

# City of North Little Rock



## Consolidated Annual Performance and Evaluation Report 2015 Program Year

**2015 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT**

**COMMUNITY DEVELOPMENT BLOCK GRANT  
HOME INVESTMENT PARTNERSHIP PROGRAM**

**(FOR PERIOD 1/1/15 THROUGH 12/31/15)**

**TABLE OF CONTENTS**

	<b>PAGE</b>
<b>EXECUTIVE SUMMARY</b>	<b>1</b>
<b>RESOURCES AVAILABLE TO THE CITY OF LITTLE ROCK</b>	<b>2</b>
<b>MANAGING THE PROCESS</b>	<b>4</b>
<b>ANNUAL ACCOMPLISHMENTS</b>	
<b>CDBG FUNDED PROJECTS</b>	<b>4</b>
<b>HOME-FUNDED PROJECTS</b>	<b>8</b>
<b>PULASKI COUNTY NEIGHBORHOOD ALLIANCE FOR HABITAT     PERFORMANCE REPORT</b>	<b>8</b>
<b>LEVERAGING RESOURCES</b>	<b>9</b>
<b>PUBLIC HOUSING</b>	<b>9</b>
<b>OTHER ACTIONS TAKEN</b>	<b>13</b>
<b>PUBLIC POLICIES</b>	
<b>INSTITUTIONAL STRUCTURE</b>	
<b>AFFIRMATIVE MARKETING</b>	
<b>MONITORING</b>	
<b>BARRIERS TO AFFORDABLE HOUSING</b>	
<b>DISPLACEMENT</b>	
<b>UNDERSERVED NEEDS</b>	

<b>ANTIPOVERTY STRATEGY</b>	
<b>INTERGOVERNMENTAL COOPERATION</b>	
<b>LEAD-BASED PAINT</b>	
<b>AFFIRMATIVELY FURTHERING FAIR HOUSING</b>	<b>17</b>
<b>IMPEDIMENTS TO FAIR HOUSING CHOICE</b>	<b>17</b>
<b>CONTINUUM OF CARE</b>	<b>18</b>
<b>NON-HOMELESS SPECIAL NEEDS</b>	<b>19</b>
<b>MINORITY/WOMEN BUSINESS ENTERPRISE</b>	<b>19</b>
<b>SECTION 3</b>	<b>19</b>
<b>PUBLIC WORKS</b>	<b>20</b>
<b>CITIZEN PARTICIPATION</b>	<b>20</b>
<b>SELF-EVALUATION</b>	<b>21</b>
<b>PERFORMANCE MEASUREMENT ACCOMPLISHMENTS</b>	<b>22</b>

## **EXECUTIVE SUMMARY**

As an entitlement City, the City of North Little Rock receives Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds each year from the United States Department of Housing and Urban Development (HUD).

The Consolidated Annual Performance and Evaluation Report (CAPER) is an annual performance and evaluation report required by HUD. This year's CAPER is for Program Year 2015, which covers January 1, 2015 through December 31, 2015, and identifies the level of progress and accomplishments in meeting the Priority Needs as established in the City of North Little Rock's Consolidated Plan for FY11 through FY15. The City's five-year goals were based on quantitative estimates of desired accomplishments given anticipated monetary resources. The quantitative estimates were not given as benchmarks for success or failure of specific programs, but used as a guide in the allocations of resources to address priority needs.

The CDBG funds have been allocated for infrastructure improvements, housing, and improvements to neighborhood facilities in the low and moderate income areas of the City. Additionally, CDBG funds have been allocated to nonprofit organizations located in our City who serve low to moderate income persons. Likewise, strategic investment of HOME funds has greatly improved the quality of life for many of North Little Rock's most needy citizens.

### **CDBG**

The City has been receiving CDBG funds for several years. These funds assist with housing, economic development, human services, neighborhood stabilization, and other needs. For the 2015 Program Year, North Little Rock's CDBG entitlement was \$543,094.

### **HOME**

Created by the National Affordable Housing Act of 1990, the HOME Program addresses affordable housing needs by funding such projects as rehabilitation, new construction, homeownership assistance and improvements to rental property. The City has received a HOME Grant since the beginning of the program. North Little Rock's 2015 HOME entitlement was \$227,461.

The City's partnership with the U.S. Department of Housing and Urban Development has enabled significant reinvestment in North Little Rock to create more vibrant and livable neighborhoods.

## Resources Available to the City of North Little Rock

The City of North Little Rock had the following financial resources available for eligible projects and activities during the 2015 Program Year, which began January 1, 2015 and ended December 31, 2015.

### HUD Entitlements

CDBG	\$543,094
HOME Investment Partnership Act	<u>\$227,461</u>
<b>Subtotal</b>	<b>\$770,555</b>

### Program Income:

CDBG	\$240.08
HOME	<u>\$-0-</u>
<b>Subtotal</b>	<b>\$240.08</b>

**TOTAL AVAILABLE RESOURCES** **\$770,795.08**

### Program Income

During the Program Year, a total of \$240.08 was received as CDBG program income. No funds were initially budgeted this year for program income. All of the program income received was a result of repayment of housing rehabilitation loans and was deposited into the Community Development Rehabilitation Loan Repayment Account. All program income was utilized before any funds were drawn down and was applied to rehabilitation program activities. In addition to the above funds, private and public funding was utilized in conjunction with the program.

The City met all of its spending threshold requirements by meeting or exceeding its CDBG and HOME requirements. In addition, the City administered the CDBG program under the allowed 20% administration cap. Public service project expenditures and obligations were also under the 15% cap.

The City's 2011-2015 Consolidated Plan summarizes the conditions and needs of the community according to the guidelines promulgated by HUD and establishes priorities and objectives for the use of the CDBG and HOME funds to be received during the five-year period. Several objectives are identified and organized into broad priority areas: Economic Development, Homeless Services, Housing Development, and Neighborhood Development. Various sections of this annual report provide details regarding the priorities addressed and funds utilized during the reporting period.

CDBG and HOME funds made possible a range of activities that promote the health and personal development of youth and adults, the engagement of neighborhood organizations in community betterment, improvements in the physical environmental and the overall economic well-being of the City.

### **Administration**

These HUD programs play a significant role in a highly complex matrix of state, local, public, and private funds serving the needs of North Little Rock's distressed communities and low and moderate income (LMI) citizens. The overall effort involves a number of city agencies and local partner organizations, countless staff and volunteers dedicated to improving North Little Rock's quality of life.

### **Importance of the Consolidated Plan, Annual Action Plan, and CAPER**

In a streamlining effort initiated in the mid-1990s, HUD consolidated the various planning efforts required by the National Affordable Housing Act of 1990 and the Housing and Community Development Act of 1992. A Consolidated Plan for Housing and Community Development (Consolidated Plan) must be prepared every five years in order to receive CDBG and HOME funds from HUD. Prior to the start of each fiscal year within the five year Consolidated Plan period, an Annual Action Plan must also be prepared which lists the specific projects that will be undertaken with CDBG and HOME funds during the year.

In addition to streamlining planning efforts, HUD also streamlined reporting requirements through the development of the Consolidated Annual Performance and Evaluation Report (CAPER). The CAPER must be prepared annually and must describe how CDBG and HOME program activities address goals and objectives identified in the Consolidated Plan.

This approach to planning and reporting eliminates duplication in preparing separate applications and reports that, in turn, require multiple planning, development and city participation meetings throughout the year. More importantly, the Consolidated Plan, Annual Action Plan, and CAPER provide a comprehensive analysis of the community needs, identify goals, and lay out objectives that will be undertaken to address those needs, as well as provide a mechanism for reporting accomplishments.

The Consolidated Plan, Annual Action Plan, and the CAPER provide a means to evaluate each community's situation and determine the most effective ways to use funds received from HUD. The Consolidated Plan establishes a vision for attaining a higher quality of life for low and moderate income residents, the Annual Action Plan outlines specific activities that work toward accomplishing that vision, and the CAPER measures the success in achieving that vision.

## **Managing the Process**

The City of North Little Rock's Consolidated Plan contains ambitious goals to address community needs and improve the quality of life, especially for low and moderate income residents. We regularly review the five year goals and priority needs as defined in the City's 2011-2015 Consolidated Plan and recommend any modifications to programs needed to achieve these goals.

The City obligated all 2015 CDBG entitlement funds following confirmation of its grant amounts, funding eight (8) projects/activities with its CDBG entitlement, program income and reallocated dollars from projects completed in prior years.

The City reviews HOME reports regarding compliance with deadlines for committing and disbursing HOME funds and reserving funds for CHDOs. The City met its timeliness deadlines for disbursement of HOME allocations.

The City of North Little Rock continued to refine its management processes for the CDBG and HOME programs in 2015 to ensure compliance with programmatic and federal cross-cutting requirements. Staff administering the CDBG and HOME programs worked closely with City departments and North Little Rock's service providers to ensure that HUD funds were spent as expeditiously as possible and that programmatic objectives were met. The City continues to meet HUD's timeliness requirements for CDBG funds that no more than 1.5 times the annual grant allocation remain unexpended in its line of credit.

## **Annual Accomplishments**

This report includes data to fulfill HUD requirements, as well as information that may be of interest to our residents. All of the activities undertaken in the 2015 Program Year utilized federal funds to address the needs and goals identified in the City's 2011-2015 Consolidated Plan.

## **COMMUNITY DEVELOPMENT BLOCK GRANT**

### **Emergency Assistance Grants**

One of the City's owner-occupied rehabilitation programs is the Emergency Assistance Grant Program. This program year the City provided assistance to twenty (20) low and moderate income homeowners expending \$64,623.90 in CDBG funds. This included repairs such as heating, electrical and sewer.

### **Housing Assistance Grants**

The City also expended \$24,201.00 in CDBG funds for Housing Assistance Grants. This program assisted five (5) extremely low, low and moderate income homeowners with repairs such as roofs.

### **Weatherization Program**

The City of North Little Rock weatherized six (6) homes totaling \$11,338.00 in CDBG funds in the 2015 Program Year. The purpose of this program is to assist low to moderate income homeowners with weatherizing their homes to help in lowering their utility bills and reducing the energy burden on their homes.

The three (3) owner-occupied programs listed above served a total of thirty-one (31) North Little Rock citizens.

### **Wheelchair Ramps**

In partnership with the Southwestern Bell Telephone Pioneers, the City expended \$2,543.31 in CDBG funds for wheelchair ramps. This program assisted five (5) extremely low and low income homeowners. The Telephone Pioneers performed the construction and the city provided the materials.

### **CareLink Meals on Wheels for Elderly**

Meals on Wheels (funded by \$30,000 in CDBG funds **committed** in the 2014 Program Year) was completed in this program year. The City of North Little Rock **committed** \$30,000 for this program in the 2015 Program Year, and that activity was completed in this program year. Central Arkansas Area Agency on Aging (dba CareLink) provided meals to one hundred seventy (170) elderly, extremely low, low, and moderate income North Little Rock residents, utilizing these CDBG funds.

### **North Little Rock Boys and Girls Club**

The City of North Little Rock **committed** \$50,000 in the 2014 Program Year for the North Little Rock Boys and Girls Club/Positive Place for Kids Program, and the activity was completed in 2014 with final payment made in 2015. The City **committed** an additional \$45,000 for this program in the 2015 Program Year, and that activity was completed in this program year. These funds were utilized to assist the Boys and Girls Club "Positive Place for Kids" program to pay teacher salaries at three (3) North Little Rock locations: Jim Wetherington in Ward 1, Hamilton and Rose City both in Ward 2. The program served 727 youths in North Little Rock.

### **Recovery Centers of Arkansas – Recovery Park Project**

The City **committed** \$5,000 in the 2015 Program Year for outdoor exercise equipment to be permanently affixed on Recovery Center's property to benefit the low/mod clients they serve. Equipment was on backorder for some time but arrived in late 2015, and is expected to be installed in 2016.

### **PAL Program – Ballpark Facility Improvements**

The City of North Little Rock **committed** \$7,736 in the 2014 Program Year for improvements to three (3) community facilities: North Heights, Vestal and Rose City Ballparks. A \$76.48 remaining balance from a previous PAL project was moved to this activity with City Council approval. All improvements were substantially completed in the 2014 Program Year, expending \$4,563.18. The project was completed in the 2015 Program Year, with \$3,249.30 expended. All facilities are located in low income areas of the City. An area benefit was provided for an estimated 4,565 persons at North Heights; 1,900 persons at Vestal and 870 persons at Rose City.

### **River City Ministry – Emergency Services**

CDBG funds in the amount of \$3,000 was **committed** in the 2014 Program Year to River City Ministry for Emergency Services, to include reimbursement for prescription drugs provided by River City’s medical clinic to its clients. The activity was completed in 2015, and benefitted 300 persons.

### **River City Ministry – Rehabilitation**

The City of North Little Rock **committed** \$8,888 of 2014 CDBG funds for the rehabilitation of the public restroom facilities. This project was completed in 2015, with expenditures of \$8,885.20. The \$2.80 remaining balance was reallocated. The facilities benefitted 13,846 persons.

### **Infrastructure Projects**

The City of North Little Rock is committed to undertaking the infrastructure and public facility improvements we all depend on to make our city the livable community that it is. By continually investing in neighborhoods, North Little Rock aspires to be the best place it can be for people to live and work.

Due to the size and scope of these types of activities, some require multi-year funding, as well as a few years to plan, design and complete the project. To that end, some of our Neighborhood Improvement Projects are still in planning, designing or bidding stages. Neighborhood Improvement Projects can only take place in those areas eligible for CDBG funding; therefore all the projects listed below are designated for these target neighborhoods.

### **Ward 1 – Schaer Street from 15<sup>th</sup> to 19<sup>th</sup> Street**

The City of North Little Rock **committed** \$80,000 in CDBG funds in the 2014 Program Year and \$75,000 in the 2015 Program Year for the Schaer Street Project. This project was partially constructed in previous years and this will be a continuation. Ward I Drainage funds were also used to finance this project. Construction began in late 2015 and is anticipated to be complete in early 2016.

## **Ward 2 – Douglas Walking Trail**

The City of North Little Rock committed \$84,580 in CDBG funds in the 2012 Program Year and \$85,000 in the 2013 Program Year for the Douglas Walking Trail. Ward II Drainage funds were also used to help fund this activity. The project consisted of converting Douglas Avenue from Dixie to “C” Street into a walking trail. Some issues came up with the project that caused a delay. The Community Development Agency worked with the North Little Rock Public Works Department and also North Little Rock Wastewater in order to resolve these issues and the project moved forward. The activity was underway by October of 2015. Project completion anticipated in early 2016.

## **Ward 2 – Poe Street from Alma to Glenview**

The City of North Little Rock **committed** \$80,000 for the 2014 Program Year and \$75,000 for the 2015 Program Year for the Poe Street Project. This street and drainage project was designed in previous years. Additional funds will be needed before construction can begin on the project. Work is anticipated to begin in 2016.

## **Ward 3 – Parkway Drainage**

The City of North Little Rock committed \$84,580 in the 2012 Program Year, \$85,000 in the 2013 Program Year, and \$40,000 in the 2014 Program Year for the Ward 3 Parkway Drainage Project. This project consists of drainage improvements along Parkway Drive from Burks Avenue to Pike Avenue. The engineering of the project was accomplished in the 2013 Program Year and the construction of the project was completed in 2015 for the benefit of 1,583 persons. Project came in under estimate, and per approved Action Plan, unused 2013 funds in the amount of \$39,848.33, and remaining 2014 funds in the amount of \$40,000 were moved to pending Program Year 2014 Ward 3 drainage project, 39<sup>th</sup> Street from Pike to Hayes (approximately).

## **Ward 3 – 39<sup>th</sup> Street from Pike to Hayes (approximately)**

CDBG funds in the amount of \$40,000 were **committed** for the 2014 Program Year and CDBG funds in the amount of \$75,000 were **committed** for the 2015 Program Year for the 39<sup>th</sup> Street Project. In addition, unused funds in the amount of \$79,848.33 was moved from the Ward 3 Parkway job above, to this project. The Engineering Design has been completed and construction is anticipated to begin in 2016.

## **HOME INVESTMENT PARTNERSHIP PROGRAM**

### **HOME Owner-Occupied Rehabilitation Program**

The City of North Little Rock completed six (6) homes this program year expending \$204,792.54 in HOME funds. This program provides assistance in the form of a forgivable loan to low to moderate income persons for repair of their homes.

### **Community Development Corporation/CHDO Activity**

The City is required by HUD to allocate 15% of its HOME funds to CHDOs. The City of North Little Rock made a greater commitment for Program Year 2015 by allocating 50% of its HOME funds for use by certified CHDOs. The 2015 CHDO funds were allocated to Pulaski County Neighborhood Alliance for Habitat (PCNAH). Please note below the status of the North Little Rock CHDO.

### **Pulaski County Neighborhood Alliance for Habitat**

Pulaski County Neighborhood Alliance for Habitat (PCNAH) is a Community Housing Development Organization (CHDO) that is active in the development of low income, affordable housing in its role as a supporting organization of Habitat for Humanity of Pulaski County (Habitat). At present, PCNAH's target area includes all of Pulaski County, with the majority of its projects over the last year taking place in North Little Rock. PCNAH targets residents who fall between 30 and 60 percent of the area median income. One hundred percent of the projects are for homebuyers; PCNAH does not work on any rental properties.

In 2014, PCNAH was approved for approximately \$130,000 in 2011 HOME funds, which were to be used to construct two homes in North Little Rock. As of December 31, 2014, both lots had been purchased and construction had begun. Both houses were substantially completed by the end of 2015, with final completion and sale of both homes anticipated for early 2016. In 2015, PCNAH spent approximately \$198,179 in 2013 and 2014 HOME CHDO funds to construct two more new homes on Neighborhood Stabilization Program 2 (NSP2) lots. NSP2 funding helped with construction on one of the homes as well. Once completed, the houses were to be sold in late December to qualified, low to moderate income, deserving homeowners; both houses were to be sold at a rate of zero-percent interest loans, and financed through Habitat for Humanity of Pulaski County. Final reimbursement/draw to occur in early 2016.

## **Leveraging Resources**

The City of North Little Rock is continually seeking ways to leverage resources or to obtain other public and private funding that addresses needs identified in the Consolidated Plan.

One example, cited above was combining HOME and NSP2 funding to increase the stock of new affordable housing in North Little Rock. Funding provided to entities such as nonprofit organizations, Community Development Corporations (CDCs), and CHDO's may be provided by Federal Home Loan Bank, Arkansas Development Finance Authority, and area banks.

Also, as stated earlier in this report, the City's drainage funds are often used along with CDBG funds to together fund street and drainage improvement projects. In addition, on applications for funding, the City of North Little Rock requires an equity investment in the projects by applicants, and most projects also require funding from local financial institutions.

In 2015, the City of North Little Rock has made good use of available resources throughout the CDBG and HOME Programs. Our CDBG and HOME rehabilitation activities allow homeowners to remain in their homes. Our goal of providing homeownership opportunities was addressed by providing funding and technical assistance for our CHDO to enable homeownership activities. Our goal for public works is to provide street and drainage projects developed through the public hearing process. The City of North Little Rock allocates funding each year to the city wards to be used in drainage and street improvement projects.

These comprise most of the programs undertaken by the Community Development Agency. These programs were developed in accordance with a Consolidated Plan that anticipates needs as well as funding availability.

## **Priority #3-7 Rental Assistance, Resident Enrichment, Neighborhood Enrichment, and Homeless**

### **Rental Assistance**

Through Public Housing and the Section 8 program, North Little Rock Housing Authority continues its efforts to serve low to moderate income households by providing access to decent, safe, sanitary and affordable housing. Furthermore, NLRHA demonstrates an ongoing mission of meeting the housing needs of special populations including elderly, disabled, homeless and veterans.

The PHA also owns and operates 18 units of nonsubsidized housing, six of which were constructed through NSP2 funding.

## **North Little Rock Housing Authority FY 2016-2017 Report**

The North Little Rock Housing Authority's fiscal year begins on July 1 of each year and the Department of Housing and Urban Development's fiscal year begins October 1 of each year thus the report spreads across two calendar years. Annually, the Housing authority begins work on its HUD-required annual and five-year plans in early October and completes the process in March of the following year. The Plan encompasses all areas of operation for the Housing Authority, including updates on the Authority's progress in meeting the annual and five year goals along with the proposed Capital Fund improvements for ensuring year and five-year expenditures.

A copy of the five year plan is filed annually with the City to assure consistency with the City of North Little Rock's Consolidated Plan. The annual/five-year plan will be presented to the Housing Authority's Board of Commissioners at its April 2016 board meeting for adoption. The plan will then be electronically submitted to HUD. This requirement satisfies the Housing Authority's compliance with regulations requiring 75 days prior to fiscal year-end of June 30, 2016.

### **Public Housing**

The NLRHA currently operates 1023 public housing units at eight properties. Silver City Courts, Hemlock Courts, Eastgate Terrace, Windemere Hills are family sites. Willow House, Heritage House, S.W. Bowker, and Campus Towers are senior and disabled-focused sites.

During the past year, the NLRHA maintained the goal of 98% occupancy rate for the public housing units. Through the Capital Fund Program the agency continues to:

- maintain upkeep
- modernize public housing units
- implement energy saving measures
- address accessibility needs

The Housing Authority is currently developing rehabilitation and redevelopment plans for all eight of their public housing sites, primarily through HUD's Rental Demonstration Program (RAD). Established in 2011, RAD allows public housing agencies to leverage public and private debt and equity in order to reinvest in the public housing stock. This is critical given the \$25.6 billion backlog of the nation's public housing capital improvement needs. Also in RAD, units move to a Section 8 platform with a long-term contract that, by law, must be renewed. This ensures that the units remain permanently affordable to low income households.

Along with loans and grants, NLRHA will leverage LIHTC tax credits from ADFA and will review new market tax credits from various CDFIs to finance the projects. The average of age of the agency's public housing stock is 53 years.

## **RESIDENT ENRICHMENT**

### **Family Service Grants: Family Self Sufficient Programs through the Ross Grant Programs**

North Little Rock Housing Authority has administered the Public Housing Family Self-Sufficiency program since 2006. The purpose of the program is to link participating families to the supportive services they need to achieve self-sufficiency and no longer need public assistance.

The Public Housing Family Self-Sufficiency Program provides case management and supportive services to residents of our family sites - Silver City Courts, Hemlock Courts, Eastgate Terrace, and Windemere Hills. Participants sign a 5 year contract to participate in the program and an Individual Training and Service plan is developed with each participant upon enrollment. Escrow accounts are established when a participant's earned income increases. Instead of paying higher rent because of the increased income, the "extra rent" goes into an escrow account.

### **Elderly /Disabled services: Willow House, Heritage House, Campus Towers, Bowker Apartments**

The Housing Authority contracts with the Patrick Hays Senior Citizen Center to provide weekly activities and transportation for elderly and disabled residents.

### **Resident Council/Funding/Programs**

Resident councils are in place at all public housing family sites and three senior sites. HUD has allocated Resident Participation Funds for each location to assist the Housing Authority in training residents for participation in the council, to help promote activities for the betterment of the developments, etc.

In addition to the site-based resident councils, the Resident Council Advisory Board (RCAB) was created as a housing-authority-wide resident council. The RCAB consists of 15 members with each site fairly represented. The RCAB's purpose is to focus on the betterment of the family developments and the elderly/disabled high-rises of the Housing Authority. The RCAB works in partnership with the Housing Authority to determine activities and the distribution of funds.

## **Section 8 Programs**

### **Housing Choice Voucher Program**

The Housing choice Voucher (Section 8) Program budget is based on per unit cost plus the inflation factor. Administrative fees are based on the amounts the housing authorities are eligible to receive in accordance with rates set by HUD.

Currently, the Housing Authority administers 1192 Section 8 tenant-based voucher and maintained a 97% average lease-up for the last twelve months. North Little Rock Housing Authority administers 200 vouchers to house disabled veterans referred through the VA Supportive Housing Program (VASH).

In September 2014, the waiting list opened and NLRHA received applications electronically and on site for seniors 62 plus and persons having a disability preference. The elderly and disabled were allowed to submit paper copies at the Verizon Arena. A total of 1024 total applications were received, 219 of which were received from persons 62 or older and those who listed themselves as disabled. The PHA anticipates reopening the Voucher program in September 2017.

### **Family Self-Sufficiency Program**

The Family Self Sufficiency Program (FSS) was introduced through the Department of Housing and Urban Development initiative to local housing authorities in 1992. The Section 8 clients who participate in this Housing Authority's Family Self Sufficiency Program are encouraged to obtain self-sufficiency through goal setting, education, job training, a support system of community partners and one-on-one guidance by the program's coordinator.

The FSS Coordinator provides the emotional support, information and network to assist them in overcoming their barriers while keeping the integrity of the program intact. The North Little Rock Housing Authority will continue to work toward the goal of self-sufficiency by utilizing a combination of strategies and partnerships through the Section 8 Program and in the community. Families will continue to increase resiliency and strength through the support, caring, education and relationships that are being provided by the partnering organizations and agencies.

### **Homeownership Update 2015**

Currently, only Section 8 voucher holders, FSS participants and those on the FSS waiting list participate in the Section 8 Homeownership Program. Opportunities in the private market are available to assist with obtaining affordable housing. Private market opportunities and resources include Habitat for Humanity, In-Affordable Housing, Consumer Credit Counseling Service, Promise Land, Better Community Developers Program, Arkansas Community Institute, HUD, Community Development Agency, Argenta Community Development Corporation, local banks through the Community Reinvestment Act and other institutions administering programs. These organizations assist with down payment assistance and offer seminars/workshops to inform participants about resources and to provide guidance and assistance in the purchasing process. Homeownership counseling is available to participants.

After completion of all FSS goals, Section 8 Family Self-Sufficiency participants may use a portion of their escrow for earnest money, survey, housing inspection, down payment and closing cost. The client may be paid the balance of their escrow after they take possession of the home at closing. Since implementation, eighty-three (83) families have purchased homes (closed loans) through the Family Self-Sufficiency Homeownership Program and used Section 8 Housing Choice Vouchers to assist them with the mortgage payments. Currently there are 53 homeowners receiving assistance with their mortgage.

## **Use of FSS Account Funds for Homeownership**

A FSS family may use its FSS account funds for the purchase of a home, including the purchase of a home under one of HUD's homeownership programs, or other Federal, State, or local homeownership programs unless use is prohibited by the state or regulations governing the particular homeownership program.

All FSS participants and those on the waiting list are referred to budget and homeownership training. Problems encountered usually include low wages, lack of education, bad credit history, bankruptcy, inadequate loan amounts, and low credit scores.

## **OTHER ACTIONS TAKEN**

### **Public Policy**

The City of North Little Rock continues to assist neighborhood organizations. The City's Neighborhood Services Department works with the different Community Development Corporations and Neighborhood Associations. They assist in publishing their individual newsletters as well as publishing *North Little Rock Neighborhood News*. Local neighborhood organizations and CDC's are assisted and nurtured through the joint effort of the Community Development Agency and the Department of Neighborhood Services at the direction of the Mayor. Different departments of the City as well as staff from the Community Development Agency attend these meetings upon request. Many of the services are directly related to the effort to provide homeownership and better neighborhoods through effective CDBG, HOME, and City General Fund projects.

### **Institutional Structure and Coordination**

The City of North Little Rock's institutional structure for carrying out the activities under the Consolidated Plan is in place and working well. This structure involves coordination and cooperation with a wide variety of local, state and federal agencies and organizations, as well as interaction among many internal departments. These relationships constitute one of the system's primary strengths. Networking takes place in the community through numerous coordinating bodies and collaborations, such as the Neighborhood Associations, Community Development Agency, Argenta Downtown Council, and others that connect groups along one or another of the numerous lines of shared community interests.

The City recognizes coordination and information-sharing as functions that are of high importance to the success of its activities. As a significant example of this, the Mayor of the City of North Little Rock conducts monthly meetings which bring together all internal department heads, Executive Director of Central Arkansas Water, and others active in the effort, to discuss progress, identify issues and consider options.

## **Affirmative Marketing**

The HOME program requires that affirmative marketing steps are taken by participating jurisdictions when using HOME funds for rental or homebuyer projects. Affirmative marketing steps consist of actions to provide information and attract eligible persons in the housing market to available housing without regard to race, color, national origin, sex, religion, familial status or disability.

Subrecipient agreements require the nonprofit to submit a marketing plan which is attached to the agreement.

Methods for informing the public, owners, potential tenants and potential applicants for their services about federal fair housing laws and services available to the public consisted of several activities. This included the use of the “Equal Housing Opportunity” logotype or slogan in press releases and solicitations, commercial media, community contacts and print media. The use of community organizations, places of worship, employment centers, fair housing groups or housing counseling agencies for outreach is a recommended way to inform each of these groups.

As part of its annual monitoring visit, the City determines if projects were in compliance with the affirmative marketing requirements.

## **Monitoring**

The City of North Little Rock monitors its CDBG and HOME programs to ensure compliance with HUD regulations and attainment of Consolidated Plan goals. Annual Action Plan activities are set up and tracked in IDIS and in a shared financial reconciliation spreadsheet to allow ongoing review of activity expenditures.

During the program year, the City schedules monitoring visits with sub-grantees as well as desk monitoring. These visits are directed to ensure:

- Program performance
- Financial performance
- Regulatory performance

A record of the annual monitoring of each activity is available for review and includes the results of each, including any findings, corrective actions, and improvements.

## **Barriers to Affordable Housing**

Households in need of affordable housing confront numerous barriers. During the reporting period, among the most significant actions taken locally to address such barriers were the following:

- Limited physical accessibility can curtail independence for persons with disabilities. The North Little Rock Community Development Agency through their Handicap Ramp Project installed handicap ramps to those qualified individuals who needed assistance. Additionally, the City revamped homes so they were accessible to the homeowners(s).
- The City continues to utilize HOME funds to support its CHDO, Pulaski County Neighborhood Alliance for Habitat in their efforts to increase new affordable housing stock.
- The City was awarded NSP1 and NSP2 funds from ADFA and HUD respectively to build new affordable houses and/or rehabilitate existing houses. These houses are located in the eligible census tracts designated by HUD. Sixty-three homes have been sold or rented to eligible households as of the end of 2015.

### **Displacement**

There were no displacements during the 2015 Program Year. The City of North Little Rock formally adopted a Residential Anti-Displacement and Relocation Assistance Plan on August 5, 2009 that adheres to applicable Federal statutes.

### **Funds Not Used for National Objectives**

No CDBG funds were used that did not meet a national objective of the CDBG program.

### **Underserved Needs**

The City of North Little Rock continues to support nonprofit human service agencies, the local housing authority, local developers, homeless providers and special needs groups in their goal to meet the underserved persons of the community. The City also continues to communicate with these groups as their needs or the demand of services change over the year.

The City continues to implement the Single Family Rehabilitation/Emergency Repair Program to maximize available funding for housing rehabilitation. The program provides the means to repair leaking roofs, plumbing systems (to mitigate water damage), electrical systems and gas systems (to remove safety hazards).

The largest single obstacle to meeting priority needs continues to be a lack of available funding. Reduction in funding at all levels of government as well as declining donations to the nonprofit sector in recent years have severely restricted the ability of the City of North Little Rock and its subrecipients to aggressively respond to underserved needs.

The City attempts to do the best it can with the limited resources available. The City feels that it has made significant progress in making the community aware of the needs of low income housing and targeting limited resources for the greatest impact toward neighborhood revitalization.

## **Anti-Poverty Strategy**

Recognizing that poverty is a regional and national issue, and that many factors contributing to poverty lie outside of local control, the City's overarching goal for its CDBG and HOME programs is nonetheless to reduce the number of people living in poverty in North Little Rock, and most especially those groups disproportionately affected by poverty.

Listed below are a few of the organizations who are committed to reducing the number of persons living below poverty:

- River City Ministry has several programs to assist persons who are homeless and other low income individuals by providing free meals, free dental work, free medical attention and prescription medicine and other services. River City Ministry was established in 2008 as a Day Resource Center for persons who are homeless for Central Arkansas. The City through the Community Development Agency has allocated CDBG funding for their programs as well as making capital improvements to their facility.
- The Cities of North Little Rock and Little Rock assisted in funding the Jericho Way Resource Center for the homeless. This day shelter, while operated in Little Rock, serves both cities and identifies and provides the homeless with services including meals, clothing, showers, transportation, case management, job counseling, internet access, and housing assistance.
- CareLink provides meals to qualifying elderly individuals. The City through the Community Development Agency has provided CDBG funds to CareLink for several years for their Meals on Wheels program.
- The City, using CDBG funds, supports the North Little Rock Boys & Girls Club's After School and Summer Out of School Programs.
- The City includes Section 3 requirements in agreements and contracts to ensure first consideration is given to low and moderate income persons when job positions are created or become available.

## **Intergovernmental Cooperation**

The Cities of North Little Rock and Little Rock plus Pulaski County continue to work together and partner on projects as development along the Arkansas River continues. With both cities developing along the River, joint cooperation and support are needed. More and more of these joint developments will bring success to North Little Rock and Little Rock as well as Pulaski County.

## **Lead-based Paint**

North Little Rock's Community Development Agency's Housing Rehabilitation and HOME programs ensure that lead-based paint hazard reduction regulations are followed and that housing rehabilitation projects undertaken with federal funds are brought into compliance with federal lead-based paint standards.

The City of North Little Rock continues to address lead-based paint hazards to prevent lead poisoning. The Community Development Housing staff has attended training on the lead-based paint regulations.

The City of North Little Rock complies with the Lead-Based Paint Hazard requirements. Interim controls will be performed where appropriate and full lead-based paint abatement will be completed on rehabilitations contracted above \$25,000.

## **Affirmatively Furthering Fair Housing**

In compliance with the City's Analysis of Impediments to Fair Housing, the City of North Little Rock is continually making progress in maintaining programs that further fair housing.

## **Identified Impediments to Fair Housing Choice**

The 2010 Analysis of Impediments for the City of North Little Rock uncovered several issues that can be considered barriers to affirmatively furthering fair housing and, consequently, impediments to fair housing choices. These issues are as follows:

1. Historically, insufficient system capacity has resulted in:
  - A. Inadequate outreach and education efforts.
  - B. Ineffective processing and resolution of fair housing complaints.
2. Rental markets in the City appear to demonstrate discriminatory actions by housing providers including:
  - A. Failure to make reasonable accommodation or modification.
  - B. Discriminatory terms, conditions, privileges, services or facilities.
3. Disproportionately high home purchase loan denial rates exist for selected racial and ethnic minorities.
4. Home purchase loan denial rates are disproportionately high in lower-income areas.
5. Past land-use and development practices may not have been in the spirit of affirmatively furthering fair housing.

## **Suggested Actions to Consider**

In response to these listed impediments, the City of North Little Rock should consider taking the following actions:

1. Consider continuing participating in the Arkansas Community Development Association for efficient use of fair housing resources.
2. Increase knowledge and understanding of fair housing and affirmatively furthering fair housing through outreach and education efforts.
3. Establish baseline of the actual level and types of discrimination occurring in the community through audit testing activities.
4. Coordinate renter, homebuyer and homeowner credit trainings with local bankers and realtors.
5. Form local fair housing workgroups to meet periodically and address fair housing issues in the City. This group should be comprised of interested parties such as bankers, realtors, property managers, fair housing advocates and representatives of the City.

The City will continue to work toward resolving many of the impediments mentioned in the AI.

## **Continuum of Care**

The overall Continuum of Care (CoC) for homeless persons includes emergency shelter, transitional housing, permanent housing and homeless prevention. The Director of the North Little Rock Community Development Agency is active in the Central Arkansas Team Care for the Homeless (CATCH) and serves on the Proposal Review/Ranking Committee. The CoC has made efforts to strengthen its membership and reach out to area stakeholders as well as other interested organizations.

(CATCH) is a planning and action group made up of nonprofit housing service providers and government agency representatives. The primary focus is to deliver housing and support services to homeless persons. The Board meets monthly and the membership meeting is quarterly. The group meets in an effort to combat and eliminate homelessness and create a seamless, integrated system of housing and support services that minimizes gaps in service for all who are homeless. The meetings contain programs on topics of interest and they also conduct trainings at some of the meetings.

Member agencies of CATCH help people who are homeless find appropriate housing and address a broad range of needs. Support services include case management, life skills, alcohol and drug abuse treatment, legal assistance, mental health counseling, healthcare, HIV/AIDS testing and care, education, employment, child care and transportation. Street outreach programs identify homeless people, assess their needs and connect them with service providers.

In 2015, CDBG funds were utilized by CareLink, Boys and Girls Club, and other nonprofit organizations that provide support services to persons of low to moderate income or persons who are homeless.

### **Non-Homeless Special Needs**

The City of North Little Rock enhances coordination of public, private and nonprofit housing providers, human service agencies, and social service providers through the following actions:

- Continues to work with other organizations including the North Little Rock Housing Authority within the City to prioritize housing needs, provide services, and maximize the use of federal, state and local funds for affordable housing, community development, and related services throughout Central Arkansas.
- Continues to work with the many neighborhood associations and provide them information with the various activities funded by the City.

### **Specific HOPWA Objectives**

The City of North Little Rock does not receive HOPWA funding.

### **Minority/Women Business Enterprise**

The City of North Little Rock has a long-standing policy of assuring that affirmative marketing practices are undertaken, and those policies will be continued. From October 2014 to September 2015, the Community Development Agency contracted fourteen (14) times with minority owned contractors for rehabilitation projects, nine (9) times with women owned contractors for rehabilitation projects for a total of twenty-three (23) times with minority and/or women owned businesses in their rehabilitation program. At the present time the majority of our contractors who are awarded contracts are either minority owned contractors or women owned contractors.

### **Section 3**

The City of North Little Rock is committed in part on Section 3 of the Housing and Urban Development Act of 1968 to reduce the number of persons living below the poverty level. The City requires all subrecipients to comply with Section 3 and to provide, to the greatest extent feasible, opportunities for the recruitment of and training of low income and very low income workers and recruitment of businesses from the project area (the area of the City served by the project). The Section 3 Housing and Urban Development Act of 1968 defines low income as families (including single persons) whose income do not exceed 80 percent of the median income for the area and very low income those with incomes at or below 50 percent of the median area income.

In each of our subrecipient agreements we include a section that the subrecipient shall comply with Section 3 of the Housing and Urban Development Act of 1968 and regulations issued pursuant thereto. We require that a "Section 3 Clause" appear in all subcontract agreements executed under our Agreement with the organization. Our subrecipient agreements stipulate that the organization shall not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of Section 3 and implementing regulations. Additionally, the subrecipient is not to let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of Section 3 and implementing regulations. This requirement is applicable when a contract or subcontract exceeds \$100,000.

The City has a Section 3 Plan with the necessary forms to comply with the regulations. The City expects more progress in the upcoming fiscal year due to a greater focus in areas of training, marketing, and reporting from various housing providers and local contractors. The City will increase monitoring and offer additional training to check for compliance with the Section 3 requirements on an annual basis.

### **Public Works**

Our public works programs included various drainage and street improvement projects. Due to the increase in costs and the decrease in CDBG funds, it has become more difficult to adequately address the many needs in this area. The City Aldermen receive drainage funds each year and have at times partnered with us using those funds in their wards to complete projects.

Our projects were developed through the public hearing process. For our drainage and street improvement projects we also contacted the Public Works Department and Aldermen concerning the greatest need in the areas. These projects are all positive examples of how CDBG leveraged their funds with City funds to help neighborhoods. The projects were addressed earlier in the CAPER.

### **Citizen Participation**

The City of North Little Rock continues to have citizen participation as a priority for the CDBG program. In addition to the City's reporting requirements to HUD, citizens are also informed through public notices, public hearings, staff-attended neighborhood association meetings and City Council meetings.

The City of North Little Rock encourages citizen participation in its program and, in particular, those citizens who are residing in low to moderate-income areas. For the 2015 Program Year, the City held three public hearings between July 28, July 29, and July 30. Additionally, a Fair Housing forum was held at the City Council Chambers on August 27, 2015. The City advertised the public hearings in the local newspaper, on the City website, and on Facebook as well as notifying local churches, nonprofit organizations, faith-based organizations and community leaders. The neighborhood meetings were held in close proximity to the areas where assistance is needed.

The public hearings were used to form a list of proposed projects for the Community Development Block Grant Program and the HOME Program, to disseminate information about the programs and to provide the public with a forum of obtaining information about these programs.

### **Self-Evaluation**

2015 was another productive year for the City of North Little Rock with respect to its CDBG, HOME, and related programs. Our citizens were provided with an array of services and funding that are having a dramatic impact on housing and neighborhoods.

CDC's in our City and the development of our CHDO have provided a great partnership that has helped the City pursue the goals set forth in the Consolidated Plan. The HOME Program, Homeowner Rehabilitation Programs and Wheelchair Ramp Program have all experienced another successful year during 2015.

The City, through the Community Development Agency (CDA), is a member of the Continuum of Care Committee. The Continuum of Care group works throughout the year to develop and implement plans established by service providers, government representatives, foundation representatives, business representatives, and all interested parties for the homeless. A greater effort is being made to address the problems of the homeless and to develop housing and services to support the homeless population.

Programs through the North Little Rock Boys and Girls Club, Habitat for Humanity, CareLink, Recovery Centers of Arkansas, and others are encouraged and supported by the City.

One of the City's efforts is to increase affordable housing in the City by repairing existing low income, owner-occupied dwelling units, thereby assuring that existing homeowners are allowed to remain in their homes. In 2015, through the HOME program, the Community Development Agency assisted six (6) applicants in this manner. This will allow those residents to remain in their homes and provide for those units to remain standard for years to come. Additionally, we assisted twenty-five (25) homeowners with emergency repairs and homeowner rehabilitation and six (6) homeowners with weatherizing their homes to make them more energy efficient.

As a jurisdiction, we understand the pertinent nature of partnerships. The City each year provides letters of consistency to the City's Consolidated Plan to different organizations. The City allocated CDBG funds in 2015 to three nonprofit organizations who serve low to moderate income persons. These organizations provide an array of services ranging from meals on wheels to assisting at risk youth to assisting those with substance abuse issues.

Many of the items that should be considered in this section, such as actual accomplishments, progress of individual projects, identifying barriers that had a negative impact on fulfilling the strategies and overall vision, etc. have been discussed at length in other sections of this report.

The City of North Little Rock has used federal funds to meet high priority needs and solve identified community problems. The goals accomplished directly address the needs and objectives in the Consolidated Plan and Action Plan.

Listed below are the Performance Accomplishments for the 2015 Program Year.

### **2015 PERFORMANCE MEASUREMENT ACCOMPLISHMENTS**

During the 2015 Program Year, the City of North Little Rock assisted 22,422 persons and families through a variety of housing, public service, public facility and infrastructure projects utilizing Community Development Block Grant and HOME Investment Partnership Program funds. The City's programs assisted the following categories of beneficiaries from January 1, 2015 through December 31, 2015.

Program	No. Assisted	Race	Income	FHH	Outcome Measures
Emergency Assistance Grants - CDBG	20	18 - Black 2 - White	13 - Low 7 - Moderate	8	Accessibility for the purpose of providing decent housing
Housing Assistance Grants - CDBG	5	4 - Black 1 - White	3 - Extremely Low 1 - Low 1 - Moderate	3	Accessibility for the purpose of providing decent housing
Weatherization - CDBG	6	6 - Black	3 - Low 3 - Moderate	5	Accessibility for the purpose of providing decent housing
Wheelchair Ramps - CDBG	5	5 - Black	4 - Extremely Low 1 - Low	3	Accessibility for the purpose of providing decent housing
HOME Rehabilitation Grants	6	6 - Black	3 - Extremely Low 2 - Low 1 - Moderate	5	Accessibility for the purpose of providing decent housing
CareLink	170	75 - Black 95 - White	76 - Extremely Low 80 - Low 14 - Moderate	87	Accessibility for the purpose of creating suitable living environments
North Little Rock Boys & Girls Club	727	642 - Black 62 - White 1 - American Indian or Alaskan Native 22 - Multi-Race	727 - Low/Mod	140	Accessibility for the purpose of creating suitable living environments
PAL Ballparks/North Heights/Vestal/Rose City	7335		7335 - Low		Sustainability for the purpose of creating suitable living environments
River City Ministry - Emergency Services	300	113 - White 187 - Black	300 - Extremely Low		Accessibility for the purpose of creating suitable living environments
River City - Restroom Rehabilitation	13846	4777 - White 8989 - Black 69 - Asian 1 - Native Hawaiian	13846 - Extremely Low		Sustainability for the purpose of creating suitable living environments
Pulaski Crty Neighborhood Alliance for Habitat	2	1 - Black 1 - White	1 - Extremely Low 1 - Moderate		Affordability for the purpose of creating decent housing
<b>Total Assisted</b>	<u>22422</u>				

**Extremely Low Income** - 0% - 30% of area median income adjusted for family size  
**Low Income** - 31% - 50% of area median income adjusted for family size  
**Moderate Income** - 51% - 80% of area median income adjusted for family size

In addition to the City's production indicated above, CDBG funds were utilized on activities such as infrastructure projects. The results thereby being an increase in property values, as well as an increase in vehicle accessibility. These activities are explained in further detail in appropriate sections throughout this document.