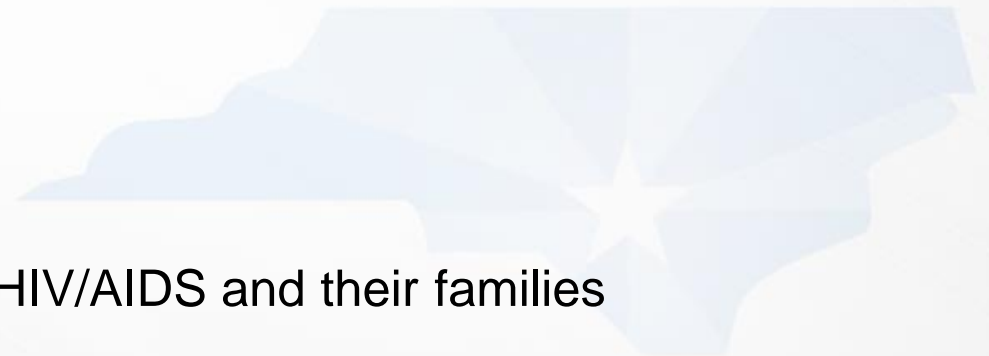


PY 24-25 Annual Action Plan - Recommended

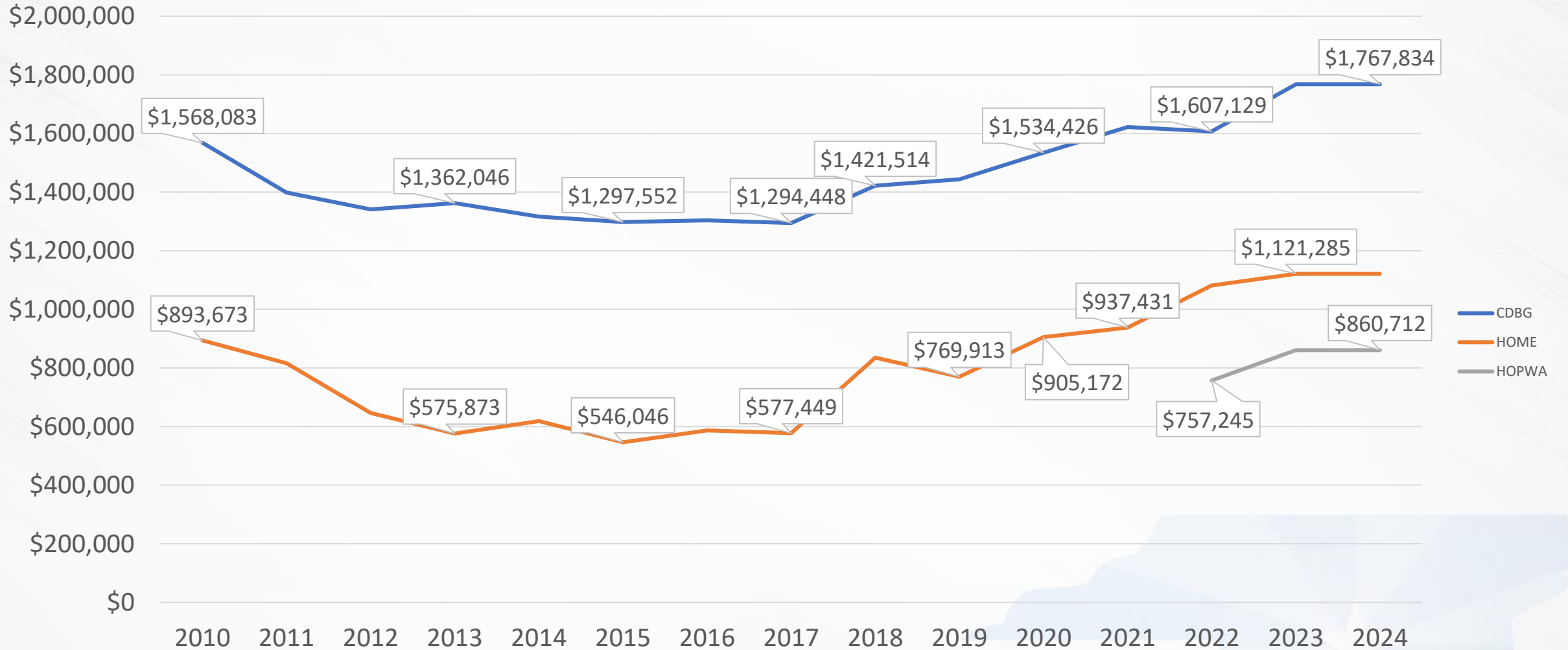
April 1, 2024



- The Community Development Block Grant (CDBG), Home Investment Partnership (HOME) and Housing for People with Aids (HOPWA) is awarded to States, Counties, Cities
 - Some Cities get funds from the State (Sub-grantee)
 - Others get funds directly from HUD (Entitlement)
 - Fayetteville is an entitlement City
- Must meet the stated goals of each program:
 - CDBG
 - Benefit Low and Moderate Income Persons
 - Reduce Slum and Blight
 - Urgent Need (Rarely used)
 - HOME
 - Create Affordable Housing
 - HOPWA
 - To address the housing needs of persons living with HIV/AIDS and their families



How Much Money?



All projections contained here within are based on current funding levels for PY23

Entitlement: Grant funds made available to a jurisdiction directly from the Department of Housing and Urban Development

Program Income: Funds produced from grant funded activities such as loans

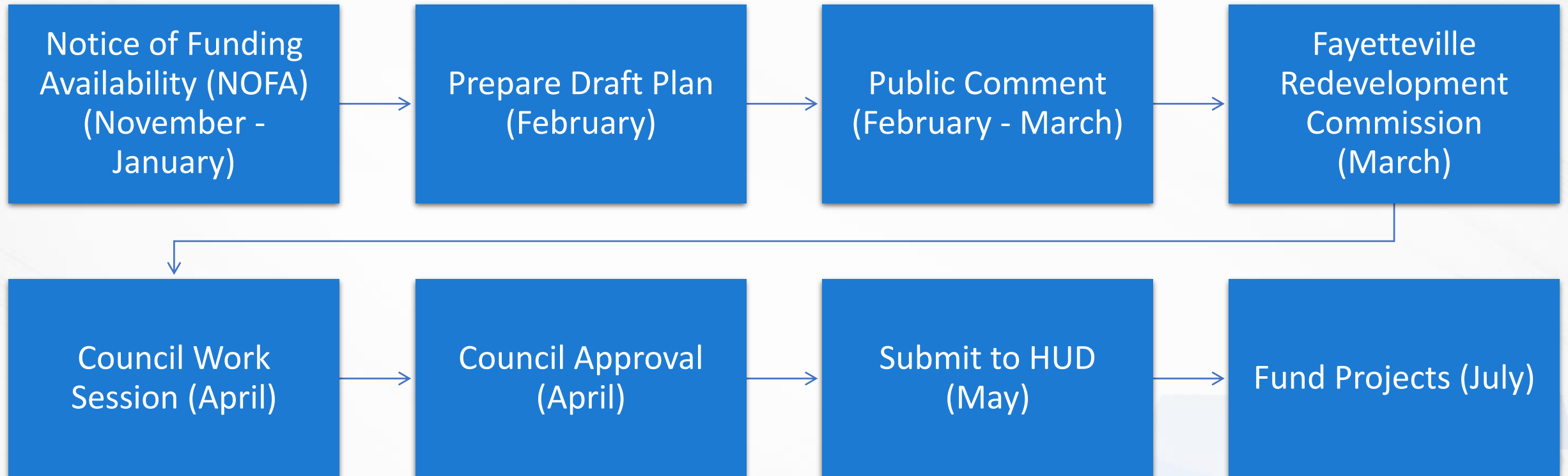
HOME Match: Required 25% local match for HOME grants

Prior Year Funds: Remaining Grant funds estimated at the end of the Program Year, to be reallocated

FUNDING SOURCE	CDBG FUNDS	HOME FUNDS	HOPWA FUNDS	Total Budget
Entitlement	\$1,767,834	\$1,121,285	\$860,712	\$3,749,831
Program Income	\$82,394	\$245,248	\$0	\$327,642
HOME Match	NA	\$280,322	NA	\$280,322
Total New Resources	\$1,850,228	\$1,646,855	\$860,712	\$4,357,795
Prior Year Funds	\$ 446,360	\$ -	\$ -	\$446,360
Total Resources	\$2,296,588	\$1,646,855	\$860,712	\$4,804,155

All projections contained here within are based on current funding levels for PY23

The Action Plan Process



Each grant comes with its own set of rules and guidelines that limit how the funds can be used

CDBG

- 20% for Administration
- 15% for Public Services (Social Service Activities)

HOME

- 10% for Administration
- 15% for Community Housing Development Organizations (CHDO)

HOPWA

- 3% for Administration

Required Set Asides	Cap	Amount
CDBG Public Services Cap (15%):	\$ 277,534	\$ 277,534
CDBG Admin Cap (20%):	\$ 370,045	\$ 370,045
HOME Admin Cap (10%):	\$ 112,128	\$ 112,128
HOME CHDO Set Aside (15%)	\$ 168,192	\$ 170,000
HOPWA Admin Cap (3%)	\$ 25,821	\$ 25,821

CDBG Recommendations

Consolidated Plan Strategy Allocations (CDBG Only)	2023- 2024	2024- 2025	% Change
Economic Development Strategy	\$330,000	\$300,000	-9%
Community Development Strategy	\$327,411	\$410,534	+25%
Housing Strategy	\$654,458	\$597,649	-9%
Homeless Strategy	\$147,892	\$172,000	+16%
Special Needs Strategy	\$25,000	\$0	-100%
Administration, Planning, and Management	\$371,190	\$370,045	0%
Total New Resources	\$1,855,951	\$1,850,228	0%

Shifted funding for agencies to ARPA

Increased Neighborhood Resources and Student Support

Decrease due to residual grant funds for Homebuyer Programs

Increase in Funding to Not for Profits

No new grant requests

Same as Last Year (Until Updated)

All projections contained here within are based on current funding levels for PY23

HOME Recommendations

HOME Allocations (All Housing Strategy)	2023- 2024	2024- 2025	% Change
Community Housing Development Organization (CHDO) Single Family Housing	\$170,000	\$170,000	0%
Affordable Housing Development	\$1,743,772	\$1,345,538	-23%
Administration, Planning, and Management	\$112,128	\$112,128	0%
Total New Resources	\$2,025,900	\$1,627,666	-20%

15% is required to be set aside

Lower Program Income results in less funding

Same as Last Year (Until Updated)

All projections contained here within are based on current funding levels for PY23

HOPWA Recommendations

HOPWA Allocations (All Housing Strategy)	2023- 2024	2024- 2025	% Change
HOPWA Housing Trust Fund	\$0	\$200,000	NA
HOPWA Housing and Services	\$834,891	\$634,891	-24%
Administration, Planning, and Management	\$25,821	\$25,821	0%
Total New Resources	\$860,712	\$860,712	0%

Affordable Housing Development

Housing and Utility Assistance with Navigation and Case Management

3% cap

All projections contained here within are based on current funding levels for PY23

Low Income Housing Tax Credit (9% LIHTC) Applications

Note: This is a competitive State Process, only one or two developments will be funded

Project Name	Total Development Cost	Developer	Population Served	# of Units
West Cumberland Phase II	\$10,927,468	SEML Development, LLC	Family	48
Hudson Terrace	\$17,629,148	Woda Cooper Development, Inc	Family	60
The Villas at Cliffdale	\$11,500,789	JBS Developers, LLC	Family	48
The Villas at Kenleigh	\$15,219,587	JBS Developers, LLC and Fayetteville Metropolitan Housing Authority	Family	64

LIHTC Location Map



Also posted for 30-days is a Substantial Amendment to the PY 23 Annual Action Plan

- The City has granted a 10 year loan extension to an affordable housing developer that was due to be repaid. This results in a decrease of \$380,000 to the City's current HOME budget.

Residents were able to review all documents online at www.FayettevilleNC.gov/ECD, or by contacting ECD at 910-433-1590 for more information. The City will submit written comments about the Annual Action Plan or Substantial Amendment that were received between February 12 – March 15, 2024.

Grant Opportunities

- Online Application Portal and Two Pre-Application Workshops
- Increased Engagement through Constant Contact and Social Media

Housing Development

- Continued funding for New Single Family and Gap Financing for Multifamily
- New LIHTC Policy to ensure equitable treatment of private partner funding requests

Economic Development

- Began working with experts to develop Section 108 Policy

Next Steps and Timeline

Events	Dates
City Council Work Session	April 1, 2024
City Council Public Hearing/Adoption	April 22, 2024
Plan Submitted to HUD	Action Plan due by May 15 th or 60 days after allocation letter received, whichever comes first.



Thank You



FayettevilleNC.gov