 and program income is estimated to be \$135,000.¹ The City is also slated to receive approximately \$56,000 from the President's American Dream Downpayment Initiative; these funds need to be used to support downpayment assistance programs.

FY2004 Budget		
	CDBG	HOME
Grant	\$835,000	\$590,000
Program Income	\$40,000	\$135,000
American Dream Downpayment Initiative	\$0	\$56,000
Re-allocated funds	\$200,000	\$0
Total	\$1,070,000	\$781,000
		\$1,851,000

Other resources

The City will pursue other grants and local funding sources where appropriate. The community development program takes advantage of a number of partnership opportunities, working to supplement city and state tax incentives and private property owner contributions.

The Neighborhood Revitalization Initiative, developed in April 2001, dedicated \$1.15 million in local funds towards neighborhood housing issues. The majority of program expenditures are "revolving" in nature; the revolved funds and other infusion of local resources (\$1.3 million bond, \$2 million investment from local bank) have allowed the program to continue.

¹ The State has agreed, via a Memorandum of Agreement, to allow the City to keep program income and recaptured funds that were generated from the activities funded with HOME dollars that originated from the state of North Dakota (funds expended from all grant years up to, and including, the 2002 grant year).

Specific Objectives

The City of Fargo intends to focus efforts on the six goals that were identified in the five-year Consolidated Plan.

1. Housing
2. Downtown
3. Affordability
4. Youth
5. Neighborhoods
6. Homelessness Prevention

The 2004 Action Plan addresses the following priority needs objectives that were identified in the original 2000-2004 Consolidated Plan.

Priority Needs / Objectives Addressed - 2004 Action Plan		
Priority Need	Objective	Priority Need
HCD 1	Promote homeownership for low and moderate income households	Housing
HCD2	Encourage rehabilitation of existing rental housing units	Housing
HCD4	Encourage community wide distribution of affordable and public housing	Housing
HCD5	Develop landlord/tenant education programs	Planning/Admin
HCD6	Increase community awareness of lead based paint hazards	Other
HCD7	Support and strengthen the city's older neighborhoods	Planning/Admin (Housing)
HCD8	Support neighborhood facilities and amenities	Public Facilities
HCD9	Encourage downtown revitalization and redevelopment	Economic Dev
HCD10	Work to improve and maintain infrastructure in city's older neighborhoods (including the downtown district)	Infrastructure
HCD12	Promote entrepreneurial assistance and leadership development training	Economic Dev
HCD13	Work to remove transportation as a barrier to employment	Public Service
HCD14	Continue to support job skills training programs	Public Service
HCD15	Continue to support the availability of affordable educational child care	Public Service
HCD16	Support the needs of refugee individuals and households	Public Service
SP1	Develop better local data on homelessness and hunger	Planning/Admin
SP2	Support facilities that serve the needs of homeless and special needs individuals	Housing
SP4	Focus efforts on prevention of homelessness	Homeless
SP5	Support facilities that meet the needs of troubled youth	Youth

Summary of 2004 Budget

The 2004 budget continues to place a high priority on housing, as well as neighborhood improvement and the needs of underserved populations.

SUMMARY		
Proposed FY2004 Community Development Budget		
	CDBG	HOME
Housing		
1. Housing Rehabilitation - Owner	125,000	280,000
2. Housing Rehabilitation - Rental	240,000	0
3. Downpayment Assistance	0	322,000
4. Special Assessment Assistance	75,000	0
5. Graver Inn Rental Rehabilitation	0	85,000
6. Zabel Special Needs Housing	0	20,000
7. Habitat for Humanity	0	5,000
Capital Projects		
8. Southside Community Center	250,000	0
9. Nokomis Remodeling	8,000	0
10. YWCA of FM Playground	50,000	0
11. Mental Health Association Drop-in Center	55,000	0
Public Service Projects		
12. Housing Education (tenant and homebuyer)	30,000	10,000
13. Cultural Diversity Resources	30,000	0
14. CHARISM	20,000	0
15. ND Fair Housing Council	1,000	0
Administration/Planning		
16. Admin	186,000	59,000
Total	\$1,070,000	\$781,000

HOME Recapture/Resale Requirements

Resale and/or recapture policies must be in place to assure that HOME-assisted housing units remain affordable through deed restrictions, covenants attached to the land, mortgages, or other similar mechanisms. The City of Fargo typically accomplishes this by using a Land Use Restriction Agreement (see example in Appendix B).

All HOME funded projects in Fargo's 2004 Action Plan are subject to the recapture provision, as opposed to the resale provision. The recapture option follows the provisions in 24 CFR 92.254(a)(5)(ii), which allows for recapturing the entire amount of HOME investment or a prorated amount based on specific criteria that are established for each project.

Any recaptured funds must be used to carry out eligible HOME activities. If the form of HOME assistance rendered a project is not subject to recapture, the resale option must be used.

Fargo does not intend to use HOME funds to refinance existing debt that is secured by housing that is being rehabilitated with HOME funds (as per 92.206(b)).

Expenditure Caps

The city's 2004 community development budget allocation is consistent with the programmatic expenditure caps outlined in HUD regulations. For CDBG actual compliance with expenditure cap limits is measured on the basis of funds actually spent during a particular program year and for HOME on the basis of the allocation/expenditure of funds that can be attributed to a particular grant year.

CDBG Administration. *20 percent of 2004 grant plus 2004 program income (est \$214,000)*
Project #16 - Administration - \$186,000

CDBG Public Service. *15 percent of 2004 grant plus 2003 program income (est \$163,000)*
Project #12 – Village Housing Education Programs - \$40,000
Project #13 – CHARISM - \$20,000
Project #14 – Cultural Diversity Resources - \$30,000
Project #15 – Fair Housing Council - \$1,000

TOTAL - \$91,000

CDBG Slum and Blight. *30 percent of program expenses subject to calculation of LMI benefit over 3 year compliance period (2002, 2003, 2004)*
No projects in 2004

HOME Administration. Maximum expenditure = \$59,000
10 percent of 2004 allocation plus 2004 program income (excludes recaptured funds)
Project #16 – Administration - \$59,000

HOME CHDO set-aside. Required set-aside = \$88,500
15 percent of annual allocation
Project #5 – Graver Rental Rehabilitation - \$85,000

Description of Projects

This section includes a detailed description of each proposed project. The narratives include a general project description, discussion of the Priority Needs and specific objective(s) addressed, proposed performance indicators, as well as a project timeline and expected outcomes.

The City will partner with an eligible Community Housing Development Organization (CHDO) on some of the following projects, to meet the CHDO requirements set forth in the HOME program.

Project Title **Housing Rehab – Owner**
Action Plan ID 1
Local Project ID N/A

Applicant's name Various (administered by City)
Project Description Program to rehabilitate existing owner-occupied houses that are at least 40 years old and have a value of less than \$115,000. Eligible properties can be single family residences, including manufactured homes permanently attached to real property, and two-unit structures where the owner lives in one of the units and rents the other to a tenant (must be a legal rental unit and have been in existence for 10 years). The average cost of a rehabilitation project is \$17,000. Most of the houses that are rehabilitated are located in Fargo's older low/mod neighborhoods.

Location Older neighborhoods (housing stock at least 40 years old)

Priority Need Housing
Objective Number HCD1 – Promote homeownership for low and moderate income households
 HCD6 – Increase community awareness of lead based paint hazards
 HCD7 – Support and strengthen city's older neighborhoods

HUD Matrix Code 14A (Rehab – single unit residential)
 CDBG Citation 570.202
 CDBG National Obj Low/Mod Housing

Start Date May 1, 2004
 Completion Date April 30, 2005

- Performance Indicators**
- Direct Benefit - Low and moderate income homeowners
 - Indirect Benefit - Residents of affected older neighborhoods (well maintained housing stock)
 - Rehabilitate 15-20 homes that are at least 40 years old

Units at completion 15-20
Program income This activity will generate program income (CDBG and HOME) and recaptured funds (HOME). Some of the funds will be repaid because the assistance is given in the form of a low-interest amortized loan. Some of the granted rehab funds may be repaid if a sale or other circumstance triggers repayment of the assistance.

HOME Match This activity is expected to generate some match, in the form of tax exemptions granted to HOME assisted properties and below-market interest rates associated with city NRI funds. All match will be documented and reported to HUD.

Resale/Recapture Recapture – loans either forgiven over 10 year period or have 10 yr amortization

Funding Sources	
CDBG	\$125,000
ESG	
HOME	\$280,000
HOPWA	
Total formula grant funds	\$405,000
Prior year funds	
Assisted housing	
Other funding	
Total	\$405,000

The primary purpose of the project is to help:
 The homeless _____ Persons with HIV/AIDS _____ Persons with disabilities _____ Public Housing Needs _____

Project Title **Housing Rehab – Rental**
Action Plan ID 2
Local Project ID N/A

Applicant's name Various (administered by City)
Project Description Program that will encourage the rehabilitation of rental housing units in the downtown area; focus will be on properties located in the core central business district. Program will require a public/private match formula where CDBG will participate in a 50/50 match of up to \$10,000 per housing unit; the funding will be structured as a five-year deferred interest loan. To be eligible, the majority of units must benefit low and moderate income individuals. Rents may not exceed established fair market rents. Projects must comply with affordability requirements for at least five years.

Location Downtown Fargo, as defined in the 1996 Downtown Area Plan (All of census Tract 7; portions of tract 5, block groups 1 and 2, tract 8.01, block groups 1 and 4, and tract 6, block group 1)

Priority Need Housing

Objective Number HCD2 – Encourage rehabilitation of existing rental housing units
HCD4 – Encourage community wide distribution of affordable housing
HCD7 – Support and strengthen the city's older neighborhoods
HCD9 – Encourage downtown redevelopment and revitalization

HUD Matrix Code 14B (Rehab – multi-unit residential)
CDBG Citation 570.202
CDBG National Obj Low/Mod Housing

Start Date May 1, 2004
Completion Date July 30, 2005

- Performance Indicators**
- Rehabilitate at least 24 units of downtown rental housing
 - Direct benefit - tenants seeking affordable downtown rental housing
 - Indirect benefit - entire downtown area. Well-maintained rental units will attract good tenants, which will enhance the character of downtown Fargo and the ultimate health of the district.

Units at completion 24
Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$240,000
ESG	
HOME	
HOPWA	
Total formula grant funds	\$240,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$240,000

The primary purpose of the project is to help:
The homeless _____ Persons with HIV/AIDS _____ Persons with disabilities _____ Public Housing Needs _____

Project Title Downpayment Assistance
Action Plan ID 3
Local Project ID n/a
Applicant's name Various (administered by City)
Project Description This program offers down payment and closing cost assistance to low and moderate income households that are trying to purchase a home. The average purchase price of a home in this program is about \$79,000. The City requires each applicant to complete an approved homebuyer education program prior to making an offer to purchase a home.

The City intends to use both ADDI and HOME funds to provide homeownership assistance. The City will make efforts to work with the Fargo Housing and Redevelopment Authority to ensure that residents of public housing and Section 8 voucher holders are aware of the downpayment assistance offered by the City.

Location Citywide
Priority Need Housing
Objective Number HCD1 – Promote homeownership for low and moderate income households

HUD Matrix Code 13 (Homeownership Assistance – Direct)
CDBG Citation 570.201(m)
CDBG National Obj LMC

Start Date May 1, 2004
Completion Date April 30, 2005

Performance Indicators

- Assist 92 households in purchasing a home

The majority of families served by this program can be classified as moderate income families. Typically, less than 10 percent of the families served have been low income families, and those families had an income between 40 and 50 percent of median. Over the last several years, the average family that is assisted in this program has an income level at 62 percent of median. Assuming a similar client mix as is typically served, we expect to benefit 9-10 low income households (30-50 percent of median), and 82-83 moderate income households (50-80 percent of median).

Units at completion N/A
Program income This activity is likely to generate recaptured funds (HOME).
HOME Match This activity is expected to generate match in the form of below-market interest rates on first mortgages.
Resale/Recapture Recapture – loans forgiven over 10 year period or repaid from net proceeds of sale (if property is sold prior to 10 year forgiveness period)

Funding Sources	
CDBG	
ESG	
HOME	\$266,000
HOPWA	
Total formula grant funds	\$266,000
Prior year funds	
Assisted housing	
PHA	
Other funding - ADDI	\$56,000
Total	\$322,000

The primary purpose of the project is to help:
The homeless _____ Persons with HIV/AIDS _____ Persons with disabilities _____ Public Housing Needs _____

Project Title **Special Assessments**
Action Plan ID 4
Local Project ID

Applicant's name City of Fargo
Project Description This program pays for the special assessments of lower income persons for water main replacement and possibly for alley paving, streetlights and other designated infrastructure projects. Infrastructure projects designated for CDBG participation are targeted to geographic areas where at least 35 percent of the residents are lower income persons (as designated by the 2000 Census).

Location Varies

Priority Need Housing and Infrastructure

Objective Number HCD7 – Support and strengthen city's older neighborhoods
HCD10 – Improve and maintain infrastructure in city's older neighborhoods (including downtown district)

HUD Matrix Code 03J (Public Facilities – Water & Sewer Improvements)
CDBG Citation 570.201(c)
CDBG National Obj Low/Mod Clientele

Start Date May 1, 2003
Completion Date September 30, 2004 (project completions); funds will be expended when assessments are levied (estimate October 2004)

Performance Indicators Assist 40-50 low/moderate income households with assistance of between \$750 and \$3,000 per assessment

Units at completion n/a
Program income? This activity is not expected to generate program income.

Funding Sources	
CDBG	\$75,000
ESG	
HOME	
HOPWA	
Total formula grant funds	\$75,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$75,000

The primary purpose of the project is to help:
The homeless _____ Persons with HIV/AIDS _____ Persons with disabilities _____ Public Housing Needs _____

Project Title **Graver Rental Rehabilitation**
Action Plan ID 5
Local Project ID

Applicant's name Beyond Shelter, Inc.

Project Description Beyond Shelter, Inc. is renovating a 60 unit apartment building in downtown Fargo to preserve affordable housing that serves households at or below 30% of area median income. HOME funds will be used to pay for basic renovation costs.

Location 123 Roberts Street (Census Tract 7, block group 1)

Priority Need Housing

Objective Number SP2 – Support facilities that serve the needs of homeless and special needs individuals
HCD2 - Encourage rehabilitation of existing rental housing units

HUD Matrix Code 14B (Rehab – Multi-unit Residential)
CDBG Citation 570.202
CDBG National Obj N/A

Start Date January 1, 2004
Completion Date December 1, 2005

- Performance Indicators**
- Complete the renovation of an 60 units of rental housing
 - Set-aside at least 6 units for low income adults

Units at completion 60
Program income This activity is not expected to generate program income.

HOME Match This activity is expected to generate match that can be used toward the 25% match requirement. All match will be documented and reported to HUD.

Resale/Recapture Recapture

Funding Sources	
CDBG	
ESG	
HOME	\$85,000
HOPWA	
Total formula grant funds	\$85,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$85,000

The primary purpose of the project is to help:
The homeless Persons with HIV/AIDS Persons with disabilities Public Housing Needs

Project Title **Zabel Special Needs Housing**
Action Plan ID 6
Local Project ID

Applicant's name Greg Zabel (individual)

Project Description Greg Zabel has submitted a proposal to create two units of permanent supportive housing for low income disabled adults. HOME funds would be used to rehabilitate two units for rental in a three-unit owner-occupied structure. Both tenants served would likely have incomes at or below 30% of area median. HOME funds will be used to pay for basic renovation and/or acquisition costs.

Location To be determined (as of application, no specific site had been selected)

Priority Need Housing

Objective Number SP2 – Support facilities that serve the needs of homeless and special needs individuals
HCD2 - Encourage rehabilitation of existing rental housing units

HUD Matrix Code 14B (Rehab – Multi-unit Residential)
CDBG Citation 570.202
CDBG National Obj N/A

Start Date April 1, 2004
Completion Date April 30, 2005

- Performance Indicators**
- Complete the renovation of an 2 units of rental housing
 - Set-aside at least 2 units for low income adults

Units at completion 2
Program income This activity is not expected to generate program income.

HOME Match This activity is expected to generate match that can be used toward the 25% match requirement. All match will be documented and reported to HUD.

Resale/Recapture Recapture

Funding Sources	
CDBG	
ESG	
HOME	\$20,000
HOPWA	
Total formula grant funds	\$20,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$20,000

The primary purpose of the project is to help:
The homeless _____ Persons with HIV/AIDS _____ Persons with disabilities X Public Housing Needs _____

Project Title **Habitat for Humanity**
Action Plan ID 7
Local Project ID

Applicant's name Red River Valley Habitat for Humanity

Project Description Habitat for Humanity is proposing to build a new owner-occupied home on a currently vacant lot located in the Madison neighborhood. HOME funds will be used to pay for existing special assessments existing on the lot.

Location 1030 28th Street N (census tract 6, block group 5)

Priority Need Housing

Objective Number HCD1 – Promote homeownership for low and moderate income households
HCD7 – Strengthen and support the city's older neighborhoods

HUD Matrix Code 12 (Construction of Housing)
CDBG Citation 570.201(m)
CDBG National Obj N/A

Start Date May 1, 2004
Completion Date April 30, 2005

Performance Indicators Complete the construction of a single unit of affordable owner occupied housing

Units at completion 1
Program income This activity is not expected to generate program income.

HOME Match This activity is expected to generate match that can be used toward the 25% match requirement. All match will be documented and reported to HUD.

Resale/Recapture Recapture

Funding Sources	
CDBG	
ESG	
HOME	\$5,000
HOPWA	
Total formula grant funds	\$5,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$5,000

The primary purpose of the project is to help:
The homeless _____ Persons with HIV/AIDS _____ Persons with disabilities _____ Public Housing Needs _____

Project Title Southside Neighborhood Resource Center
Action Plan ID 8
Local Project ID

Applicant's name City of Fargo
Project Description Build a neighborhood resource center to serve the needs of low and moderate income families in the Bluemont and Stonebridge neighborhoods. The resource center will house a family and youth enrichment program operated by the CHARISM center, will be co-located with a community policing office, and will make space available to other non-profit service providers that work with families in the area. There will be a special focus at the center on serving the needs of refugee families.

Location Ed Clapp Park, 32nd Avenue South (Census tract 103.05, block group 1)

Priority Need Public Facilities / Public Service

Objective Number SP5 – Support facilities that meet the needs of troubled youths
HCD8 – Support neighborhood facilities/amenities
HCD16 - Support the needs of refugee individuals and households

HUD Matrix Code 03E (Neighborhood Facilities)
CDBG Citation 570.201(c)
CDBG National Obj Low/Mod Area

Start Date January 1, 2004
Completion Date January 1, 2005

- Performance Indicators**
- Build a neighborhood resource center on Fargo's southside.
 - Establish a second CHARISM program at the new southside neighborhood center.
 - Expected Beneficiaries include low and moderate income families in the 32nd/33rd Street S area and refugee families in the immediate neighborhood and throughout the community

Units at completion n/a
Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$250,000
ESG	
HOME	
HOPWA	
Total formula grant funds	\$250,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$250,000

The primary purpose of the project is to help:
The homeless _____ Persons with HIV/AIDS _____ Persons with disabilities _____ Public Housing Needs _____

Project Title **Nokomis Child Care Center Remodeling**
Action Plan ID 9
Local Project ID

Applicant's name Nokomis Child Care Center
Project Description To more fully utilize building capacity, the Nokomis Child Care Center needs to add a bathroom. The addition of the bathroom will allow the center to serve more children within the confines of the existing building because the additional bathroom space allows the center to meet building codes that apply to the utilization of additional classroom space (that is not currently being used as a classroom for young children). The site houses a child care center that specifically targets provision of service to low income families. The Center serves children from birth to kindergarten.

Location 622 23rd Street S (Census Tract 8.02, block group 5)

Priority Need Public Service

Objective Number HCD15 - Continue to support the availability of affordable educational child care

HUD Matrix Code 03M (Public Facilities – child care center)
 CDBG Citation 570.201(c)
 CDBG National Obj Low/Mod Clientele

Start Date May 1, 2004
 Completion Date April 30, 2005

Performance Indicators Demonstrate full utilization of space that is currently not being used for provision of child care

Units at completion n/a
 Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$8,000
ESG	
HOME	
HOPWA	
Total formula grant funds	\$8,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$8,000

The primary purpose of the project is to help:
 The homeless _____ Persons with HIV/AIDS _____ Persons with disabilities _____ Public Housing Needs _____

Project Title **YWCA Playground**
Action Plan ID 10
Local Project ID

Applicant's name YWCA of Fargo Moorhead
Project Description The YWCA of Fargo Moorhead is constructing a new 62 bed emergency shelter for homeless women and children. The shelter is co-located with two units of transitional housing. The playground will be installed on site and will serve low income families. The project is also receiving funds from other local donors.

Location 3000 University Drive South (Census Tract 10.02, block group 1)

Priority Need Public Facilities

Objective Number HCD8 – Support neighborhood facilities and amenities
 SP2 – Support facilities that serve the needs of homeless and special needs individuals

HUD Matrix Code 03F (Parks and Recreational Facilities)
 CDBG Citation 570.201(c)
 CDBG National Obj Low/Mod Clientele

Start Date April 1, 2004
 Completion Date October 31, 2004

Performance Indicators Install playground equipment at the YWCA emergency shelter for homeless women and children.

Units at completion n/a
 Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$50,000
ESG	
HOME	
HOPWA	
Total formula grant funds	\$50,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$50,000

The primary purpose of the project is to help:
 The homeless Persons with HIV/AIDS Persons with disabilities Public Housing Needs

Project Title **Mental Health Association Drop-in Center**
Action Plan ID 11
Local Project ID

Applicant's name Mental Health Association of North Dakota
Project Description The Mental Health Association is facilitating the development of a homeless drop-in center, to be co-located with the city's homeless health clinic. The project involves the renovation of a portion of a downtown building (St. Mark's Lutheran Church). The renovation will add bathrooms and additional plumbing (for a laundry) to a former classroom space. The applicant is applying to other funding sources for accessibility improvements. The two tenants of this space will work together to provide an array of services and activities that will assist participants in becoming independent in a manner that promotes dignity and respect.

Location 670 4th Avenue N (Census Tract 7, block group 1)

Priority Need Public Service

Objective Number SP2 – Support facilities that serve the needs of homeless and special needs individuals

HUD Matrix Code 03C (Public Facilities – homeless facilities)
 CDBG Citation 570.201(c)
 CDBG National Obj Low/Mod Clientele – presumed benefit

Start Date May 1, 2004
 Completion Date April 30, 2005

Performance Indicators Successfully open and operate the Ray of Hope Drop In Center/Homeless Health Clinic

Units at completion n/a
 Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$55,000
ESG	
HOME	
HOPWA	
Total formula grant funds	\$55,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$55,000

The primary purpose of the project is to help:
 The homeless Persons with HIV/AIDS Persons with disabilities Public Housing Needs

Project Title Village Housing Education Programs
Action Plan ID 12
Local Project ID

Applicant's name The Village Financial Service Center
Project Description The Village Financial Service Center provides educational courses for both new homeowners and tenants of rental housing. The homebuyer training program is a two-day (6 hour) education program and a one-hour financial counseling session. The tenant education program also includes 6 hours of classroom time and a one-hour counseling session. The tenant education program has been designed specifically for individuals who have been denied housing because of unfavorable rental, credit or criminal history, and to individuals that may be at risk for developing future problems; it tried to show renters how to better their housing situation and to address problems specific to individual rental histories.

Location Citywide (public service)

Priority Need Housing

Objective Number HCD5 – Develop landlord/tenant education programs
HCD1 – Promote homeownership for low and moderate income households

HUD Matrix Code 05R (Homeownership Assistance – Not Direct)
CDBG Citation 570.204
CDBG National Obj Low/Mod Clientele

Start Date May 1, 2004
Completion Date April 30, 2005

- Performance Indicators**
- Provide at least 14 separate homebuyer education training sessions and 20 separate tenant education sessions.
 - Provide homebuyer education to at least 350 Fargo residents (at least 175 of whom are low and moderate income individuals)
 - Provide tenant education training to at least 400 low/moderate income families that are at-risk for housing crisis/homelessness

Units at completion n/a
Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$30,000
ESG	
HOME	\$10,000
HOPWA	
Total formula grant funds	\$40,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$40,000

The primary purpose of the project is to help:
The homeless _____ Persons with HIV/AIDS _____ Persons with disabilities _____ Public Housing Needs _____

Project Title **Cultural Diversity Resources**
Action Plan ID 13
Local Project ID

Applicant's name Cultural Diversity Resources
Project Description Cultural Diversity Resources will conduct outreach to underserved populations via a "community connector program", specifically focusing on the needs of refugee and new immigrant families. Their program will also continue to focus on the enhancement of self-sufficiency skills in low income and multi-ethnic communities via leadership training and capacity building activities.

Location Citywide (public service)
Priority Need Public Service

Objective Number HCD12 – Offer entrepreneurial assistance and leadership development training
HCD13 – Work to remove transportation as a barrier to employment
HCD14 – Continue to support job skills training programs
HCD16 - Support the needs of refugee individuals and households

HUD Matrix Code 05 (General public service)
CDBG Citation 570.201(e)
CDBG National Obj Low/Mod Clientele

Start Date May 1, 2004
Completion Date April 30, 2005

- Performance Indicators**
- The Community Connectors will provide direct housing/employment assistance to at least 50 low/moderate income individuals, and will also provide indirect assistance to other individuals with language/cultural barriers.
 - The Multi-ethnic leadership program will provide direct leadership training to at least 10 low/mod individuals, will create effective liaison roles with the Fargo's ethnic communities, hire at least one part-time community organizer, and provide indirect leadership training to low/mod individuals via group interaction with multi-ethnic non-profit organizations.

Units at completion n/a
Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$30,000
ESG	
HOME	
HOPWA	
Total formula grant funds	\$30,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$30,000

The primary purpose of the project is to help:
The homeless _____ Persons with HIV/AIDS _____ Persons with disabilities _____ Public Housing Needs _____

Project Title CHARISM
Action Plan ID 14
Local Project ID

Applicant's name CHARISM (A Community of Homes and Resources in Service to Many)
Project Description CHARISM is a neighborhood-based non-profit that works extensively with low income and refugee populations. They offer skill-building programs for both youth and adults. CDBG funds are being used to support the work of a refugee services coordinator, and to facilitate enhanced outreach to underserved populations.

Location Citywide (public service)
Priority Need Public Service

Objective Number HCD12 – Offer entrepreneurial assistance and leadership development training
HCD13 – Work to remove transportation as a barrier to employment
HCD14 – Continue to support job skills training programs
HCD16 - Support the needs of refugee individuals and households

HUD Matrix Code 05 (General public service)
CDBG Citation 570.201(e)
CDBG National Obj Low/Mod Clientele

Start Date May 1, 2004
Completion Date April 30, 2005

- Performance Indicators
- Sponsor at least two activities in 2004 program year to enhance relationship of refugees in community and local law enforcement
 - Facilitate neighborhood-based refugee English Language Learners program
 - Facilitate Youth Opportunities Program by preparing and presenting workshops and offering individual mentoring in leadership, career exploration and college and job preparation
 - Launch and maintain community wide refugee services web site

Units at completion n/a
Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$20,000
ESG	
HOME	
HOPWA	
Total formula grant funds	\$20,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$20,000

The primary purpose of the project is to help:
The homeless _____ Persons with HIV/AIDS _____ Persons with disabilities _____ Public Housing Needs _____

Project Title **ND Fair Housing Council**
Action Plan ID 15
Local Project ID

Applicant's name North Dakota Fair Housing Council
Project Description The ND Fair Housing Council offers training and support related to fair housing throughout the state of North Dakota. CDBG funds will be used to help fund a training session on fair housing issues, to be held in the city of Fargo.

Location Citywide (public service)
Priority Need Public Service

Objective Number HCD5 – Develop landlord/tenant education programs

HUD Matrix Code 05J (Public service – Fair Housing Activities)
 CDBG Citation
 CDBG National Obj

Start Date May 1, 2004
 Completion Date April 30, 2005

- Performance Indicators
- Sponsor at least one training session in the City of Fargo during the 2004 program year.
 - Actively distribute materials and information to Fargo residents requesting fair housing assistance.

Units at completion n/a
 Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$1,000
ESG	
HOME	
HOPWA	
Total formula grant funds	\$1,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$1,000

The primary purpose of the project is to help:
 The homeless _____ Persons with HIV/AIDS _____ Persons with disabilities _____ Public Housing Needs _____

Project Title Administration and Planning
Action Plan ID 16
Local Project ID CD01

Applicant's name City of Fargo
Project Description Funds are used for the administration of community development programs and general planning activities.

HOME funds pay for administration of the Home Buyer Assistance program and some of the delivery costs of the housing rehabilitation program. CDBG funds pay for administrative costs of the personnel that work on the planning and delivery of these community development programs, in addition to special plans and studies. In 2004 special projects will include support of the statewide continuum of care process as well as a data assessment related to needs in the area's refugee community.

Location Citywide
Priority Need Planning and Admin (Administrative funds are used to develop and implement all approved community development activities. However, specific admin activities will address the following priority needs objectives.)

Objective Number SP1 – Develop better local data on homelessness and hunger
 SP4 - Focus efforts on prevention of homelessness
 HCD5 – Develop landlord/tenant education programs
 HCD6 – Increase community awareness of lead based paint hazards
 HCD7 – Support and strengthen the city's older neighborhoods (neighborhood planning and capacity building)
 HCD16 - Support the needs of refugee individuals and households

HUD Matrix Code 21A (General Administration) and 21H (Admin costs of a PJ)
 CDBG Citation 570.206
 CDBG National Obj N/A

Start Date May 1, 2004
 Completion Date April 30, 2005

Performance Indicators n/a
 Units at completion n/a
 Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$186,000
ESG	
HOME	\$59,000
HOPWA	
Total formula grant funds	\$245,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$245,000

The primary purpose of the project is to help:
 The homeless _____ Persons with HIV/AIDS _____ Persons with disabilities _____ Public Housing Needs _____

Geographic Distribution of Projects

The primary beneficiaries of all listed projects are low/moderate income households in the city of Fargo. In Fargo, most of the low/mod areas are concentrated in the core of the City, which are also some of Fargo's oldest neighborhoods.

The City's strategy for prioritizing community development activities is to target neighborhoods that are low/mod, where affordable housing is available, and that are older (developed pre-1920).

These neighborhoods typically share a number of characteristics that warrant community development interventions. There are opportunities for comprehensive neighborhood planning efforts that identify issues in a strategic way while at the same time empowering residents to act in concert with the city to address those needs. The housing stock is generally in good condition but is in need of re-investment/improvement. Oftentimes residents concerns about safety and public service provision are beginning to emerge. It is at this point that the City feels it can be most effective in using community development resources to affect the lives of the citizens of these neighborhoods as well as the quality of life in the community as a whole.

GEOGRAPHIC DISTRIBUTION SUMMARY FY2004 Community Development Projects

	Location
1. Housing Rehabilitation – Owner	Citywide – housing stock must be over 40 years old
2. Housing Rehabilitation – Rental	Downtown – primarily census tract 7, block groups 1 & 2
3. Home buyer Assistance	Citywide
4. Special Assessments	Low/Mod Neighborhoods
5. Graver Inn Rental Rehabilitation	Census Tract 7, Block 1
6. Zabol Special Needs Housing	Census Tract 5, Block Group 2
7. Habitat for Humanity	Block Group 6, Census Tract 5
8. Southside Neighborhood Resource Center/support	Census tract 103.05, Block Group 1
9. Nokomis Child Care Center – remodeling	Census Tract 9.01, Block Group 3
10. YWCA playground	Census tract 10.02, Block Group 1
11. MHA Drop-in Center	Census Tract 7, Block Groups 1 and 2
12. Village Housing Education Programs	Service – Citywide
13. Cultural Diversity Resources	Service – Citywide
14. CHARISM	Service – Citywide
15. Fair Housing Council	Service – Citywide
16. Administration/Planning	Citywide

Summary of Special Considerations

The following is a summary of how the Fargo 2004 Community Development Action Plan addresses the special considerations that have been identified by HUD.

Homeless and Other Special Populations

While not providing direct emergency shelter assistance, the City supports ESG applications that are submitted by local shelter providers. This Action Plan designates CDBG funds for the construction of a playground at the new YWCA homeless shelter for women and children.

The 2004 Action Plan includes funding for the Tenant Education program, which is aimed at helping individuals avoid housing crisis situations.

The City Planning Department continues to be involved in local and statewide Continuum of Care efforts. City staff helped obtain a 2001 Continuum of Care grant for a permanent supportive housing project, in cooperation with the Fargo Housing and Redevelopment Authority. The project was revised to be a 12 unit permanent supportive housing facility that will serve homeless women with children. The women will be seeking treatment for substance abuse problems. Construction began in October 2003 with the facility to be open in June 2004.

The City is also supportive of several housing projects that are ongoing in the community; these projects will address gaps in the availability of supportive housing (Zabol housing project, project #6).

Public Housing

The City is supporting the Fargo Housing Authority's commitment to scattered site housing, family self sufficiency programs, enhancement of properties and resident opportunities, and the ongoing housing disposition plan.

Lead based paint hazards

The City will continue to work to raise public awareness of lead based paint hazards. The city will also work with all sub-recipients and applicants for community development funds in ensuring that lead based paint hazards are appropriately addressed. During the 2000 program year, the city sponsored a lead hazard training certification course for contractors and risk assessors; further educational efforts will continue on an annual basis, both for homeowners and for housing professionals (contractors, appraisers, lenders, realtors, etc.).

Anti-poverty strategy – Reducing the number of poverty level families

The continued support of the Nokomis Child Care Center, Cultural Diversity Resources, the Graver Rental Rehabilitation, Habitat for Humanity housing are examples of the City's commitment to supporting the needs of low/mod families from the 2004 Action Plan.

The City supports the Fargo Housing Authority's efforts to provide a number of self-sufficiency programs that are aimed at increasing a family's economic independence. The Housing Authority works closely with Job Service of North Dakota to provide necessary training opportunities to poverty level families.

The CHARISM Community Center works with Job Service to provide an intensive computer training program for low income adults; the program addresses both the technical skills needed to enter the job market as well as some of the personal skills needed to obtain and keep a job in today's economy. CHARISM is also contracted with Job Service to provide job training for low income, at-risk youth. The City has supported CHARISM facilities in the past and is supporting some of their programming efforts in a new neighborhood resource center this year. The plan also recommends funding to support the construction of a new neighborhood center on Fargo's south side. The Center will be operated by CHARISM and will offer self-sufficiency opportunities to families living in that area with a particular focus on the needs of refugee households.

The city will continue to coordinate anti-poverty efforts with local service providers and social service agencies.

Minority Concentrations

The 2000 Census indicated that Fargo's minority population has grown in the last ten years. 2.5 percent of residents were listed a race other than white in the 1990 Census; the proportion of minority residents had grown to 6 percent by the 2000 Census. However, there are no areas of "minority concentration" in the community. Certain census tracts have a slightly higher percentage of minority residents than others (percent of minority residents per census tract ranges from 2 to 15 percent) but the differentials are relatively small and do not contribute to an unhealthy environment.

Underserved Needs

The City's current Consolidated Plan does not identify any underserved needs. As such, no specific action to address underserved needs is proposed at this time.

Other Actions – Removing Barriers to Affordable Housing

The 2004 Action Plan demonstrates significant support for the maintenance and creation of affordable housing in the community. The Homebuyer downpayment assistance and Housing Rehab programs help remove barriers to homeownership. The Rental rehab programs aim to create affordable housing for low/mod households.

The Community Development Committee will continue to develop even greater opportunities in the local affordable housing arena. This committee is working on a establishing a more comprehensive citywide housing policy that addresses affordability issues, issues of diversity in housing stock, and homeownership issues. They are exploring ways to combine federal and non-federal resources to accomplish these goals. The first such initiative, the Neighborhood Revitalization Initiative, began in April 2001 and will continue through 2005.

Other Actions - Partnerships

The City is an active participant in the F-M Homeless Coalition and statewide Continuum of Care Planning Committee, as well as other community wide partnerships that discuss a variety of housing issues facing the metropolitan area. In 2004 the Department will lead an effort to set a series of housing goals for downtown Fargo.

We are actively involved with local housing organizations and have promoted the utilization of non-profit development organizations to address housing needs of the community. The City provides technical assistance whenever possible with the intent of developing organizational capacity, and also serves as an integral link between agencies.

Monitoring

The City of Fargo Department of Planning and Development is responsible for monitoring progress made on community development projects that have been funded with federal dollars.

Each recipient of community development funds will sign a "written agreement" that outlines program goals and objectives, the statement of work to be completed, in addition to a timeline and the list of expected "accomplishments". Planning Department staff will schedule an annual site visit with selected sub recipients to examine records on site. Many sub recipients will also be asked to submit quarterly progress reports to the Planning Department.

In addition to monitoring sub recipient activity, the city is also committed to monitoring progress on identified community development needs. The annual report will be used to measure specific project accomplishments and to measure program-wide accomplishments as well. The Planning Department will attempt to develop evaluation tools that will yield both quantitative and qualitative measures, possibly using a series of "livability" indicators as a baseline. Overall program design can be adjusted in accordance with the information received via the evaluation process. A draft performance measurement system will be in place by the end of the 2003 program year.

The Community Development Committee will review information received from Planning Department staff, and will make recommendations, with regard to community development activities, to the City Commission.

Appendix A: Public Process – 2004 Budget

Appendix includes the following information that describes the public process used to develop the 2004 CDBG and HOME budgets.

- Letter sent to local organizations interested in community development funding
- Summary of input received at various public input meetings (presented at Community Development Committee, October 27, 2003)
- Minutes – October 27, 2003 Community Development Committee meeting (budget overview, needs assessment)
- Minutes – January 8, 2004 Community Development Committee meeting (budget recommendation)
- Notice for public hearing and public comment on 2004 Action Plan (published January 17, 2004). **Note:** *There were no public comments received during the public comment period or at the public hearing on March 1, 2004.*
- Agenda - March 3, 2003 City Commission meeting
- Minutes – March 3, 2003 City Commission meeting (budget hearing and approval)

APPENDIX B: Recapture Provision Documentation (sample Land Use Restriction Agreement)