

2010 ANNUAL ACTION PLAN

City of Fargo, North Dakota

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EXECUTIVE SUMMARY

The 2010 Fargo Community Development Action Plan addresses the City's allocation of \$1.39 million in federal funds for the purpose of furthering the creation and retention of affordable housing, revitalizing blighted areas, and assisting low income households and neighborhoods.

The activities included in the Plan address priority needs in the areas of housing, homelessness and non-housing community development. Specific goals focus on affordable housing and homeownership, homelessness, neighborhoods, fair housing and diversity, and poverty reduction.

All of the anticipated HOME funds will benefit low/mod households and, an estimated 80 percent of CDBG funds will provide a low/mod benefit. The majority of activities address the HUD objective of decent housing, but there are also activities in the areas of economic opportunity and suitable living environment. The following table summarizes the distribution of Fargo's FY2010 projects by HUD's Performance Measure System.

OBJECTIVE / OUTCOME	Suitable Living Environment	Decent Housing	Creating Economic Opportunities
Availability/ Accessibility	Facilities and Capital Projects	CHDO Housing Project Housing Education Programs Cooper House – Onsite Nurse	Skills and Technology Training
Affordability	Snow Removal Assistance	Housing Rehab-Owner Downpayment Assistance	Metropolitan Transportation Initiative
Sustainability: Promoting Livable or Viable communities	Gladys Ray Shelter Myrt Armstrong Center Neighborhood Project	YWCA Cass Clay Shelter Security	Downtown Slum and Blight Projects Native American Commission Sweat Lodge Facility

The City of Fargo has exhibited a commitment to these issues in previous action plans and has demonstrated capacity in successfully implementing the proposed projects. The 2010 Annual Action Plan outlines the City's approach to subrecipient and self-monitoring, which includes regular file monitoring and periodic on-site monitoring of funded projects.

Introduction

The City of Fargo is a CDBG entitlement community and a HOME participating jurisdiction. This plan will address the following topics related to the use of CDBG and HOME funds in the City of Fargo in the 2010 program year (May 1, 2010 to April 30, 2011).

- Source of Funds, including expected grant, program income, and revolving fund receipts
- Specific Consolidated Plan Objectives met by 2010 activities
- Summary of 2010 Budget and programmatic expenditure limits
- Description of Projects included in 2010 budget
- Geographic Distribution of the projects
- A summary of special considerations, including discussion on the topics of homeless and other special populations, public housing, poverty reduction strategies, lead paint hazards, minority concentrations, underserved needs, removing barriers to affordable housing, partnerships, and fair housing.
- Local plans for monitoring sub-recipients and HUD-funded activities in general

Source of Funds

Federal Resources

This document develops a budget for the annual CDBG and HOME funds received by the City of Fargo. The following describes Federal resources as well as several other annually appropriated federal housing resources that are utilized in the community.

CDBG. The City of Fargo anticipates a total of \$784,237 in Fiscal Year 2010 with a grant allocation of \$754,237 and program income estimated at \$30,000.

HOME. The City anticipates a HOME budget of \$610,000 to work with in 2010. The grant allocation to the City is \$510,000 and program income is estimated to be \$100,000.¹

FY2010 Budget

	CDBG 10 proposed	HOME 10 proposed
Grant	\$754,237	\$510,000
Program Income	\$30,000	\$100,000
<i>Total</i>	<i>\$784,237</i>	<i>\$610,000</i>
<i>Total CDBG + HOME</i>		<i>\$1,394,237</i>

Section 8. As of January 2009, the City of Fargo, through the Fargo Housing and Redevelopment Authority, has access to \$4.5 million in Section 8 voucher funding. The HRA can issue approximately 1,170 vouchers with that budget authority. On average 76-82% of FHRA voucher holders earn less than 30% area median income.

In addition to the voucher program, the HRA manages one project-based Section 8 project: the Full Circle SRO (69 4th St, 22 units for people who are homeless and have a disability, \$56,364).

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

Low Income Housing Tax Credits. The allocation of tax credits in North Dakota takes place in April and, if there are additional credits available, again in June. The City of Fargo expects to review several credit applications for the 2010 round but, at the time this plan is being written, no applications have been submitted. There is an estimated \$2.4 million in LIHTC available statewide for 2010.

McKinney-Vento Homeless Assistance Act programs. There are three projects in Fargo that are current recipients of SHP renewal funds. These renewal dollars total approximately \$440,729 (Sister's Path - \$150,000, YWCA Transitional Housing - \$214,781, YWCA Supportive Housing Program - \$75,948). HUD will likely be processing new applications in March of 2010, but the distribution of those funds is currently unknown.

The FHRA administers 35 Shelter + Care vouchers for homeless persons in the City of Fargo, 26 Chronic Shelter + Care certificates, 13 Tenant Based Rental Assistance vouchers, and 70 Veteran Affairs Vouchers.

ESGP. Five local service providers access ESGP dollars through the State of North Dakota. These grant applications are due in May, and the 2010 anticipated allocation is not yet known. The 2009 allocation totaled \$376,514, which included \$100,000 in matching funds from the state. Approximately 30% or \$119,118 was received by Fargo. The agencies that apply for ESGP funds in Fargo are the New Life Center, YWCA, Centre Inc, the Southeast ND Community Action Agency, the Gladys Ray Emergency Shelter and Youthworks. At the time of writing, the North Dakota Division of Community Services estimated that the 2010 allocation would be of a similar nature, and therefore \$100,000 is estimated.

HPRP. In the latter half of 2009, organizations in Fargo were awarded Homelessness Prevention and Rapid Re-Housing Program (HPRP) funds through the American Recovery and Reinvestment Act of 2009. Allocations totaled \$725,800 and included \$441,667 to the Gladys Ray Shelter, \$213,333 to YWCA Cass Clay and approximately \$70,800 to Youthworks. Though the funds were allocated in 2009, much likely remains to be expended during the Action Plan time period of May 1, 2010 to April 30, 2011.

FY2010 Budget – Other Federal Housing Programs

	Annual \$	Funds Allocated by:
Section 8 – Voucher	\$4,500,000	HUD to Fargo Housing and Redevelopment Authority
Section 8 – Project Based	\$56,364	HUD to Fargo Housing and Redevelopment Authority
Low Income Housing Tax Credit	n/a	ND Housing Finance Agency
McKinney Vento – SHP	\$440,729	HUD to ND Coalition for Homeless Persons to Service Providers
McKinney Vento – S+C	\$150,000	HUD to ND Coalition for Homeless Persons to Fargo Housing and Redevelopment Authority
ESGP	\$100,000	HUD to ND Division of Community Services to Service Providers
HPRP	\$725,800	HUD to ND Division of Community Services to Service Providers
TOTAL	\$5,972,893	

Specific Objectives

The City of Fargo intends to focus efforts on the six goals that were identified in the 2010-2014 five-year Consolidated Plan.

1. Affordable Housing
2. Homeownership
3. Homelessness
4. Neighborhoods
5. Fair Housing and Diversity
6. Poverty Reduction

The 2010 Action Plan addresses the following priority needs objectives that have been identified in the 2010-2014 Consolidated Plan.

Priority Needs / Objectives Addressed – 2010 Action Plan		
Priority Need Objective		Priority Need (Goal)
H-1	Rehabilitate older owner-occupied housing	Housing (Affordable Housing)
H-2	Work with local partners to create new affordable housing in the community	Housing (Affordable Housing)
H-4	Increase public awareness of affordability concerns and the needs of at-risk populations	Housing (Affordable Housing)
H-5	Provide opportunities for education to potential and recent homeowners	Housing (Affordable Housing)
H-6	Provide downpayment assistance to low/moderate income homebuyers	Housing (Affordable Housing)
H-7	Increase homeownership rates for minorities	Housing (Affordable Housing)
HO-1	Work to end chronic homelessness through Fargo's 10 Year Plan	Homelessness (Homelessness)
HO-2	Provide a continuum of housing options for Fargo's homeless populations and encourage the development of supportive housing partnerships	Homelessness (Homelessness)
CD-1	Eliminate blighted conditions from the Downtown business district and Fargo's central residential neighborhoods	Community Dev (Neighborhoods)
CD-2	Foster the establishment of strong neighborhoods through the implementation of neighborhood revitalization efforts	Community Dev (Neighborhoods)
CD-3	Provide education on fair housing issues	Community Dev (Fair Housing/Diversity)
CD-4	Support skill building opportunities designed to improve self sufficiency and personal success	Community Dev (Poverty Reduction)
CD-5	Support metropolitan efforts to address transportation and other barriers to work that affect low income individuals	Community Dev (Poverty Reduction)

Summary of 2010 Budget

The 2010 budget continues to place a high priority on housing and homelessness, as well as neighborhood improvement. The City of Fargo's 2010 CDBG budget indicates that more than 80% of non-Admin funds will be spent on activities that benefit low income persons. It is likely that funds spent in the 2010 program year (and thus reported in the 2010 CAPER) will follow a similar pattern, which is to expect between 75-80% of funds expended to benefit low/mod households.

SUMMARY		
FY2010 Community Development Budget – proposed		
	CDBG	HOME
Housing		
1. Housing Rehabilitation – Owner	50,000	300,000
2. Downpayment Assistance		159,000
3. CHDO Housing projects		100,000
Downtown Project		
4. Downtown Slum/Blight Projects	150,000	
Public Service Projects		
5. Housing Education (Tenant and Homebuyer) - Village	30,000	
6. Emergency Shelter - Gladys Ray Shelter	40,000	
7. Snow Removal Assistance	2,500	
8. Transportation - Metropolitan Transportation Initiative (OUT Program)	10,000	
9. Job Creation - Skills and Technology Training	5,000	
10. Cooper House - Nurse	20,000	
Facilities and Capital Projects		
11. Facilities and Capital projects to be considered for 2010 Family Health Care Center – Health Care Facility Fraser, Ltd. – Transitional Housing for Youth Immigrant Development Center – Farmer's Market/Landscaping Nokomis Childcare Center – Facility Improvements	273,351	
12. Myrt Armstrong Center – Flooring	10,516	
13. Neighborhood Project	12,000	
14. Native American Commission – Sweat Lodge Facility Improvement	10,000	
15. Security System Upgrade – YWCA Cass Clay	14,023	
Administration/Planning		
16. Admin & Planning (Wilder Homeless Survey, Continuum of Care coordination, New American community, Fair Housing Activities, Homeless Connect and Housing Market Study)	156,847	51,000
Total Budgeted	\$784,237	\$610,000
2010 Grant	754,237	510,000
Anticipated Program Income	30,000	100,000
Total Available	\$784,237	\$610,000
Unallocated	\$0	\$0

HOME Recapture/Resale Requirements

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

All HOME funded projects in Fargo's 2010 Action Plan are subject to the recapture provision, as opposed to the resale provision. The recapture option follows the provisions in 24 CFR 92.254(a)(5)(ii), which allows for recapturing the entire amount of HOME investment or a prorated amount based on specific criteria that are established for each project. Any recaptured funds must be used to carry out eligible HOME activities. If the form of HOME assistance is not subject to recapture, the resale option must be used. In the case of CHDO proceeds, the City of Fargo permits Beyond Shelter, Inc to retain any CHDO proceeds resulting from the HOME investment with the condition that the proceeds be used to develop additional affordable housing in the City of Fargo (24 CFR 92.3000(a)(2)). In addition, all CHDO proceeds and uses will be reported to the City.

Fargo does not intend to use HOME funds to refinance existing debt that is secured by housing that is being rehabilitated with HOME funds (as per 92.206(b)). The City will use only the forms of investment described in 24 CFR 92.205(b) (grants, deferred payment loans, non-interest bearing loans).

Expenditure Caps

The City's 2010 community development budget allocation is consistent with the programmatic expenditure caps outlined in HUD regulations. For CDBG, actual compliance with expenditure cap limits is measured on the basis of funds actually spent during a particular program year. For HOME, compliance is measured on the basis of the allocation/expenditure of funds that can be attributed to a particular grant year.

CDBG Grant program restrictions

Max Admin expenditure	Proposed	\$156,847
<i>20% of 2010 grant, plus 2010 program income</i>	<i>Cap amount</i>	<i>\$156,847</i>
<ul style="list-style-type: none"> Project #16 - Administration - \$147,700 		
Max Public Service expenditure	Proposed	\$107,500
<i>15% of 2010 grant, plus 2010 program income</i>	<i>Cap amount</i>	<i>\$117,636</i>
<ul style="list-style-type: none"> Project #5 – Housing Education (Tenant and Homebuyer) - Village Project #6 – Emergency Shelter - Gladys Ray Shelter Project #7 – Snow Removal Assistance Project #8 – Metropolitan Transportation Initiative Project #9 – Job Creation - Skills and Technology Training Project #10 – Cooper House – Nurse 	\$30,000 \$40,000 \$2,500 \$10,000 \$5,000 \$20,000	
Max Slum/Blight expenditure	Proposed	\$150,000
<i>30% of program expenses over 3 years (2008, 2009 & 2010)</i>	<i>Cap amount</i>	<i>\$300,354</i>
<ul style="list-style-type: none"> Project #4 – Downtown Slum/Blight Projects - \$150,000 		

HOME Grant program restrictions

Max Admin expenditure	Proposed	\$51,000
<i>10% of 2010 grant, plus 2010 program income (excludes recap. funds)</i>	<i>Cap amount</i>	<i>\$51,000</i>
<ul style="list-style-type: none"> Project #16 – Administration - \$51,000 		
Min CHDO set-aside	Proposed	\$100,000
<i>15% of annual allocation</i>	<i>Req set-aside</i>	<i>\$76,500</i>
<ul style="list-style-type: none"> Project #3 – CHDO Housing projects - \$100,000 		

Description of Projects

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

The City will follow its adopted Affirmative Marketing policy for any HOME-assisted projects with five or more units, as described in the 2010-2014 Consolidated Plan (p. 80). The City is committed to working with minority, women-owned, and small businesses in the conduct of its activities related to the provision of affordable housing.

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

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

Applicant’s name Various (administered by the City)
Project Description Program to rehabilitate existing owner-occupied houses that are at least 40 years old and have a value of less than \$135,000. Eligible properties can be single family residences, including manufactured homes permanently attached to real property, and two-unit structures where the owner lives in one of the units and rents the other to a tenant (must be a legal rental unit and have been in existence for 10 years). The average cost of a rehabilitation project is \$20,000. Most of the houses that are rehabilitated are located in Fargo’s older low/mod neighborhoods.

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

Priority Need Housing
Con Plan Objective H-1, Rehabilitate older owner-occupied housing
Number CD-1, Eliminate blighted conditions from Fargo’s residential neighborhoods

HUD Matrix Code 14A (Rehab – single unit residential)
 CDBG Citation 570.202
 CDBG National Obj Low/Mod Housing
 HUD Obj/Outcome Affordability for the purpose of providing decent affordable housing
 Start Date May 1, 2010
 Completion Date April 30, 2011

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

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

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

Resale/Recapture Recapture – loans either forgiven over 10 year period or have 5-15 year amortization

Funding Sources	
CDBG	\$50,000
ESG	
HOME	\$300,000
HOPWA	
Total formula grant funds	\$350,000
Prior year funds	
Assisted housing	
Other funding	
Total	\$350,000

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

Project Title **Downpayment Assistance**
Action Plan ID 2
Local Project ID n/a
Applicant's name Various (administered by the City)
Project Description This program offers down payment and closing cost assistance to low and moderate income households that are trying to purchase a home. Over the last two years, the average purchase price of a home in this program was \$101,021. The City requires each applicant to complete an approved homebuyer education program prior to making an offer to purchase a home.

Location Citywide
Priority Need Housing
Con Plan Objective H-6, Provide downpayment assistance to low/moderate income homebuyers
Number H-7, Increase homeownership rates for minorities
HUD Matrix Code 13 (Homeownership Assistance – Direct)
CDBG Citation 570.201(n)
CDBG National Obj LMC
HUD Obj/Outcome Affordability for the purpose of providing decent affordable housing
Start Date May 1, 2010
Completion Date April 30, 2011
Performance Indicators

- Assist 30 households in purchasing a home

The majority of families served by this program are classified as moderate income families. Typically, 10-15 percent of the families served have been low income families, and those families had an income between 40 and 50 percent of median. Over the last two years, 68 families have been served, 7 of which were 30-50 percent of median income and 61 who were 51-80 percent median. Assuming a similar client mix as is typically served, we expect to benefit 4 low income households (30-50 percent of median), and 26 moderate income households (50-80 percent of median).

Units at completion N/A
Program income This activity is likely to generate recaptured funds (HOME).
HOME Match This activity is expected to generate match in the form of below-market interest rates on first mortgages.
Resale/Recapture Recapture – loans due on sale of the home with mortgage due to be calculated based on net proceeds of sale.

Funding Sources	
CDBG	
ESG	
HOME	\$159,000
HOPWA	
Total formula grant funds	
Prior year funds	
Assisted housing	
Other funding – ADDI DCS	
Total	\$159,000

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

Project Title CHDO Housing Project
Action Plan ID 3
Local Project ID

Applicant's name Beyond Shelter, Inc.

Project Description Beyond Shelter, Inc. is currently the only CHDO authorized to receive HOME CHDO set aside funds. The City will work with Beyond Shelter on the Crossroads Senior Housing Development. The project will include the development of approximately 80 housing units targeted to low income seniors age 55 and older.

Location 1670 East Gateway Circle S

Priority Need Housing

Con Plan Objective Number H-2, Work with local partners to create new affordable housing in the community

HUD Matrix Code 12 (Construction of Housing)

CDBG Citation 570.201(m)

CDBG National Obj N/A

HUD Obj/Outcome Availability/Accessibility for the purpose of providing decent affordable housing

Start Date May 1, 2010

Completion Date April 30, 2011

Performance Indicators Complete the construction of affordable housing units to serve households at or below 50% AMI

Units at completion 80

Program income This activity is not expected to generate program income.

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

Resale/Recapture Recapture

Funding Sources	
CDBG	
ESG	
HOME	\$100,000
HOPWA	
Total formula grant funds	\$100,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$100,000

The primary purpose of the project is to help:

The homeless Persons with HIV/AIDS Persons with disabilities Public Housing Needs

Project Title Downtown Slum and Blight Projects
Action Plan ID 4
Local Project ID

Applicant's name Various
Project Description The Community Development Committee wishes to set aside funds for potential projects in the Downtown area that will address slum and blight conditions. Included among these potential projects will be storefront rehabilitation grants to property owners which must be matched one-for-one with private dollars and be utilized for façade renovation. Other activities undertaken with the intention of eliminating blighted conditions in designated areas may be considered as well. At this time, specific projects are yet to be determined.

Location Downtown Fargo, designated blighted areas (generally, Census Tract 7, Block Groups 1 and 2)

Priority Need Non-Housing Community Development

Con Plan Objective Number CD-1, Eliminate blighted conditions from the downtown business district
 CD-2, Foster the establishment of strong neighborhoods through the implementation of neighborhood revitalization efforts

HUD Matrix Code 14E (Rehab – publicly or privately owned commercial)
 CDBG Citation 570.202
 CDBG National Obj SBA (Slum/Blight Area)
 HUD Obj/Outcome Sustainability for the purpose of creating economic opportunity
 Start Date May 1, 2010
 Completion Date April 30, 2011

Performance Indicators Provide grants to eliminate blighted conditions at a yet-to-be-determined number of properties.

Units at completion To be determined
Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$150,000
ESG	
HOME	
HOPWA	
Total formula grant funds	\$150,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$150,000

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

Project Title **Housing Education Programs (Tenant/Homebuyer)**
Action Plan ID 5
Local Project ID

Applicant's name The Village Family Service Center
Project Description The Village's Financial Resource Center provides educational courses for both new homeowners and tenants of rental housing. The homebuyer training program is a two-day (8 hour) education program and a one-hour financial counseling session. The tenant education program also includes 8 hours of classroom time and a one-hour counseling session. The tenant education program provides new renters with the skills to find and keep a decent, safe and affordable home as well as educating those with poor rental histories in becoming more marketable tenants.

Location Citywide (public service)

Priority Need Housing

Con Plan Objective Number H-5, Provide opportunities for education to potential and recent homeowners
 CD-3, Provide education on fair housing issues
HUD Matrix Code 05R (Homeownership Assistance – Not Direct)
CDBG Citation 570.204
CDBG National Obj Low/Mod Clientele
HUD Obj/Outcome Accessibility for the purpose of providing decent affordable housing
Start Date May 1, 2010
Completion Date April 30, 2011

- Performance Indicators**
- Provide at least 21 separate homebuyer education training sessions and 16 separate tenant education sessions.
 - Provide homebuyer education to at least 200 Fargo households (at least 110 of whom are low and moderate income individuals)
 - Provide tenant education training to at least 450 low/moderate income households in Fargo that are at-risk for housing crisis/homelessness.

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

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

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

Project Title Gladys Ray Emergency Shelter
Action Plan ID 6
Local Project ID

Applicant's name City of Fargo

Project Description Provide operating support for the Gladys Ray Emergency Shelter.
Location 1519 1st Avenue South
Priority Need Homelessness

Con Plan Objective Number HO-1, Work to end chronic homelessness in Fargo

HUD Matrix Code 03T (Operating Costs of Homeless/AIDS Patients Programs)
 CDBG Citation 570.207(b)(2)
 CDBG National Obj Low/Mod income, Limited Clientele (Homeless Persons)
 HUD Obj/Outcome Sustainability in order to create a suitable living environment
 Start Date May 1, 2010
 Completion Date April 31, 2011
 Performance Indicators Provide operating funding for emergency shelter, which has been developed to help meet the needs stated in Fargo's 10 year Plan to End Long Term Homelessness
 Units at completion n/a
 Program income n/a
 HOME Match n/a
 Resale/Recapture n/a

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

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

Project Title **Snow Removal Assistance**
Action Plan ID 7
Local Project ID

Applicant's name City of Fargo
Project Description Project to assist with snow removal for low income seniors and persons with disabilities. Snow removal service includes one path to the front door, and the sidewalk in front of the house.
Location City-wide
Priority Need Non-Housing Community Development

Con Plan Objective Number CD-4, Support skill building opportunities designed to improve self sufficiency and personal success
HUD Matrix Code 05A (Senior Services)
 05B (Handicapped Services)
CDBG Citation 570.201(e)
CDBG National Obj Low/Mod Clientele
HUD Obj/Outcome Affordability in order to create a suitable living environment
Start Date May 1, 2010
Completion Date April 31, 2011
Performance Indicators This project will benefit an estimated 12 senior/disabled households. All will be at or below 50% of the area median income.
Units at completion n/a
Program income n/a

Funding Sources	
CDBG	\$2,500
ESG	
HOME	
HOPWA	
Total formula grant funds	
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$2,500

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

Project Title
Action Plan ID
Local Project ID

Metropolitan Transportation Initiative – OUT Program

8

Applicant's name
Project Description

City of Fargo (Metro Area Transit)
 CDBG funds will be used to address transportation needs for low income residents. The OUT program (Opportunities under Transit) will supply vouchers to assist disadvantaged individuals seeking employment or attending employment related activities, with discounted bus passes. Administration of the OUT program may include expanding eligibility beyond its current focus on employment to meet the changing transportation needs of the disadvantaged.

Location
Priority Need

Citywide (public service)
 Non-Housing Community Development

Con Plan Objective Number

CD-5, Support metropolitan efforts to address transportation and other barriers to work that affect low income individuals

HUD Matrix Code 05E (Public service – Transportation Services)
 CDBG Citation 570.201(e)
 CDBG National Obj Low/Mod Clientele
 HUD Obj/Outcome Affordability for the purpose of creating economic opportunities
 Start Date May 1, 2010
 Completion Date April 30, 2011

Performance Indicators

Provide subsidy to at least 250 individuals for rides on Metro Area Transit to help low income individuals with employment related activities

Units at completion
Program income

n/a
 This activity is not expected to generate program income.

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

The primary purpose of the project is to help:

The homeless Persons with HIV/AIDS Persons with disabilities Public Housing Needs

Project Title Skills and Technology Center
Action Plan ID 9
Local Project ID

Applicant's name The Skills and Technology Center
Project Description The Skills and Technology Training Center, in cooperation with Cass County Social Services and North Dakota Job Service, will offer a targeted job skills development program for refugees and low income individuals.

Location Citywide (public service)
Priority Need Public Service

Con Plan Objective Number CD-4, Support skill building opportunities designed to improve self sufficiency and personal success
HUD Matrix Code 05H (Employment Training)
CDBG Citation 570.201(e)
CDBG National Obj Low/Mod Clientele
HUD Obj/Outcome Availability/Accessibility for the purpose of creating economic opportunity
Start Date May 1, 2010
Completion Date April 30, 2011

Performance Indicators Provide training to 5 low/moderate income adults. Program participants must either be underemployed or be classified as a refugees.

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

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

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

Project Title
Action Plan ID
Local Project ID

Cooper House – On-site nurse
 10

Applicant's name
Project Description

City of Fargo
 CDBG funds will be used to support a full-time nurse at the Cooper House, a newly constructed permanent supportive housing development for long-term homeless populations.

Location
Priority Need

414 11th Street North
 Non-Housing Community Development

Con Plan Objective Number

HO-1 Work to end chronic homelessness through Fargo's 10 Year Plan
 HO-2 Provide a continuum of housing options for Fargo's homeless populations and encourage the development of supportive housing partnerships

HUD Matrix Code
 CDBG Citation
 CDBG National Obj
 HUD Obj/Outcome
 Start Date
 Completion Date
 Performance Indicators
 Units at completion
 Program income

03T (Operating Costs of Homeless/AIDS Patients Programs)
 570.201(c)
 Low/Mod income
 Availability/Accessibility for the purpose of creating Decent Housing
 May 1, 2010
 April 31, 2011
 Help to support one full-time nurse at the Cooper House facility
 n/a
 This activity is not expected to generate program income.

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

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

Project Title **Facilities and Capital Projects**
Action Plan ID 11
Local Project ID

Applicant's name Various
Project Description The Community Development Committee wishes to set aside funds for potential projects in Fargo that will address the facilities and capital needs of organizations that benefit low and moderate income people. The potential projects being considered at this time are:

- Family Health Care Center – Assist with facility expansion/renovation into a new location at 301 NP Ave N.
- Fraser, Ltd. – Facility improvements to 711 S University Drive Transitional Housing for Young Adults.
- Immigrant Development Center – Assist with the facility and landscape development of a downtown farmer's market employing low-income entrepreneurs.
- Nokomis Childcare Center – Assist with facility improvements at 658 23rd St S to improve energy efficiency and health/safety/code issues.

Location Various
Priority Need Non-Housing Community Development

Con Plan Objective Number CD-4, Support skill-building and other opportunities designed to improve self-sufficiency and personal success
 HO-2, Provide a continuum of housing options for Fargo's homeless populations and encourage the development of supportive housing partnerships

HUD Matrix Code To be determined
 CDBG Citation To be determined
 CDBG National Obj Low/Mod Clientele
 HUD Obj/Outcome Availability in order to create a suitable living environment
 Start Date May 1, 2010
 Completion Date April 31, 2011
 Performance Indicators To be determined
 Units at completion n/a
 Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$273,351
ESG	
HOME	
HOPWA	
Total formula grant funds	\$273,351
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$273,351

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

Project Title **Myrt Armstrong Center - Flooring**
Action Plan ID 12
Local Project ID

Applicant's name Myrt Armstrong Center
Project Description CDBG funds will be used to remove and replace the existing flooring in the Myrt Armstrong Center, which serves as a gathering place for individuals with mental health needs.
Location 1419 1 Ave S, Fargo
Priority Need Non-housing community development

Con Plan Objective Number CD-4, Support skill-building and other opportunities designed to improve self-sufficiency and personal success
HUD Matrix Code 03B (Handicapped Centers)
CDBG Citation 570.201(c)
CDBG National Obj Low/Moderate Income
HUD Obj/Outcome Sustainability for the purpose of creating a suitable living environment
Start Date May1, 2010
Completion Date April 31, 2011
Performance Indicators Removal and replacement of flooring
Units at completion n/a
Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$10,516
ESG	
HOME	
HOPWA	
Total formula grant funds	\$10,516
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$10,516

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

Project Title **Neighborhood Project**
Action Plan ID 13
Local Project ID

Applicant's name To be determined
Project Description The Community Development Committee would like to set aside CDBG funds for a potential project that will help beautify and improve a low/moderate income neighborhood.
Location To be determined, low/moderate income neighborhood
Priority Need Non-housing community development

Con Plan Objective Number CD-1 (Eliminate blighted conditions from the downtown business district and Fargo's central residential neighborhoods)
HUD Matrix Code 03E (Neighborhood Facilities)
CDBG Citation 570.201(c)
CDBG National Obj Low/Moderate Income
HUD Obj/Outcome Sustainability for the purpose of creating a suitable living environment
Start Date May1, 2010
Completion Date April 31, 2011
Performance Indicators Complete one or more projects that improve the appearance and livability of a blighted neighborhood. (Additional performance indicators may be added when the final project is determined.)
Units at completion n/a
Program income This activity is not expected to generate program income.

Funding Sources	
CDBG	\$12,000
ESG	
HOME	
HOPWA	
Total formula grant funds	\$12,000
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$12,000

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

Project Title **Native American Commission – Sweat Lodge Facility**
Action Plan ID 14
Local Project ID

Applicant's name Native American Commission
Project Description CDBG funds will be used for improvements to a sweat lodge facility, including construction of storage space for equipment and supplies. The space will also function to protect sweat participants from the elements during winter months.
Location Census Tract 101.05, Block Group 1
Priority Need Non-Housing Community Development

Objective Number CD-4, Support skill-building and other opportunities designed to improve self-sufficiency and personal success
 HUD Matrix Code 03E (Neighborhood Facilities)
 CDBG Citation 570.201(c)
 CDBG National Obj Low/Moderate Income
 HUD Obj/Outcome Sustainability for the purpose of creating a suitable living environment
 Start Date May 1, 2010
 Completion Date April 30, 2011
 Performance Indicators Complete code-related improvements to a sweat lodge facility in Fargo
 Units at completion n/a
 Program income This activity is not expected to generate program income.

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

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

Project Title **YWCA Cass Clay – Upgrade Shelter Security**
Action Plan ID 15
Local Project ID

Applicant's name YWCA Cass Clay
Project Description Update the security systems to ensure safety for staff and the women and children during their shelter stay.
Location 3000 S. University Drive, Fargo
Priority Need Homeless Needs

Con Plan Objective Number HO-2, Provide a continuum of housing options for Fargo's homeless populations
 HUD Matrix Code 03C (Homeless Facilities)
 CDBG Citation 570.201(c)
 CDBG National Obj Low/Mod Clientele
 HUD Obj/Outcome Sustainability in order to create decent housing
 Start Date May 1, 2010
 Completion Date April 30, 2011
 Performance Indicators Provide security for 65+ women and children who reside at the shelter at any given time.
 Units at completion n/a
 Program income Project will not generate program income

Funding Sources	
CDBG	\$14,023
ESG	
HOME	
HOPWA	
Total formula grant funds	\$14,023
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$14,023

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

Project Title
Action Plan ID
Local Project ID

Administration and Planning

16

Applicant's name
Project Description

City of Fargo

Funds are used for the administration of community development programs and general planning activities.

HOME funds pay for administration of the Home Buyer Assistance program and some of the delivery costs of the housing rehabilitation program. CDBG funds pay for administrative costs of the personnel that work on the planning and delivery of these community development programs, in addition to special plans and studies, including the Wilder Study and a Housing Market study. These funds will also be used for fair housing activities and Project Homeless Connect.

Location
Priority Need

Citywide

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

Objective Number

H-4, Increase public awareness of affordability concerns and the needs of at-risk
 HO-1, Work to end chronic homelessness in Fargo
 HO-2, Provide a continuum of housing options for Fargo's homeless population and encourage the development of supportive housing partnerships
 CD-3, Provide education on fair housing issues

HUD Matrix Code

21A (General Administration)
 21H (Admin costs of a PJ)

CDBG Citation

570.206

CDBG National Obj

N/A

Start Date

May 1, 2010

Completion Date

April 30, 2011

Performance

n/a

Indicators

Units at completion

n/a

Program income

This activity is not expected to generate program income.

Funding Sources	
CDBG	\$156,847
ESG	
HOME	\$51,000
HOPWA	
Total formula grant funds	\$207,847
Prior year funds	
Assisted housing	
PHA	
Other funding	
Total	\$207,847

Geographic Distribution of Projects

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

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

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

In addition to targeted low/mod and affordable existing neighborhoods, the City also considers it important to assure a fair distribution of affordable housing across the community (new and existing neighborhoods). Some of the new housing projects in this and future budget years will reflect this priority.

GEOGRAPHIC DISTRIBUTION SUMMARY FY2010 Community Development Projects

	Location
1. Housing Rehabilitation – Owner	Citywide – housing stock must be over 40 years old
2. Downpayment Assistance	Citywide
3. CHDO Housing Project	Census Tract 9.02, Block Group 3
4. Downtown Slum and Blight Projects	Census Tract 7, Block Groups 1 and 2
5. Housing Education Programs (Tenant/Homebuyer)	Service - Citywide
6. Gladys Ray Emergency Shelter	Service - Citywide
7. Snow removal Assistance	Service – Citywide
8. Metropolitan Transportation Initiative – OUT Program	Service - Citywide
9. Skills and Technology Center	Service - Citywide
10. Cooper House – On-site Nurse	Service – Citywide
11. Facilities and Capital Projects	Census Tract 7, Block Group 2 Census Tract 8.01, Block Group 2 Census Tract 8.01, Block Group 1 Census Tract 6, Block Group 1 Census Tract 8.02, Block Group 5
12. Myrt Armstrong Center - Flooring	Census Tract 8.02, Block Group 1
13. Neighborhood Project	Low/Mod Income Neighborhood not yet determined
14. Native American Commission – Sweatlodge Facility	Census Tract 101.05, Block Group 1
15. YWCA Cass Clay – Upgrade Shelter Security	Census Tract 10.02, Block Group 1
16. Administration and Planning	Service –Citywide

Summary of Special Considerations

The following is a summary of how the Fargo 2010 Community Development Action Plan addresses the special considerations that have been identified by HUD.

Homeless and Other Special Populations

The City Planning Department continues to be involved in local and statewide Continuum of Care efforts and regularly provides CDBG funds to support the planning process. In addition, the Planning Department continues to move forward with the goals and objectives of Fargo's "10-Year Plan to End Long Term Homelessness", which brings together public and private partners from the metropolitan area to craft a local strategy for addressing the needs of this population. Funds are set aside in the 2010 budget to support project ideas that may come out of that process (See Project #6 and #10 above).

CDBG funds have been directed to the newly developed Gladys Ray Emergency shelter in Fargo. These funds will help to support operations at the new shelter. The 2010 Action Plan also includes funding for the Tenant Education program, which is aimed at helping individuals avoid housing crisis situations. HOME dollars will also be used to support the Crossroads Senior Housing development, which will provide approximately 80 units of affordable housing for persons age 55 and older.

Public Housing

The City is supporting the Fargo Housing Authority's commitment to scattered site housing, family self sufficiency programs, enhancement of properties and resident opportunities, as well as the ongoing housing disposition plan. The City continues to be involved in discussions with the Fargo Housing and Redevelopment Authority about the significant future capital needs of the community's public housing stock.

The City is involved with the development of the former Cooper Tire site. This location will be used for affordable housing and potentially retail, and will be managed by the Fargo Housing and Development Authority. The City assisted with demolition of the existing structures in 2008, and helped to subsidize the new rental units with HOME funds in 2009. In 2010, CDBG funds will be utilized to hire a full-time nurse serving those living in the housing that are just coming out of homelessness.

Lead based paint hazards

The City will continue to work to raise public awareness of lead based paint hazards. The City will also work with all sub-recipients and applicants for community development funds in ensuring that lead based paint hazards are appropriately addressed. Program applicants for rehab and downpayment assistance receive materials on lead paint and the Department maintains locally-specific information on our web site.

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

The City supports the Fargo Housing and Redevelopment Authority's efforts to provide a number of self-sufficiency programs that are aimed at increasing a family's economic independence. The Housing and Redevelopment Authority works closely with Job Service of North Dakota to provide necessary training opportunities to poverty level families. The City will continue to coordinate anti-poverty efforts with local service providers and social service agencies.

Minority Concentrations

The 2008 American Community Survey (ACS) indicated that Fargo's minority population has grown significantly. 2.5 percent of residents were listed as a race "other than white" in the 1990 Census; the proportion of minority residents had grown to 9 percent by the 2008 ACS. However, there are no areas in the community having minority concentrations to a level that warrants concern or action. Certain census tracts have a slightly higher percentage of minority residents than others (percent of minority residents per census tract ranges from 2 to 15 percent) but the differentials are relatively small and do not contribute to an unhealthy environment.

Underserved Needs

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

Urgent Needs

From time to time there may be urgent needs that develop in the community for which CDBG funding must be utilized. The City of Fargo reserves the right to use up to 30% of the available funding for emergency activities that may come up due to an emergency event such as flooding, tornados or other natural disasters.

Other Actions – Removing Barriers to Affordable Housing

The 2010 Action Plan demonstrates significant support for the maintenance and creation of affordable housing in the community. The Homebuyer downpayment assistance and Housing Rehab programs help remove barriers to homeownership. Also, the development of the Crossroads Senior Housing project and the Cooper House for individuals coming out of homelessness are both indicative of these efforts.

The City is also addressing the problem of increased foreclosures in the area through the Neighborhood Stabilization Program (NSP), which has been authorized by Congress under Title III of the Housing and Economic Recovery Act of 2008. Fargo received nearly \$5 million to acquire and redevelop foreclosed and abandoned properties that might otherwise have become sources of abandonment or blight. The NSP funds have been an excellent source of funding to address increasing numbers of foreclosed or vacant properties, and the City intends to utilize them for the benefit of low and moderate income homebuyers.

As of October 2008, Fargo had 83 foreclosed properties, which is 27% of North Dakota's total of 312 for the entire state. Though the home foreclosure crisis is not as serious in ND as in many states around the nation, numbers have been increasing significantly since 2000. Additionally, there has been a relatively high rate of sub-prime mortgage activity in the City, which is likely a predictor of additional foreclosures. According to Federal Reserve Board estimates at the time of writing, Fargo had 587 sub-prime loans equivalent to \$51 million. Of those, 17.2% were in active foreclosure, and 36.1% were in serious delinquency.

Other Actions - Partnerships

The City is an active participant in the F-M Homeless Coalition, statewide Continuum of Care Planning Committee, the ND Interagency Council on Homelessness, as well as other community wide partnerships that discuss a variety of housing issues facing the metropolitan area.

We are actively involved with local housing organizations and have promoted the utilization of non-profit development organizations to address housing needs of the community. The City provides technical assistance whenever possible with the intent of developing organizational capacity, and we see ourselves

as a link and partner with area organizations. Specifically, we have partnered with the Fargo Housing and Redevelopment Authority to develop a Tenant-Based Rental Assistance program (TBRA). The TBRA program is in place and is being administered by the Fargo Housing and Redevelopment Authority. Local conditions leading to implementation of the TBRA are discussed in the City of Fargo's 10-Year Plan to End Homelessness (August, 2006). Prior to development of the TBRA, the only sources of rent subsidy available to homeless individuals were Section 8 and Shelter + Care. Local HOME funds are used for downpayment assistance and rehab on existing homes, which has limited creation of new affordable housing units. The 10-year plan outlines the intent of the TBRA funds, which is to reserve vouchers for long term homeless tenants who agree to stay connected with a service provider. Priority in the first 3 years of the project will go to clients with a dual diagnosis and relationship with Southeast Human Service Center's Integrated Dual Disorder Treatment team.

In addition, homelessness is indicated as a priority in Fargo's 2010-2014 Consolidated Plan. As written in the plan, there are 2 goals that address homelessness. They are:

1. Work to end chronic homelessness through Fargo's 10 Year Plan
2. Provide a continuum of housing options for Fargo's homeless populations and encourage the development of supportive housing partnerships

Monitoring

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

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

In addition to monitoring sub-recipient activity, the City is also committed to monitoring progress on identified community development needs. The annual report will be used to measure specific project accomplishments and to measure program-wide accomplishments as well. The 2010-2014 Consolidated Plan outlines a series of performance measures that the City will use to evaluate program performance. Overall program design can be adjusted in accordance with the information received via the evaluation process.

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

Appendix A: Public Process – 2010 Budget

Appendix includes the following information that describes the public process used to develop the 2009 CDBG and HOME budgets.

- Minutes – December 17, 2009 Community Development Committee meeting (budget overview, budget recommendation)
- Minutes – January 28, 2010 Community Development Committee meeting (budget overview, final budget recommendation)
- Notice for public hearing and public comment on 2010 Action Plan (published February 4, 2010).
- Agenda – March 8, 2010 Fargo City Commission meeting
- Minutes – March 8, 2010 Fargo City Commission meeting (budget hearing and approval)

**COMMUNITY DEVELOPMENT COMMITTEE
MINUTES**

Regular Meeting:

Thursday:

December 17, 2009:

The Regular Meeting of the Community Development Committee of the City of Fargo, North Dakota, was held in the City Commission Room at City Hall at 3:30 p.m., Thursday, December 17, 2009.

The Community Development Committee Members present or absent are as follows:

Present: Commissioner Tim Mahoney, Commissioner Dave Piepkorn, John Paulsen, Lynn Fundingsland, Steve Stoner, Pat Zavoral

Absent: Don Faulkner, Linda Klebe

Also Present: Rocky Schneider, Jim Gilmour, Dan Mahli, Monica Graber, Nate Bailly, Dawn Mayo

Vice Chair Piepkorn welcomed the Members to the meeting and called the meeting to order.

Item 1. Approval of Minutes: Regular Meeting of August 27, 2009

Steve Stoner moved to approve the minutes of the August 27, 2009 meeting as presented. Second by Mr. Fundingsland. All Members present voted aye and the motion was declared carried.

(Chair Mahoney present)

Item 2. Review 2010 Community Development Budget

Dan Mahli reviewed the 2010 Community Development budget stating three funding sources contribute to the total funding available: HUD Community Development Block Grant (CDBG), HUD HOME funds, and City Social Service and Arts funds. He stated a congressional conference committee recently approved a 10% increase in the CDBG funds bringing the total anticipated funding amount in Fargo to approximately \$785,000. He added the money will serve low-to-moderate income individuals and households. Mr. Mahli stated the Community Development Committee's recommendation on CDBG and HOME funds will be published for a 30 day public comment period and go to the City Commission for final approval and submission to HUD.

Dan Mahli spoke on each of the funding categories. The 2010 applications and type of request by category are as follows:

HOUSING

- Housing Rehabilitation – \$350,000 to be used for the rehabilitation of existing owner-occupied homes. (\$300,000 HOME, \$50,000 CDBG)
- Homebuyer Assistance – \$150,000 to assist low-to-moderate income households with downpayment and closing costs to purchase a home. (HOME)

- Special Assessment Assistance – \$45,000 in carryover funds to pay the principle amount on special assessments for low-to-moderate income households. (CDBG)
- Tenant Base Rental Assistance – \$411,000 granted in Homelessness Prevention and Rapid Re-Housing funds. (HPRP)
- Beyond Shelter – \$100,000 to assist in the construction of the Crossroads Apartments. Beyond Shelter is a Community Housing Development Organization (CHDO). (HOME)

Pat Zavoral asked how many households participate in the housing rehab program. Dan Mahli answered 16 to 25 homes are being rehabilitated on an annual basis. Mr. Mahli stated the City is working with Neighborhood Stabilization Program (NSP) funds to renovate blighted and foreclosed homes. He added the City would like to see more multi-family dwellings in older neighborhoods converted back to single-family residences. Jim Gilmour noted Federal funding isn't always feasible for converting multi-family units to single-family because of relocation requirements.

DOWNTOWN SLUM & BLIGHT

- \$150,000 allocated for accessibility improvements and the eliminating slum and blight conditions in downtown Fargo.

FACILITIES, CAPITAL & NEIGHBORHOODS

Dan Mahli stated the City anticipates \$325,000 in CDBG funds to be available for facilities and capital projects in 2010. The requests for facility improvements include:

- Family Healthcare Center – \$160,000 for the acquisition of property (Richtman's building).
- Fraser – \$132,051 for facility improvements at 711 University Drive to serve as transitional housing for homeless youth.
- Garrison Development – \$152,200 for an affordable housing development at the Union Storage building.
- Immigrant Development Center – \$80,000 for a farmer's market and landscaping at the International Market.

Jim Gilmour noted the Immigrant Development Center is looking at an alternate site. Mr. Fundingsland stated the Fargo Housing & Redevelopment Authority has been asked to hold the Cooper site in reserves. Mr. Mahli added if the land at 414 11th Street North is sold the City would receive program income from the sale and asked to use the funds at the new site.

- Neighborhood Project – \$12,000 for a neighborhood project in a low-to-moderate income area.
- Myrt Armstrong Mental Health Social Club – \$12,000 to replace deteriorated flooring.
- Fargo Native American Commission – \$10,000 for a facility improvement at the Sweatlodge.
- YWCA – \$14,023 to upgrade the security system at the emergency shelter.

Chair Mahoney moved to recommend approval of the Myrt Armstrong Center, Native American Commission, YWCA and neighborhood projects. He added the CD Committee should discuss the Family Healthcare Center, Fraser and Immigrant Development Center requests as the projects develop in the coming months. He also moved to remove Garrison Development from consideration as it is a for profit organization. Second by Mr. Paulsen. All Members present voted aye and the motion was declared carried.

(Pat Zavoral absent)

SOCIAL SERVICES

- CHARISM – \$25,000 to support youth development programs for low income and refugee populations. (City)
- Cultural Diversity Resources – \$25,000 for diversity training, cultural presentations, leadership building, education and the annual conference. (City)
- Fargo Housing & Redevelopment Authority – \$20,000 to support an on-site nurse at the Cooper House. Lynn Fundingsland stated originally he was in contact with the MeritCare Foundation and was given the impression that it would support the on-site nurse position at the Cooper House. He added Meritcare is no longer in a position to provide that service. Mr. Fundingsland has applied for Continuum of Care funding through the State of ND and is working on an application to the Dakota Medical Foundation. The Housing Authority is also willing to assist in the short term. (CDBG)
- Fargo Moorhead Coalition for Homeless Persons – \$5,000 to support operations that address Fargo's 10 Year Plan and taxi rides for emergency and shelter services. (City)
- Fargo Moorhead Native American Center (CDR) – \$6,000 to serve as a matching grant for the new Native American Center. (City)
- Emergency Snow Removal program – \$2,500 to provide emergency snow removal assistance for low income senior households. (CDBG)
- Fargo Senior Services – \$30,000 to support the Meals on Wheels program. (City)
- Fargo Youth Commission/Boys & Girls Club – \$5,000 to offer scholarships to assist low income youth. (City)
- First Link – \$5,000 to support the crisis services program. (City)
- Gladys Ray Shelter – \$40,000 to support operations. (CDBG)
- Handi-Wheels Transportation, Inc. – \$10,000 to assist with operational expenses and provide transportation to individuals with disabilities. (City)
- Home Builders Care of Fargo Moorhead Foundation – \$10,000 in carryover funds to construct accessible ramps. (CDBG)
- LSS of ND-Daily Bread & Great Plains Food Bank – \$5,000 to assist in the distribution of donated food. (City)
- Metro Transportation Initiative – \$10,000 to support the Metro Transportation Initiative's OUT Program. (CDBG)
- Metro Youth Partnership – \$25,000 to support the community's partnership with youth programs. (City)
- New Life Center – \$15,000 to provide shelter, meals, clothing, and other basic life services to homeless individuals. (City)
- North Dakota Coalition for Homeless People – \$5,000 to support activities related to the ND Continuum of Care application. (City)
- FM Symphony/ND Public Radio/NDSU – \$3,000 to support an oral history project on immigration to the FM area. (City)
- Rape and Abuse Crisis Center – \$15,000 to provide crisis support and follow-up services for victims of domestic violence. (City)
- Red River Human Services Foundation – \$12,000 for the Activity Center which supports educational and social activities for individuals with developmental disabilities. (City)
- Skills & Technology Training Center – \$5,000 to provide individualized job skills training to low income and immigrant populations. (CDBG)
- The Arts Partnership of the Red River Valley – \$85,000 to support the Art Fund - \$30,000 for operations, \$55,000 for programs. (City)
- Village Family Service Center – \$30,000 for the homebuyer and tenant education programs. (CDBG)

- Village Family Service Center, Nokomis Child Care Center – \$10,000 to fund a scholarship program for low-income families. (City)
- YWCA Cass Clay-YWCA Emergency Shelter – \$15,000 to assist with operations and support services at the emergency shelter. (City)

Rocky Schneider asked why the Skills & Technology Training Center is recommended to receive \$5,000 when it was granted \$10,000 in 2009. Dan Mahli answered the Skills and Technology Center's grant has been \$5,000 in previous years. John Paulsen moved to approve the 2010 Social Service recommendations. Second by Mr. Stoner. All Members present voted aye and the motion was declared carried.

(Jim Gilmour absent)

Item 3. Update on Fargo's 5 Year Consolidated Plan for Housing and Community Development

Dan Mahli stated staff is currently working on updating the City's 5-Year Consolidated Plan for Housing and Community Development. He plans to present a draft copy to the Community Development Committee at its January meeting.

Item 4. Other Business

Lynn Fundingsland handed out an informational sheet on the Cooper House Apartments. He stated there is no debt associated with the building and the property is anticipated to open in May 2010.

Mr. Paulsen moved to adjourn the meeting at 4:24 p.m.

**COMMUNITY DEVELOPMENT COMMITTEE
MINUTES**

Regular Meeting:

Thursday:

January 28, 2010:

The Regular Meeting of the Community Development Committee of the City of Fargo, North Dakota, was held in the River Room at City Hall at 3:30 p.m., Thursday, January 28, 2010.

The Community Development Committee Members present or absent are as follows:

Present: Commissioner Dave Piepkorn, Commissioner Tim Mahoney, Lynn Fundingsland, Steve Stoner, Don Faulkner, John Paulsen

Absent: Pat Zavoral, Linda Klebe

Also Present: Jim Gilmour, Dan Mahli, Monica Graber, Nate Bailly, Dawn Mayo, Dave Anderson, Rocky Schneider

Vice Chair Piepkorn welcomed the Members to the meeting and called the meeting to order.

Item 1. Approval of Minutes: Regular Meeting of December 17, 2009

Steve Stoner moved to approve the minutes of the December 17, 2009 meeting as presented. Second by Mr. Fundingsland. All Members present voted aye and the motion was declared carried.

Dan Mahli introduced Don Faulkner, newly appointed Community Development Committee Member serving as the liaison from the Fargo School Board.

Item 2. Review 2010-2014 Consolidated Plan for Housing and Community Development

Dan Mahli reviewed the draft 2010-2014 Consolidated Plan. He stated the 2010 Community Development Action Plan is incorporated into the Plan. He noted the Consolidated Plan examines the demographic and economic status of the community, evaluates the housing market, and examines needs that exist in housing and community development issues. Mr. Mahli stated the findings of the needs assessment and current data from the Census helped identify goals and priorities.

Dan Mahli highlighted the Community Development goals and addressed the priority needs identified in the City's 5 Year Consolidated Plan as: 1) *Affordable Housing and Homeownership*; Create and maintain affordable housing options and increase homeownership in the City of Fargo, 2) *Homelessness*; Participate in collaborative efforts to reduce and prevent homelessness in the community, 3) *Neighborhoods*; Make sure that all Fargo neighborhoods are neighborhoods of choice, 4) *Fair Housing and Diversity*; Promote the principals of fair housing and acceptance of diversity, 5) *Poverty Reduction*; Reduce poverty by supporting efforts to increase the self sufficiency/self determination of low and moderate income households and individuals in the community, and 6) *Administration*; Administer the Community Development program to meet community needs and Federal grant requirements. (Commissioner Tim Mahoney present).

Dan Mahli presented a progress report from HUD. He noted the report shows the City is doing well, ranking 99 out of 100.

Lynn Fundingsland stated the Cooper House has been sheet rocked, appliances are in and the facility is scheduled to open May 1, 2010.

Steve Stoner asked about the default rate of CDBG housing rehab and homebuyer projects. Dan Mahli answered the number is low. Mr. Stoner stated it would be a good idea to follow the counts carefully, reflecting especially on the number of foreclosures in the past three years.

Commissioner Tim Mahoney moved to publish the 2010-2014 Consolidated Plan for public comment and review and schedule a public hearing before the City Commission for final approval. Second by Don Faulkner. All Members present voted aye and the motion was declared carried.

Item 3. Review 2010 CDBG and HOME Budget

Dan Mahli summarized the proposed 2010 Community Development budget.

Jim Gilmour stated a majority of CDBG funds, 70%, are required to be used for facility and capital projects that serve low-to-moderate income populations. Staff recommends setting aside the capital funds to review as the 2010 requests mature. Dan Mahli added he would like the CD Committee to recommend publishing the 2010 CD budget for public comment and a public hearing and to make recommendations on the larger capital improvement projects as they come forward throughout the year.

Chair Tim Mahoney moved to recommend approval of the 2010 Community Development budget to the City Commission. Second by John Paulsen. All Members present voted aye and the motion was declared carried.

Item 4. Update on Fargo's Neighborhood Revitalization Initiative

Dawn Mayo gave an update on the City's Neighborhood Revitalization Initiative (NRI). She provided background on the NRI and stated the program has had a positive impact in the community. She mentioned the boundaries are stable, however, staff would like the CD Committee to consider changes to the maximum loan amount and assessed value used in determining program eligibility.

Ms. Mayo presented maps showing homes that have been: 1) assessed at \$135,000 or less, 2) assessed at \$135,000 to \$180,000, and 3) assessed over \$180,000. She stated there are a significant number of good projects that could be made eligible for the NRI program if the assessed home values and maximum loan amounts are increased.

Commissioner Dave Piepkorn asked if homeowners are sent information on the NRI program. Ms. Mayo answered the City Snapshot is the predominant means of marketing the program and added the next issue will be out in May. Commissioner Piepkorn suggested including something in the utility bill. Discussion followed on marketing the Neighborhood Revitalization Initiative to the public.

Rebecca Knutson, a resident in the Clara Barton neighborhood, spoke in support of increasing the maximum NRI loan amount and assessed value.

John Paulsen moved to raise the maximum assessed value of NRI eligible homes from \$135,000 to \$180,000 and to raise the maximum loan amount from \$40,000 to \$60,000. Second by Don Faulkner. All Members present voted aye and the motion was declared carried.

Dan Mahli will talk with Gate City Bank about the recommendation.

Rocky Schneider suggested the City consider, at some point in the future, offering a program similar to the NRI for rental properties in older neighborhoods.

Item 5. Other Business

No other business was presented.

The meeting adjourned at 4:30 p.m.

**CITY OF FARGO
COMMUNITY DEVELOPMENT NOTICE**

The City of Fargo Planning and Development Department has available for public review and comment a draft five year Consolidated Plan for Housing and Community Development Activities. The 2010-2014 Consolidated Plan includes an Action Plan for how community development resources will be used in fiscal year 2010. Fargo expects to have available \$784,237 in Community Development Block Grant (CDBG) funds and \$610,000 in HOME funds. Projects in the 2010 Action Plan include the following activities.

- **HOUSING REHABILITATION-Owner Occupied** - \$350,000 for rehabilitation of existing owner-occupied housing units. This includes \$50,000 in CDBG and \$300,000 in HOME funds.
- **DOWNPAYMENT ASSISTANCE** - \$159,000 in HOME funds to assist lower income families with home purchases.
- **AFFORDABLE HOUSING PROJECTS**
 - **Beyond Shelter, Inc. CHDO Projects** - \$100,000 in HOME funds for senior housing at 1670 East Gateway Circle S.
- **DOWNTOWN PROJECTS** - \$150,000 in CDBG funds for projects that address slum and blight conditions in downtown Fargo.
- **PUBLIC SERVICE PROJECTS**
 - **Homebuyer and Tenant Education** - \$30,000 in CDBG funds to support the Village Financial Service Center with the Homebuyer and Tenant Education programs.
 - **Emergency Shelter** - \$40,000 in CDBG funds to provide operating support at the Gladys Ray Shelter in Fargo.
 - **Snow Removal Assistance** - \$2,500 in CDBG funds to offer emergency snow removal assistance to low income senior households and people with disabilities.
 - **Metropolitan Transportation Initiative** - \$10,000 in CDBG funds to support transportation services for low income individuals in Fargo.
 - **Skills and Technology Training Center** - \$5,000 in CDBG funds for job skills development for refugees and low income individuals
 - **Cooper House Nurse** - \$20,000 in CDBG funds to help support a full-time nurse serving long-term homeless populations at the Cooper House permanent supportive housing development.
- **FACILITIES/CAPITAL**
 - **Facilities and Capital Projects** – The following projects will be considered for \$273,351 in CDBG facilities/capital project funds:
 - o **Family Health Care Center** – Assist with facility expansion/renovation into a new location at 301 NP Ave N.
 - o **Fraser, Ltd.** – Facility improvements to 711 S University Drive Transitional Housing for Young Adults.
 - o **Immigrant Development Center** – Assist with the facility and landscape development of a downtown farmer’s market employing low-income entrepreneurs.
 - o **Nokomis Childcare Center** – Assist with facility improvements at 658 23rd St S to improve energy efficiency and health/safety/code issues.
 - **Myrt Armstrong Center** - \$10,516 in CDBG funds to assist with floor replacement at the drop-in center at 1419 1st Ave S.
 - **Neighborhood Project** - \$12,000 in CDBG funds for a potential project that will help enhance a low/moderate income neighborhood.
 - **Native American Commission** – \$10,000 in CDBG funds for improvements to a sweat lodge facility in Fargo.
 - **YWCA Cass Clay** – \$14,023 in CDBG funds for security system improvements at the Women’s Shelter in South Fargo.
- **ADMINISTRATION** - \$156,847 in CDBG funds for project development, planning, and administrative costs associated with the delivery of the CDBG program. HOME funds will provide an additional \$51,000 for administration.

Anyone wishing to comment on the *2010-2014 Consolidated Plan* or the *2010 Action Plan* should contact the City of Fargo Planning and Development Department, 200 3rd Street N, Fargo, ND 58102. Phone 241-1474. TDD 241-8258. FAX 241-1526. Plans are also available on the web: <http://www.cityoffargo.com/planning>. Comments will be received until March 5, 2010. Also, the City Commission will hold a public hearing on this proposed Action Plan March 8, 2010 at 5 p.m. at City Hall, 200 3rd Street N.

Appendix B: Recapture Provision Documentation

(sample Land Use Restriction Agreement)