



Yakima County HOME Consortium

*Providing Housing Opportunities
Throughout Yakima County*

Annual Action Plan

July 1st, 2018 to June 30th, 2019

DRAFT

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

Introduction

The Yakima County HOME Consortium Annual Action Plan provides a framework for action to expand affordable housing opportunities for low- and moderate-income households living in the cities of Grandview, Harrah, Mabton, Sunnyside, Toppenish, Union Gap, Wapato, and Zillah plus the county's unincorporated areas. This action plan is based on the previously submitted and approved Yakima County HOME Consortium Consolidated Plan 2015-2019. The Consolidated Plan serves as a basis for developing annual action plans to implement the goals of the five-year strategic plan. The first step in the planning process was to assess the needs of the area. Consultants were contracted to conduct research on housing and human needs through document and data research, and gathering information from local jurisdictions, service providers, housing and banking industry representatives, agencies involved in developing and managing housing for lower income households, governmental agencies, and both public and private non-profit organizations. Planning documents were also reviewed for needs and goals/strategies to avoid conflict with local planning.

HOME is the largest federal block grant to state and local governments designed exclusively to create affordable housing for low-income households. Each year HUD allocates approximately \$2 billion among the states and hundreds of localities nationwide. The program was designed to reinforce several important values and principles of community development:

- HOME's flexibility empowers people and communities to design and implement strategies tailored to local needs and priorities.
- HOME's emphasis on consolidated planning expands and strengthens partnerships among all levels of government and the private sector in the development of affordable housing.
- HOME's technical assistance activities and set-aside for qualified community-based nonprofit housing groups builds the capacity of these partners while improving affordable housing in Yakima County.
- HOME's requirement that Participating Jurisdictions (PJs) match 25 cents of every dollar in program funds mobilizes community resources in support of affordable housing.

2. Summarize the objectives and outcomes identified in the Plan

The Plan establishes local priorities consistent with national objectives and priorities of HUD. The action steps in the plan will utilize HUD grant resources obtained through the HOME Investment Partnership Program. The proposed activities are designed to meet the following HUD objective:

- Provide decent affordable housing to lower-income households

Goals and Objectives

Plan Goal and Strategies

The following Goals and Strategies developed during the Consolidated Plan planning process are designed to guide program planning and implementation over the second five years of the HOME Consortium's affordable housing program.

Goal one: Ensure decent and affordable housing

Objective 1. Rehabilitation. Preserve the housing of extremely low- to moderate-income homeowners, up to 80% AMI

Objective 2. Rental Housing. Expand the supply of affordable rental housing available to extremely low- to very low-income home-renters, up to 80% AMI

Objective 3. Home Ownership. Provide assistance to developers, sponsors, or owners to assist extremely low- to low-income households that are prepared to become home owners.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Some activities that will benefit future output is the coordination efforts that transpired in Year 5 of 2015. The HOME program is in process of developing Memorandums of Understanding with Yakima Valley OIC and Northwest Action Center, who are grantees of Washington State Department of Commerce Weatherization Program funds to subsidize costs of rehabilitation for homes that also meet their program requirements to assist in projects being viable. Coordination efforts with the Yakima County Fire Marshal's Office has resulted in the Yakima County Fire Marshall, in conjunction with the Yakima County Fire Corps, to empower homeowners and home renters to recognize fire hazards by conducting home fire safety inspections and will help design a fire escape plan at no cost to the home occupants or the Yakima County HOME Consortium. On June 25, 2015 a Request for Release of Funds and Certification for a Tier One Environmental review was approved by the U.S. Department of Housing and Urban Development Office of Community Planning and Development. This will further expedite the process of committing funds for viable projects.

Yakima County was awarded a Lead Based Paint Hazard Control grant with the Office of Healthy Homes and Lead Hazards. This grant covers all jurisdictions within Yakima County as well as unincorporated Yakima County. For those homes which are within the HOME Consortium jurisdictions this means additional funds to make homes viable for the HOME rehabilitation program. Lead interim control and/or abatement can be facilitated with Lead grant funds and rehabilitation through the HOME rehabilitation program.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The Consortium created the *Citizen Participation Plan for the Yakima County HOME Consortium's Consolidated Plan* to guide the process, provide opportunities for citizen involvement throughout the development of the Plan, and provide input for the Annual Action Plan (implementation) and CAPER (program evaluation) phases in future years.

5. Summary of public comments

To be inserted at a later date.

6. Summary of comments or views not accepted and the reasons for not accepting them.

To be inserted at a later date.

7. Summary

To be inserted at a later date.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
HOME Administrator	YAKIMA COUNTY	Department of Public Services

Table 1 – Responsible Agencies

Narrative (optional)

The Lead Agency

In 2009, the six cities of Grandview, Mabton, Toppenish, Sunnyside, Union Gap, and Wapato joined with Yakima County (representing the unincorporated areas) to form a consortium for the purpose of qualifying to become eligible to participate in the HOME Investment Partnerships Act (HOME) Program administered by the United States Department of Housing and Urban Development HUD). Through inter-local agreements they formed the Yakima County HOME Consortium and the Yakima County government was established as the Lead Agency with responsibility for managing the process.

On August 4th, 2015, the City of Zillah and City of Harrah were officially approved by HUD’s Office of Community Planning and Development to join the Yakima County HOME Consortium. The grantee award, effective July 1st, 2016, will include additional funds for the participation of those jurisdictions.

Consolidated Plan Public Contact Information

Andrea Reyes, HOME Administrator
128 N. 2nd St.
Fourth Floor Courthouse
Yakima, WA 98901
Andrea.reyes@co.yakima.wa.us
509-574-2239

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

The Yakima HOME Consortium used consultants to gather the statistical information that was needed to determine needs, gaps, and barriers during the Consolidated Plan 2015-2019 process. The process included paid consultants, interviews with individuals, and participation in various affordable housing committees. This process feeds into the annual action plans as considerable time is spent in the process. This allows for revisions on an annual basis, based upon the Consortium's current needs.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The Yakima County HOME Consortium planning process began in the late fall of 2014 with a meeting on October 24, 2014 with Northwest Community Action Center's Weatherization division to discuss affordable housing needs and coordination of efforts. On October 28, 2014 a meeting was also held with Yakima Valley OIC to discuss affordable housing needs, lead hazards in residential homes, and coordination of efforts. A second meeting was held on November 7, 2014. In the early winter of 2014 coordination began between Yakima County Public Services, Yakima County Conference of Governments, and the Homeless Network of Yakima County. Between December and February 2015, the HOME Administrator and consultants for the Consortium met with and interviewed representatives of key agencies and organizations representing the needs of low- and moderate-income populations to obtain their views on housing needs and potential solutions. At the same time, they researched a wide range of public documents and data to gather information on housing needs.

On December 2nd, 2014 the HOME Administrator meet with the Senior Manager of Housing and Homeless Programs with the Yakima County Department of Human Services, and the Executive Director of Yakima Housing Authority. This meeting focused on past and current affordable housing needs. On December 11, 2014, in an independent effort, an affordable housing committee was formed. The committee is comprised of people representing; private rental market, public housing authorities, mental health, developmental disabilities, aging and long term care, adult correctional system, mental health, the legal system, farmworkers, homeless issues, and various funding sources of affordable housing. This first meeting involved an open dialogue about the housing needs in our communities among organizations that fund affordable housing, those that provide affordable housing (both private and non-profit), and those who are in need of affordable housing for their clients. Issues and opportunities that impact the expansion of affordable housing were identified at this meeting.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The Yakima CoC has spent the last year in transition, diversifying our membership and leadership. During this transition, we have increased our membership ensuring that it is broad-based, inclusive, and open to ANY individual or organization in the community with an interest in homeless issues. In order to cast the widest possible net during the planning process when annual strategies are developed and updated, the CoC holds an annual community planning retreat open to the public to review progress and update CoC plan strategies. In addition, the CoC has developed a homeless advocate and peer mentoring group that participates in all CoC meetings to provide consumer input. Also, the CoC has organized a faith-leader forum on homelessness to solicit input from the larger faith community and supports ongoing faith community collaboration in providing homeless services and ongoing homelessness prevention planning within the CoC. Yakima Valley Conference of Governments (YVCOG) is currently the collaborative applicant for the CoC.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

YVCOG is both the CoC Collaborative Applicant AND the lead ESG grantee for the jurisdiction. As the lead ESG applicant, YVCOG conducts an RFP process to select ESG sub-recipients. Members of the CoC serve on the review committee to establish performance measurements and other scoring criteria. Applicants are then reviewed, scored, and ranked to prioritize projects.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities.

In addition, the HOME Consortium staff lead serves on the CoC Board. The City of Yakima Consolidated Plan staff meet twice per year with CoC and HOME Consortium staff to review PIT and HIC data and complete the Homeless Needs Assessment. 3) YVCOG is also currently contracted by the Yakima County HOME Consortium to assist, as needed, to write the annual Consolidated Plan update and 5-Year Plan update. The CoC provides data for the Homeless Needs Assessment section of the Plan and the staff at YVCOG write the homeless section of the Plan.

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	City of Mabton
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participating Jurisdiction in the Yakima County HOME Consortium. Has actively participated in the planning process by attending HOME Board and TAC meetings.
2	Agency/Group/Organization	City of Toppenish
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participating Jurisdiction in the Yakima County HOME Consortium. Has actively participated in the planning process by attending HOME Board and TAC meetings.
3	Agency/Group/Organization	City of Wapato
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participating Jurisdiction in the Yakima County HOME Consortium. Has actively participated in the planning process by attending HOME Board and TAC meetings.
4	Agency/Group/Organization	CITY OF UNION GAP
	Agency/Group/Organization Type	Other government - Local

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participating Jurisdiction in the Yakima County HOME Consortium. Has actively participated in the planning process by attending HOME Board and TAC meetings.
5	Agency/Group/Organization	CITY OF SUNNYSIDE
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participating Jurisdiction in the Yakima County HOME Consortium. Has actively participated in the planning process by attending HOME Board and TAC meetings.

6	Agency/Group/Organization	CITY OF GRANDVIEW
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participating Jurisdiction in the Yakima County HOME Consortium. Has actively participated in the planning process by attending HOME Board and TAC meetings. Participating Jurisdiction in the Yakima County HOME Consortium. Has actively participated in the planning process by attending HOME Board and TAC meetings.
7	Agency/Group/Organization	City of Zillah
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participating Jurisdiction in the Yakima County HOME Consortium. Has actively participated in the planning process by attending HOME Board and TAC meetings.
8	Agency/Group/Organization	Town of Harrah
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participating Jurisdiction in the Yakima County HOME Consortium. Has actively participated in the planning process by attending HOME Board and TAC meetings
9	Agency/Group/Organization	Yakima Housing Authority
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Education

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Engaged in the planning process by participating in various meetings. YHA is a part of the Yakima CoC HPPC. YHA has also participated by providing information for the Consolidated Plan and the Analysis of Impediments to Fair Housing.
10	Agency/Group/Organization	Sunnyside Housing Authority
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Education
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	SHA has participated by providing information for the Consolidated Plan and the Analysis of Impediments to Fair Housing.
11	Agency/Group/Organization	YAKIMA VALLEY COUNCIL OF GOVERNMENTS
	Agency/Group/Organization Type	Regional organization Planning organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	YVCOG has participated in the planning process as a contracted consultant.
12	Agency/Group/Organization	OIC OF WA
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Education Service-Fair Housing

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	OIC has provided review and feedback of housing needs, affordable housing, homeless issues, lead based paint strategy, as well as Market Analysis research and Economic Development trends.
13	Agency/Group/Organization	NORTHWEST COMMUNITY ACTION CENTER
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Health
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy

Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	NCAC has provided review and feedback of housing needs, affordable housing, homeless issues, lead based paint strategy, as well as Market Analysis research and Economic Development trends.
--	--

Identify any Agency Types not consulted and provide rationale for not consulting

N/A

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Yakima County	The Yakima County HOME Consortium works to coordinate efforts with the CoC by assisting the local community with affordable housing goals and programs.
Yakima Urban Area Comprehensive Plan 2025	City of Yakima	Applies to the entire Yakima Urban Growth Area. Originally adopted jointly by the Yakima City Council and the Board of County Commissioners in 2006 and subsequently amended. Two subarea plans provide supplemental planning for two portions of the Yakima UGA.
YHA 2014 Annual Report	Yakima Housing Authority	The goals of the HOME program compliment the goals of the Yakima Housing Authority by expanding the array of affordable housing assistance to families within Yakima County.
PHA 5-Year and Annual Plan	Sunnyside Housing Authority	The goals of the HOME program compliment the goals of the Sunnyside Housing Authority by expanding the array of affordable housing assistance to families within Yakima County.

Table 3 – Other local / regional / federal planning efforts

AP-12 Participation – 91.105, 91.200(c)

**1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting**

Yakima County encourages residents to become involved in the planning and implementation of activities of the Consolidated Plan. The County is required by the U.S. Department of Housing and Urban Development (HUD) to follow a Citizen Participation Plan in the planning and evaluation of programs in the Consolidated Plan. This plan describes how residents can access information, review and comment on proposed activities and provide comments on performance evaluations of the approved activities. Citizens are also encouraged to participate in program implementation and monitoring activities.

Specifically, this Plan describes the details of the process for public participation in planning for the HOME Program in Yakima County. The notice for public comment and the public hearing to accept the plan will be published in Yakima Herald Republic, Sunnyside Daily News, and El Sol. A copy of the Citizen Participation Plan is available at the Yakima County Department of Public Services, 128 North 2nd Street; Fourth Floor Courthouse, Room 102; Yakima, WA 98901. The public will be given 14 days to comment on the Annual Action Plan and any amendments. Written comments may be submitted to the Yakima County Department of Public Services, 128 North 2nd Street; Fourth Floor Courthouse, Room 102; Yakima, WA 98901. In addition, the Annual Action Plan will be available online on the Yakima County website.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
1	Public Hearing	Non-targeted/broad community	TBD	TBD	TBD	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
2	Newspaper Ad	Non-targeted/broad community	TBD	TBD	TBD	
3	Public Hearing	Non-targeted/broad community	TBD	TBD	TBD	

Table 4 – Citizen Participation Outreach

Draft

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction: During Year 4 (FY 2018-2019), the following resources are anticipated to be available for affordable housing activities to provide decent and affordable housing:

HUD Program Award	\$525,274
HOME Program Income	\$ 322,825 (
Local Match	\$ 131,319
Total	\$979,418

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 4					Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Match	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Single/Multifamily rental new construction Single/Multifamily rental rehab New construction for ownership	525,274	322,825	0	131,319	979,418	0	Annual allocation of \$525,274 plus anticipated program income of \$322,825.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The Yakima County HOME Consortium leverages its federal HUD funding through the utilization of its local 2060 funds, through the county recording fees surcharges. The 2060 funds are to be used for affordable housing for people who are considered low to very low income.

Draft

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

Not applicable.

Discussion

Yakima County HOME Consortium utilizes funds as per the HOME Consolidated Plan.

Draft

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Single Family Homeowner Rehabilitation	2015	2019	Affordable Housing	Yakima County HOME Consortium	Owner Occupied Rehabilitation	HOME: \$390,000	Homeowner Housing Rehabilitated: 6 Household Housing Unit
3	CHDO-Homebuyer New Construction	2015	2019	Affordable Housing	Yakima County HOME Consortium	Homebuyer Program	HOME: \$78,791	Homeowner Housing Added: 1 Household Housing Unit
4	Administrative HOME Costs	2015	2019	Affordable Housing	Yakima County HOME Consortium	Owner Occupied Rehabilitation Rental Housing Homebuyer Program	HOME: \$52,527 10% PI: 32,283	Other: 1 Other
5	Landlord Rental Rehabilitation	2019	2020	Affordable Housing	Yakima County HOME Consortium	Rental Housing	HOME: \$260,000	Rental units rehabilitated: 4 Household Housing Unit
6	Multi and Single Family New Construction Rental	2015	2019	Affordable Housing	Yakima County HOME Consortium	Rental Housing	HOME: \$165,817	Rental units constructed: 1 Household Housing Unit

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Single Family Homeowner Rehabilitation
	Goal Description	Assist existing owner-occupants with the rehabilitation of their homes to preserve units in the affordable housing market stock.
3	Goal Name	CHDO-Homebuyer New Construction
	Goal Description	New Construction of single family homebuyer units to increase safe and affordable housing stock.
4	Goal Name	Administrative HOME Costs
	Goal Description	Each participating jurisdiction (PJ) may use up to 10 percent of each year's HOME allocation for reasonable administrative and planning costs. In addition, up to 10 percent of program income earned by the PJ or a sub-recipient /state recipient during a program year may be used for eligible administrative and planning costs. Administrative and planning costs may be incurred by the PJ, state recipient or sub-recipient. Eligible administrative and planning costs include expenditures for salaries, wages and related costs of PJ staff persons responsible for HOME Program administration.
5	Goal Name	Landlord Rental Rehabilitation
	Goal Description	Assist existing tenant occupied units with the rehabilitation of their rental homes to preserve units in the affordable housing market rental stock.
6	Goal Name	Multi and Single Family New Construction Rental
	Goal Description	New Construction of multi and/or single family rental units to increase safe and affordable housing.

Projects

AP-35 Projects – 91.220(d)

Introduction

The primary beneficiaries of HOME funds are households with incomes up to 80 percent of area median income (AMI). These households often must spend a high proportion of their income on housing and utility costs. For those who own their homes, many cannot afford to make basic repairs to their houses and therefore face a higher risk of experiencing dangerous housing conditions, such as mold and roof damage.

Projects

#	Project Name
5	2018 Landlord Owned Rehabilitation
6	New Construction Single or Multi Family Rental
7	2018 Single Family Homeowner Rehabilitation
8	CHDO-Homebuyer New Construction
9	Administrative HOME Costs

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The HOME Consortium will pursue several strategies to reach the goals. One of the biggest obstacles to be faced as strategies are implemented is limited federal funds available to meet the significant needs of the community. While the need for affordable housing is dominant, the high cost for land acquisition, construction, service provision, administration, and maintenance rises while the level of available funding at the federal level has declined. This places limits on the amount of housing that can be assisted. The HOME Consortium has suffered a large grant reduction from \$750,000 in 2010 to the current 2018 allocation of \$525,274.

AP-38 Project Summary
Project Summary Information

Draft

1	Project Name	Landlord Owned Rehabilitation
	Target Area	Yakima County HOME Consortium
	Goals Supported	Landlord Rental Rehabilitation
	Needs Addressed	Rental Housing
	Funding	HOME: \$260,000
	Description	Rehabilitation of landlord owned units to provide decent and safe affordable housing units.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Families living in single or multifamily landlord owned rental units at or below 80% AMI. Approximately 4 units.
	Location Description	Yakima County HOME Consortium Jurisdiction
	Planned Activities	Rehabilitation, CEST-ERR, project management
2	Project Name	New Construction Single or Multi Family Rental
	Target Area	Yakima County HOME Consortium
	Goals Supported	Multi and Single Family New Construction Rental
	Needs Addressed	Rental Housing
	Funding	HOME: \$165,817
	Description	New construction to increase single or multi-family rental units.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Families up to 80% AMI seeking rental units will benefit from this activity. 1 unit.
	Location Description	Yakima County HOME Consortium jurisdictions.
	Planned Activities	New construction of single or multifamily rental units, CEST-ERR, and project management.
3	Project Name	2018 Single Family Homeowner Rehabilitation
	Target Area	Yakima County HOME Consortium
	Goals Supported	Single Family Homeowner Rehabilitation
	Needs Addressed	Owner Occupied Rehabilitation

	Funding	HOME: \$390,000
	Description	Preserve the housing of extremely low- to moderate-income homeowners. Preserve existing owner-occupied housing. Provide assistance to homeowner households at or below 80% of area median income to rehabilitate existing family housing, Loans and/or grants will be used to assist homeowners of aging homes needing rehabilitation and improvements. The HOME Rehabilitation Loan Program include procedures for inspection, testing and stabilization or abatement in accordance with federal lead-based paint regulations, bringing housing up to local health and safety codes and providing energy efficient improvements.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Preserve the housing of extremely low- to moderate-income homeowners. Preserve existing owner-occupied housing. Provide assistance to homeowner households at or below 80% of area median income to rehabilitate existing family housing, Loans and/or grants will be used to assist homeowners of aging homes needing rehabilitation and improvements. Approximately 6 homes.
	Location Description	
	Planned Activities	Activities will include but not limited to; application intake, detailed inspection, lead and asbestos (per federal and state regulations), pest inspections(per federal and state regulations), environmental review, scope of work/cost estimate, cost reasonableness determination, bid process, construction management, loan closing, and loan management.
4	Project Name	CHDO-Homebuyer New Construction
	Target Area	Yakima County HOME Consortium
	Goals Supported	CHDO-Homebuyer New Construction
	Needs Addressed	Homebuyer Program
	Funding	HOME: \$78,791
	Description	Funds are restricted for activities such as supporting local CHDOs in the predevelopment phases of single-family and multi-family production and for investment in housing to be developed, sponsored, or owned by community housing development organizations. A portion of the funds could also be used for operations of CHDOs.

	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	New Construction of single family homebuyer units to increase safe and affordable housing stock. 1 unit
	Location Description	Yakima County HOME Consortium area.
	Planned Activities	Expand affordable homeownership opportunities by providing assistance to owners, developers, and sponsors and provide project management.
5	Project Name	Administrative HOME Costs
	Target Area	Yakima County HOME Consortium
	Goals Supported	Single Family Homeowner Rehabilitation Multi and Single Family New Construction Rental Landlord Rental Rehabilitation CHDO-Homebuyer New Construction Administrative HOME Costs
	Needs Addressed	Owner Occupied Rehabilitation Rental Housing Homebuyer Program
	Funding	HOME: \$84,810
	Description	Grant management and administration of the grant
	Target Date	6/30/2017
	Estimate the number and type of families that will benefit from the proposed activities	All families who come into contact with the HOME program.
	Location Description	Yakima County HOME Consortium - Other

<p>Planned Activities</p>	<p>Staff and overhead costs: These are staff and overhead costs incurred by the PJ, state recipient, sub-recipient or third party contractor that are directly related to carrying out specific HOME projects. They include:</p> <ul style="list-style-type: none"> ➤ Appraisals; ➤ Preparation of work specifications; ➤ Loan processing and underwriting; ➤ Construction inspections and oversight Inspections for the presence of lead hazards or defective paint; ➤ Advisory and other relocation services; ➤ Project-specific environmental reviews; and ➤ Homebuyer and tenant counseling (if the buyer or tenant is HOME-assisted). <p>Goods and services necessary for administration (e.g., utilities, office supplies, etc.);</p> <p>Administrative services under third party agreements (e.g., legal services);</p> <p>Providing public information;</p> <p>Fair housing activities;</p> <p>Preparation of the Consolidated Plan; and</p> <p>Complying with other federal requirements.</p> <p>Compliance costs: These include the costs of complying with other federal requirements directly related to a specific HOME-assisted project.</p>
----------------------------------	--

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The number of households living in poverty has been used to develop the factor of “need” within the Consortium. The breakdown below reflects each city’s and the unincorporated areas households living in poverty as a percentage of the total number of households in poverty within the Consortium. In order to allow a minimum of one household to be rehabilitated in the five year period the percentage is slightly over 100%.

Geographic Distribution

Target Area	Percentage of Funds
Yakima County HOME Consortium	100

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The rationale can be summarized into the following three priority programmatic areas:

1. A very large portion of the single family housing stock is old and in poor condition.
 - The cost of rehabilitation is beyond the ability of lower income households to afford or to obtain financing.
 - Many homes are in need of weatherization improvements, which could save energy and reduce costs to lower income households.
 - The potential incidence of Lead Based Paint is nearly double in owner-occupied housing compared to rental housing in the county.
2. There are several concentrated pockets of substandard housing, with many homes beyond repair suggesting that a neighborhood revitalization effort could help stabilize communities through rehabilitation and new in-fill construction.
 - Expanding new homeowner opportunities in existing residential areas adds stability to revitalizing neighborhoods.
3. There is a great need for new multi-family and single family construction affordable to lower income households, including the homeless and special needs populations.
 - The low vacancy rate of 1% coupled with the fact that there are waiting lists for the existing multi-

family rental units, recommends the creation of new affordable housing.

- While the fact that 31% of all renter households are paying more 30% of their income for rent would suggest there is an immediate need for a tenant based rental voucher program to expand affordable housing, to do so in a period of very low vacancy rates would place more upward pressure on rents creating additional affordable housing issues.
- The construction of new affordable rental housing would both meet a high priority need and help maintain existing rental housing at affordable levels by alleviating pressure on rents.
- There are opportunities to add to the standard stock of rental housing through conversion of vacant spaces in commercial areas and to improve substandard rental housing.

Discussion

The findings in our Impediments to Affordable Housing, helps determine the priorities and geographic distribution of funds, the annual action plan falls in line with the consolidated plan 2015-2019, in order to meet our goals for affordable housing activities.

DRAFT

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

A first step in the planning process (for the consolidated plan) was to assess the needs of the area. Consultants were contracted to conduct research on housing and human needs through document and data research, and gathering information from local jurisdictions, service providers, housing and banking industry representatives, agencies involved in developing and managing housing for lower income households, governmental agencies, and both public and private non-profit organizations. Planning documents were also reviewed for needs and goals/strategies to avoid conflict with local planning.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	6
Special-Needs	0
Total	6

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	2
Rehab of Existing Units	4
Acquisition of Existing Units	0
Total	6

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

Discussion

The Plan establishes local priorities consistent with national objectives and priorities of HUD. The action steps in the plan will utilize HUD grant resources obtained through the HOME Investment Partnership Program. It is anticipated that the Consortium will receive approximately \$1.96 million in Federal HOME funds over the course of the five years. Additional resources from local match contributions and program income are expected to bring the total funds available for implementing affordable housing activities in the Consortium to \$2.66 million over the course of the five years. The proposed activities are designed to

meet the following HUD objective:

- Provide decent affordable housing to lower-income households

Draft

AP-60 Public Housing – 91.220(h)

Introduction

Three public housing authorities serve the housing needs of low- and moderate-income households in the Yakima Valley. Each operates independently of each other managing a variety of housing for residents in their jurisdiction. While they have separate Boards of Commissioners, informal relationships exist between them.

Actions planned during the next year to address the needs to public housing

The Yakima County HOME Consortium will continue to collaborate and coordinate to the maximum extent possible pending the limited federal budget. Specific projects and funding requests will be analyzed to determine cost reasonableness and any underwriting needs to determine if it is a viable project per the Consolidated Plan.

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

Yakima Housing Authority has a process in place that encourages involvement of residents in the management of the PHA.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable

Discussion

The Yakima HOME Consortium looks forward to continued collaboration with the Yakima Housing Authority and the Sunnyside Housing Authority.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The Homeless Planning and Policy Council (HPPC) is the primary homeless planning and coordinating body that has been coordinating activities in the Valley. The current includes over 40 local services providers and community members. The HPPC is established as a Continuum of Care (CoC) by the United States Department of Housing and Urban Development (HUD). The CoC is designed to promote community-wide planning and strategic use of federal, state and local resources to address homelessness; improve coordination and integration with mainstream resources and programs targeted to people experiencing homelessness; improve data collection and performance measurement; and allow the local community to tailor its programs to the particular strengths and challenges in assisting homeless individuals and families.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

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

The Yakima County HOME Consortium will continue to support, engage, and collaborate with the Yakima Continuum of Care as a strategy to reaching out to homeless persons (especially unsheltered persons) and help assess their individual needs. The Consortium's goals of preserving owner occupied housing, increasing affordable rental housing, and increasing affordable new construction single family homes, assists by keeping individuals and families in affordable housing and aids in the prevention of homelessness

Addressing the emergency shelter and transitional housing needs of homeless persons

The Yakima County HOME Consortium, Homeless Policy and Planning Council (HPPC), Continuum of Care, and City of Yakima will continue collaborative efforts in addressing the emergency and transitional housing needs of homeless persons.

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 mission of the HPPC is to advocate for the individuals who are homeless in Yakima County to improve quality of life, increase public awareness if the issues of homelessness, impact public policy and prevent

and end homelessness.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: 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); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Coordination will continue by referring families to public and private agencies as well as accepting referrals to see if affordable housing needs can be addressed through the Consortium.

Discussion

The mission of the HPPC is to advocate for the individuals who are homeless in Yakima County, to improve quality of life, increase public awareness of the issues of homelessness, impact public policy, prevent and end homelessness.

Draft

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

Several recommendations can be considered to reduce barriers to affordable housing, some of which can best be implemented through coordinating efforts of local governmental agencies, non-profit agencies and/or planning organizations. Other recommendations may lead to new initiatives or changes in policies or approaches. Many can be considered through cooperative efforts between governmental agencies and local planning groups and organizations that are seeking to increase affordable housing and encourage self-sufficiency among all residents of the county.

Actions it planned 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

Strategies to Remove or Ameliorate the Barriers to Affordable Housing:

- Promote programs and activities that offer the opportunity to construct new affordable rental housing programs serving lower income populations.
- Encourage programs and projects which most closely meet the specific needs of the disabled, large families, lower income populations and the elderly.
- Utilize the HOME Program as a subsidy to support the construction of affordable rental housing (when grant funding levels are of a sufficient amount to support reasonable levels of subsidy or viable projects are proposed).
- Support activities which provide counseling to renters on their rights
- Support local efforts and activities to provide landlords with information and understanding of fair housing rights of renters.
- Advocate for potential state and federal resources which can be used to support housing for lower income persons.
- Encourage consideration of inclusionary zoning and other actions which support affordable housing in the updating of local planning documents.
- Encourage the development of affordable rental housing by housing developers and housing authorities, including housing which is suitable for the needs of large families.
- Encourage the development of new housing resources in locations close to jobs, transportation and services, utilizing “in-fill” sites wherever feasible.
- Consider in long-range housing planning efforts the trending housing needs of the elderly and disabled persons.
- Advocate for the retention or restoration of critical social service programs supporting the most

severely disabled populations.

Discussion:

The initial policies of the Consortium are to allocate resources along program lines with three distinct program approaches: Homeowner Rehabilitation, New Construction Multi-Family and Single Family Rental Units, Landlord Rental Rehabilitation and Homebuyer New Construction Programs.

Draft

AP-85 Other Actions – 91.220(k)

Introduction:

The primary beneficiaries of HOME funds are households with incomes less than 80 percent of area median income (AMI). These households often must spend a high proportion of their income on housing and utility costs. For those who own their homes, many cannot afford to make basic repairs to their houses and therefore face a higher risk of experiencing dangerous housing conditions, such as mold and roof damage.

The initial policies of the Consortium are to allocate resources along program lines with four distinct program approaches: Homeowner Rehabilitation, New Construction Multi-Family and Single Family Rental Units, Landlord Rental Rehabilitation, and Homebuyer New Construction Programs.

Funds for the allowable activities will be allocated for use in Consortium homeownership programs (rehabilitation and new construction) that operate in the individual member jurisdiction. The amount allocated will be based upon that jurisdiction's percentage of households living in poverty compared to the number of households living in poverty within the entire Consortium. These funds will be utilized on a first come first served basis and evaluated every year by the HOME Administrator to analyze where concentrated recruiting efforts may need to occur.

We anticipate the New Construction of Rental Units and the Homebuyer Program will be allocated to projects Consortium-wide through an RFP process. These projects will generally benefit the entire Consortium by increasing or improving affordable housing opportunities for residents of the Consortium.

Actions planned to address obstacles to meeting underserved needs

To work toward overcoming these obstacles, the following strategies will assist in achieving the goal and objectives.

- Focus on developing strong collaboration and cooperation with residents and community organizations that work toward improving service delivery and/or cost effectiveness. The HOME program is in process of developing Memorandums of Understanding with Yakima Valley OIC and Northwest Community Action Center, who are grantees of Washington State Department of Commerce Weatherization Program funds to subsidize costs of rehabilitation for homes that also meet their program requirements to assist in projects being viable. Pursue long-range sustainable solutions, including development of improved coordination with and among housing providers, preservation of housing and public facilities and reduction of barriers to affordable housing.
- Focus HUD program resources for maximum impact and use 2060 Affordable Housing Funds to complement federal resources.
- Prioritize the development of a program, consistent with other goals and priorities set forth in this plan, to fund affordable housing projects that are: Environmentally sound ("green" housing)

Meet the accessibility requirements of the Fair housing Act (as appropriate). Sustainable Projects to save on long-term costs for the owner and the residents. Incorporate universal design principles in new and rehabilitated housing to facilitate access for people with physical and sensory disabilities and aging adults as demonstrated by need.

Actions planned to foster and maintain affordable housing

As in the actions to address obstacles in meeting underserved needs the actions to work towards fostering and maintaining housing are similar strategies:

- Focus on developing strong collaboration and cooperation with residents and community organizations that work toward improving service delivery and/or cost effectiveness. The HOME program is in process of developing Memorandums of Understanding with Yakima Valley OIC and Northwest Community Action Center, who are grantees of Washington State Department of Commerce Weatherization Program funds to subsidize costs of rehabilitation for homes that also meet their program requirements to assist in projects being viable. This would assist certain eligible household who have unsafe levels of nitrates in the water to have access to safe drinking water. Pursue long-range sustainable solutions, including development of improved coordination with and among housing providers, preservation of housing and public facilities and reduction of barriers to affordable housing.
- Focus HUD program resources for maximum impact and use 2060 Affordable Housing Funds to compliment federal resources.
- Prioritize the development of a program, consistent with other goals and priorities set forth in this plan, to fund affordable housing projects that are: Environmentally sound (“green” housing)Meet the accessibility requirements of the Fair housing Act (as appropriate). Sustainable Projects to save on long-term costs for the owner and the residents. Incorporate universal design principles in new and rehabilitated housing to facilitate access for people with physical and sensory disabilities and aging adults as demonstrated by need.

Actions planned to reduce lead-based paint hazards

In accordance with the 24 CFR Part 35, subparts A, B, J, K, and R, the Yakima County HOME Consortium requires that all projects/homes receiving HOME funds that were built prior to 1978, with construction costs over \$5,000, be inspected and analyzed for the presence of lead-based paint. Should lead hazards be identified through the risk assessment process, those hazards are to be brought into compliance with Title X of the Housing and Community Development Act of 1992 as part of the project’s scope of work. HOME funds may be provided for testing, risk assessment, and clearances for eligible activities.

Yakima County was awarded a Lead Based Paint Hazard Control grant with the Office of Healthy Homes and Lead Hazards. This grant covers all jurisdictions within Yakima County as well as unincorporated Yakima County. For those homes which are within the HOME Consortium jurisdictions this means

additional funds to make homes viable for the HOME rehabilitation program. Lead interim control and/or abatement can be facilitated with Lead grant funds and rehabilitation through the HOME rehabilitation program.

Actions planned to reduce the number of poverty-level families

Approximately 15% of the population of the county is living in poverty. It is the goal of the Yakima County HOME Consortium to reduce the percentage of families living in poverty within their jurisdiction.

The Consortium has established the affordable housing goal and the objectives as the primary vehicle for utilizing HOME funds to reduce poverty in the area. Increasing the accessibility and availability of new affordable housing and supporting homeowner rehabilitation is critical to combat the market conditions (such as the extremely low rental housing vacancy rate), which limit affordable housing choices for lower income households in the Consortium.

Actions planned to develop institutional structure

Support legislation and other initiatives designed to increase funding and other support for affordable housing; and coordinate with statewide and community-based housing agencies to provide housing education for the public and policy makers, in order to build support for increasing the housing funding base and to enhance acceptance of affordable housing.

Actions planned to enhance coordination between public and private housing and social service agencies

Vigorously enforce fair housing laws. Require HOME funded developments to implement an affirmative fair housing marketing plan. Increase awareness of fair housing issues.

Discussion:

New rental housing units constructed or assisted with HOME Program resources will target populations under 50% of the median income of the area and will provide a resource for expanding housing available to the homeless and special needs populations. Individual renter and owner occupied housing costs will be limited to 30% of the assisted household's income. In addition, the HOME Consortium will work with non-profit and government agency developers to encourage the location of new rental units in areas that are readily accessible to transportation, jobs, and key services.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

Due to limited HUD funding, the Yakima County HOME Consortium strives to effectively and efficiently as possible to benefit its citizens within the participating jurisdictions as per HUD's requirements. Any program income is embedded within the appropriate programs for Eligible Activities to meet HUD approved National Objectives.

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

Based on the 2018 HUD HOME Program allocations, the expected annual funding available to the unincorporated areas of Yakima County and the eight partner municipalities will be approximately \$525,274. Program Income is expected to increase each year and the annual total approximately \$322,825. Match funds from the local 2060 Affordable Housing Fund are expected to equal approximately \$131,318 for the 2018 program year. The County receives these assets through a state law provision that allows the County to collect a fee on real estate transactions. The funds can be used by the County for low-income housing activities within the county. Note that the Consortium anticipates making available up to 15% of the funds to a qualified Community Housing Development Organization (CHDO).

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

RECAPTURE PROVISIONS

The HOME recapture provisions are established at §92.253(a)(5)(ii), and unlike the resale approach, permit the original homebuyer to sell the property to any willing buyer during the period of affordability while the PJ is able to recapture all or a portion of the HOME-assistance provided to the original homebuyer.

Two key concepts in the recapture requirements – *direct subsidy to the homebuyer* and *net proceeds* - must be understood in order to determine the amount of HOME assistance subject to recapture,

and the applicable period of affordability on the unit. The recapture approach requires that all or a portion of the *direct subsidy* provided to the homebuyer be recaptured from the *net proceeds* of the sale. **Direct HOME subsidy** is the amount of HOME assistance, *including any program income*, which enabled the homebuyer to buy the unit. The direct subsidy includes down payment, closing costs, interest subsidies, or other HOME assistance provided directly to the homebuyer. In addition, direct subsidy includes any assistance that reduced the purchase price from fair market value to an affordable price. If HOME funds are used for the cost of developing a property and the unit is sold below fair market value the difference between the fair market value and the purchase price is considered to be directly attributable to the HOME subsidy.

Net proceeds are defined as the sales price minus superior loan repayment (other than HOME funds) and any closing costs. Under no circumstances can the PJ recapture more than is available from the net proceeds of the sale.

Recapture provisions cannot be used when a project receives only a development subsidy and is sold at fair market value, because there is no direct HOME subsidy to recapture from the homebuyer. Instead, resale provisions must be used. Under recapture, there is no requirement that the original HOME-assisted homebuyer sell the unit to another low-income homebuyer. Instead, if the homebuyer transfers the property either voluntarily or involuntarily during the period of affordability, the PJ recovers, from available net proceeds, all or a portion of the HOME assistance to the homebuyers.

The HOME program will reduce the amount of direct HOME subsidy on a pro-rata basis for the time the homebuyer has owned and occupied the housing, measured against the required affordability period. The resulting ratio would be used to determine how much of the direct HOME subsidy the PJ would recapture. The pro rata amount recaptured by the PJ cannot exceed what is available from net proceeds.

To determine the pro rata amount recaptured by the PJ:

§ Divide the number of years the homebuyer occupied the home by the period of affordability,

§ Multiply the resulting figure by the total amount of direct HOME subsidy originally provided to the homebuyer.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired

with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

To ensure an affordable sales price it may be necessary to provide HOME assistance to the subsequent buyer in the form of down payment assistance to provide the original homebuyer's fair return amount. This would occur in the event the resale price is not affordable per HUDS HOME definition for the potential buyers.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The Consortium does not plan to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

The year specified in this Annual Action Plan is Year 4 2018.

Attachments

Draft

Grantee SF-424's and Certification(s)

To be inserted at a later date.

Draft