

# Prioritizing Greatest Need Activities

2020 CDBG Best Practices Webinar Series



# HUD Welcome

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James Höemann, Director Entitlement Communities Division

- Senate appropriations committee request to focus on four topic areas –
  - Prioritizing greatest need activities/projects
  - Grant oversight strategies
  - Reducing CDBG admin costs
  - Leveraging CDBG funds
- Identify creative strategies in these areas
- Provide a platform for our grantees to learn from each other
- Compile a report for Congress

# Session Overview and Introductions

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Kelly Price, ICF

# Session Overview

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- Learning Objectives

- Participants will learn from program administrators in diverse communities across the country about best practices to prioritize activities with the greatest need for CDBG funds.
- Participants will gain understanding of effective, replicable, best practice models to implement in their CDBG programs.

- Agenda

- Introductions
- Panelist Community Presentations
- Q&A

# Introductions

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- Marilyn Harris, Louisville-Jefferson County, KY
- Kate Bartholomew, Bellingham, WA
- Brooklyn Holton, Wenatchee, WA
- Caroline Gregerson, La Crosse, WI

# Poll Question

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What is the size of your most recent CDBG allocation?

- A) < \$300,000
- B) < \$600,000
- C) < \$999,999
- D) > \$1,000,000

# Louisville-Jefferson County Metro Government

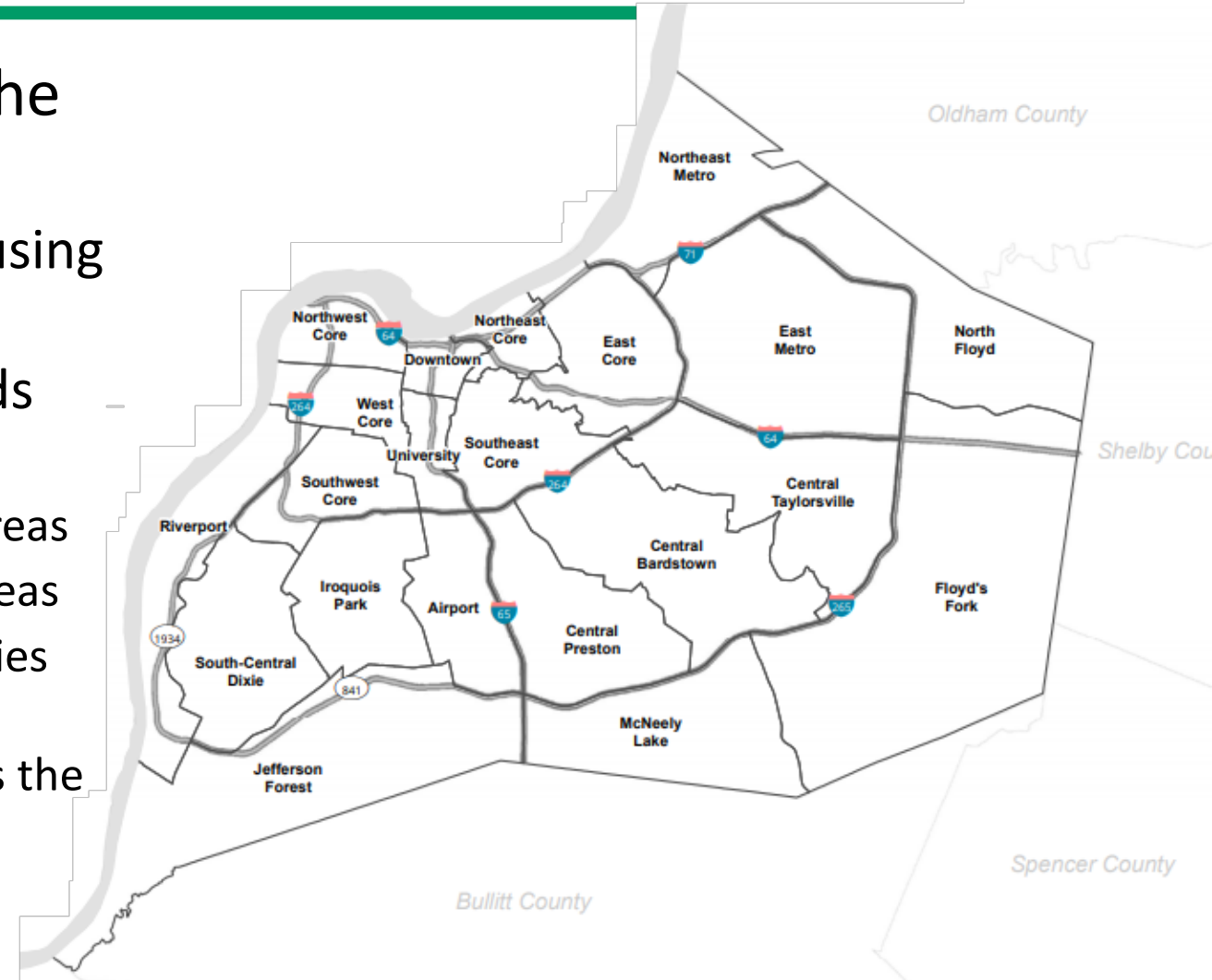
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**Marilyn Harris**

Director, Office of Housing

# Housing Needs Assessment

- Identify the need for housing in the community
  - Myth and lore about “need” of housing was abundant
  - 2018 comprehensive Housing Needs Assessment
    - Divided community into 21 Market Areas
    - Analysis of housing stock across all areas
    - Informs potential strategies and policies moving forward
    - Increase housing opportunities across the spectrum





# Increasing Community Input

- Stakeholder meetings
  - For-profit builders and developers
  - Nonprofit builders and developers
  - Public and private lenders
  - City agencies
  - Realtors
  - Advocacy groups/grassroots organizations



# Key Spheres for Assessment

- **Health**

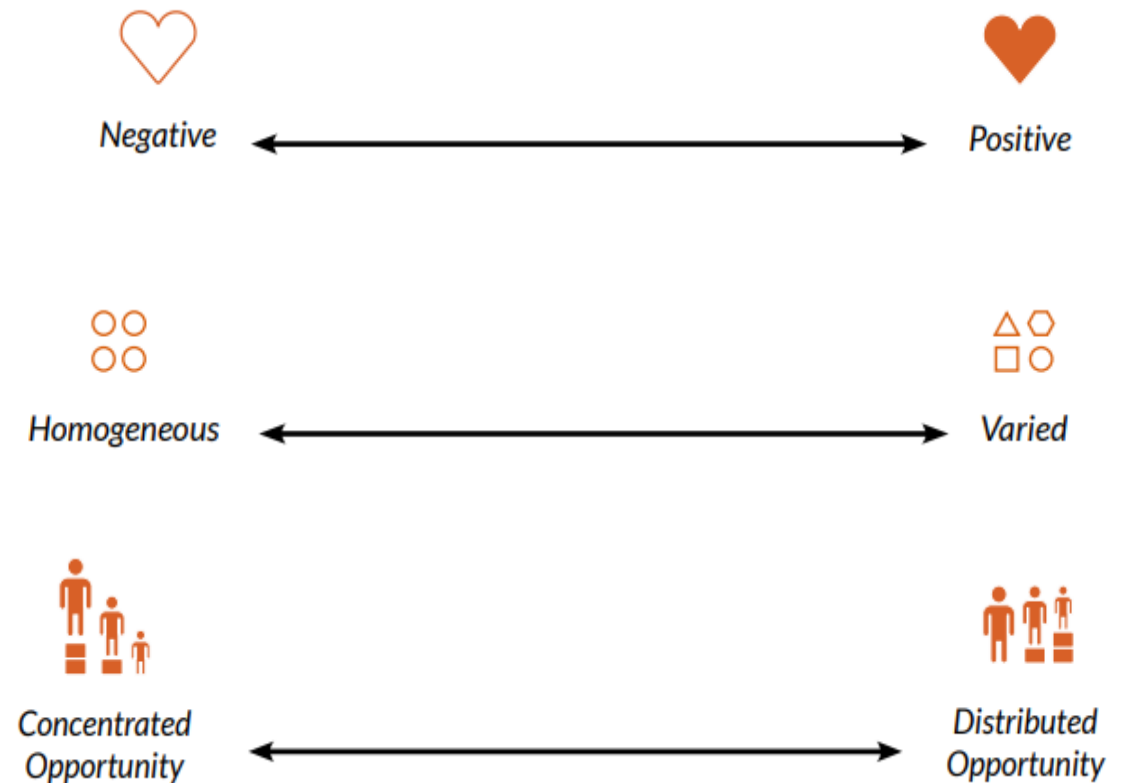
- Financial stability
- Quality of housing stock
- Pace/type of development activity in the housing market
- Eviction/Foreclosure

- **Diversity**

- Availability of myriad housing typologies
- Location preferences that meet the needs of Louisville's increasingly diverse residents

- **Equity**

- Accessibility of opportunities for economic mobility
  - Income growth
  - Wealth building



# Market Area Profiles

## 22 Total Profiles

- One for each Market Area
- One combined for all of Louisville-Jefferson Co.

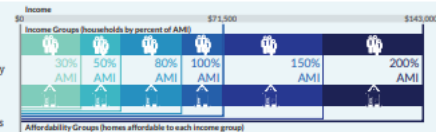
### Affordability Gaps

#### About the Affordability Gap Analysis

Louisville's Area Median Income (AMI) in 2018 was \$71,500 for a family of four. Families with income below this amount have less housing choice because there are fewer housing units that they can afford.

The chart to the right shows six income groups in relation to Louisville's AMI. Homes are affordable to an income group if they cost no more than 30% of the group's income. For example, homes in the 50% AMI affordability group cost 30% of a 50% AMI household's income.

But a higher income gives families more choice to spend less of that income on housing, so each income group can also afford homes in lower affordability groups; for example, households in the 50% AMI income group can also afford homes in the 30% AMI affordability group. A home may be affordable but not available to an income group if it is occupied by a family who could afford a more expensive home.



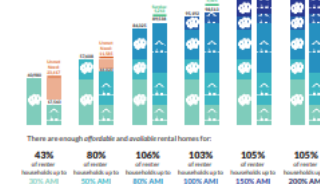
The Affordability Gaps for each market area show where there is a shortage of affordable and available homes for each income group. Citywide, there is a shortage of houses affordable and available to families in income groups below 100% AMI.

In the Affordability Gap figures below, the **Unmet Need** numbers estimate the total number of additional units that would be needed to close the affordability gap for each income group. Because these numbers are estimates based on sample data, the unmet need for renters and for owners together may not add up to the total unmet need.

There are only enough affordable and available homes for 46% of Louisville's 30% AMI families. The remaining 54% have to occupy homes that are unaffordable to them but may be affordable to 50% AMI households. The increased demand for housing units in the 50% AMI affordability group causes a shortage of units for 50% AMI households, who may then have to occupy homes at the 80% AMI or 100% AMI affordability level.

If Jefferson County had 31,412 additional units in the 30% AMI affordability group and if they were all occupied by the 30% AMI households that need them, then there would be no affordability gap for any of the income groups.

#### Affordability Gap for Jefferson County Renters

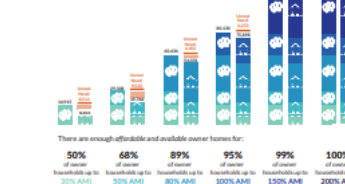


Renters in the 30% AMI far outnumber affordable homes. There are more homes affordable to 50% AMI households, but not enough to accommodate the unmet need of 30% AMI households.

#### Affordability Gaps for All Jefferson County Households



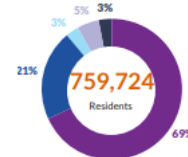
#### Affordability Gap for Jefferson County Owners



There are much fewer owner homes than renter homes affordable to 30% AMI and 50% AMI households, but there are also fewer homeowners than renters among the two lowest income groups.

### Louisville Housing Needs Assessment - Housing Market Area Profiles

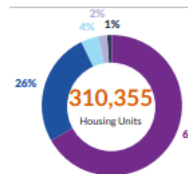
## JEFFERSON COUNTY



**Race & Ethnicity**

- White
- Black/African American
- Asian
- Latinx
- Other

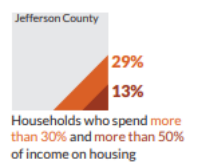
**Median Household Income**  
**\$50,099**



**Housing Type**

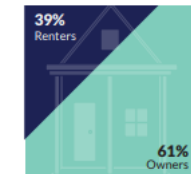
- Single Family Detached (204,739)
- Multifamily (81,890)
- Single Family Attached (13,155)
- Duplex (6,102)
- Manufactured (4,469)

#### Cost Burden



**Median Gross Rent**  
**\$770**

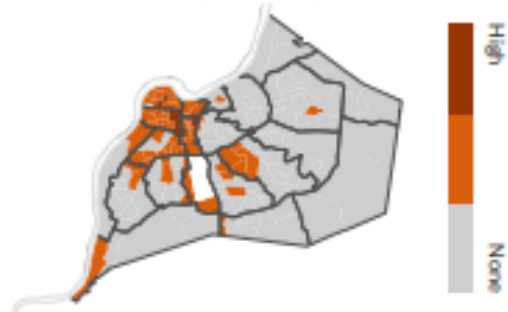
#### Tenure



**Median Home Value**  
**\$174,400**

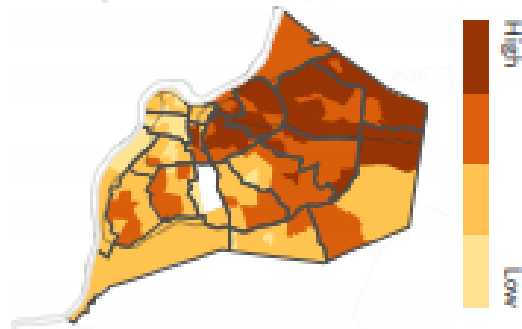
# Identify Potential Strategies

## Vulnerability to Displacement



Vulnerability to displacement due to development pressure most impacts census tracts in the west of Jefferson County, particularly those near downtown.

## Neighborhood Opportunity

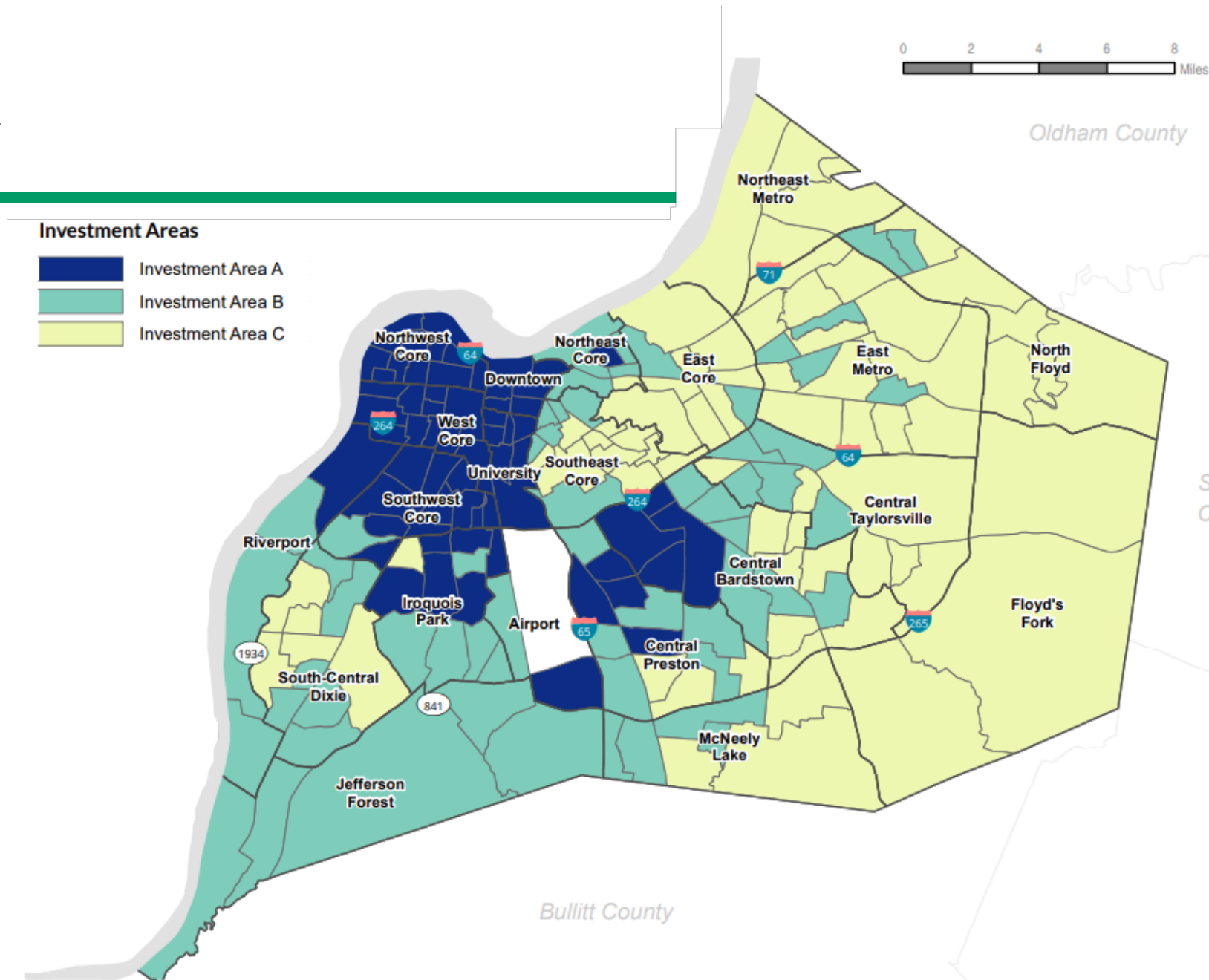


Residents in the eastern part of Jefferson County generally have better access to key resources like jobs, stable housing, transit, and health hazard mitigation.

- Local Solutions-Funding
  - Dedicated funding source for housing initiatives
  - Creation of a CLT
  - Preservation of unsubsidized NOAHs
- Local Solutions-Policy
  - Inclusionary Zoning in LDC
  - Extend periods of affordability for projects
  - Anti-displacement strategy
- State Solutions-Changes to State laws/policies
  - Tax Delinquency Deferral Program
  - Mixed income initiative with state FHA and LIHTC
  - Exclusionary taxing for affordable developers

# Strategy Matrix

- New Initiative
- Existing Strategies
- Other Plans
- Across all Spheres
  - Diversity
  - Health
  - Equity



# Consolidated Plan



- Followed the success of the HNA
  - Stakeholder meetings
  - Neighborhood meetings
  - Council person “town halls”
  - Public hearings via WebEx
- Overview of CDBG, HOME, ESG, HOPWA
  - Surveyed all participants at the events
    - What’s important to YOU?
    - What’s missing in your community/neighborhood?
    - How would you spend the money?

# Community Input Increased Dramatically

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- Community Outreach
  - Multiple neighborhood meetings/listening sessions
  - 2 community meetings via WebEx
- 2 Public Hearings
  - Over 380 participants viewed the meeting
  - Multiple questions addressed
- Identified greatest needs as:
- Affordable Housing/cost burden
  - Non-Housing Community Development
  - Homeless Services
  - Non-Homeless Special Needs
  - Small Business Development

# Poll Question

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How do you collect and analyze data to prioritize greatest needs activities for your program?

- A) Use outside partners like universities and colleges.
- B) Conduct listening session among city/county departments, community & faith-based organizations and elected officials.
- C) Create and conduct a citizen survey.
- D) All of the above.
- E) Other



# Bellingham, WA

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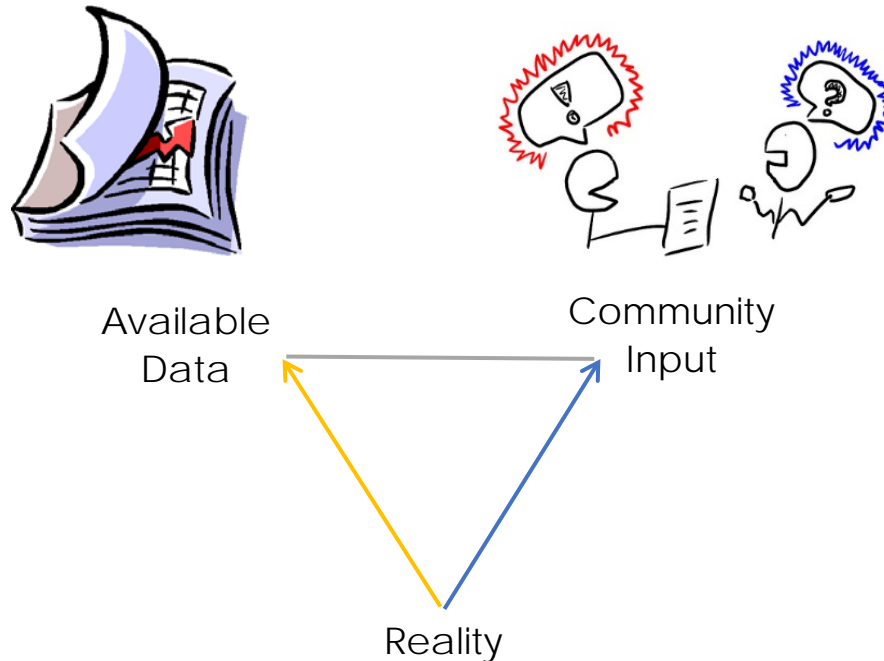
**Kate Bartholomew, MPA**

Development Specialist, Department of Planning & Community Development

# Public Participation

We relied heavily on data analysis to draft the Consolidated Plan, but data can't tell the whole story. We checked in with the public to see if the data “feels right.”

In this way we can try to triangulate the available data with community experiences and insight.



# Many efforts were made to connect with citizens, especially low-income residents



## Encuesta pública sobre el Plan consolidado 2018-2022

### El plan consolidado

La ciudad está desarrollando un plan de cinco años para abordar la asequibilidad de la vivienda, la indigencia, las necesidades de servicios y el desarrollo económico en Bellingham. Nuestra comunidad tiene muchas necesidades importantes. Usted puede ayudarnos a decidir qué prioridad dar a cada una.

Los fondos federales y locales están destinados al beneficio de los hogares y vecindarios de bajos ingresos; el financiamiento disponible tiene algunas limitantes y solo debe utilizarse para actividades específicas. Sin embargo, la ciudad ofrece algunas opciones dentro de estos parámetros. Dividimos las preguntas en temas de modo que pueda responder a todas, o solo el tema que más le interese.

Los tres temas son:

- Indigencia

Do you care about housing issues?  
Let us know what you think.

[www.surveymonkey.com/r/Cplan](http://www.surveymonkey.com/r/Cplan)



# The top priorities dictated our goals

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Through the Consolidated Plan process and Assessment of Fair Housing, the City, the public, and community partners identified many priorities that fit into five broad goals:

1. Increase the supply of affordable housing
2. Address and prevent homelessness
3. Preserve existing housing
4. Promote neighborhood equity
5. Coordinate effective delivery of services

# Our community's priorities

## Tier 1

Support the **acquisition and development** of additional housing units affordable for low-income residents.

Increase the City's **proactive role** in affordable housing development.

Support the development of **emergency shelter** in a safe, permanent location.

Offer **rental assistance** for vulnerable households, prioritizing homeless families and adults, and severely cost burdened families with young children.

Support programs to prevent chronic homelessness through intervention services like **diversion and light-touch case management**.

Offer **home rehabilitation loans** with favorable terms for low income homeowners – especially for those who are elderly & disabled.

Allow for **infill, multifamily, and group housing** in more neighborhoods.

## Tier 2

Conduct a housing **equity audit** by neighborhood.

Address community and public **infrastructure** needs in underserved neighborhoods.

Involve partner agencies, tenants, landlords, and the broader community in **education and advocacy efforts** involving homelessness, fair housing, cost burdened households, and neighborhood equity. Coordinate local strategies to assist those experiencing and at risk of homelessness.

**Raise awareness** with upstream funding and finance agencies about local needs and priorities.

Support owners of rental housing that offer units to residents who pay some or all of their rent with a voucher/subsidy by pursuing a **rehabilitation loan** program that offers favorable terms or a **damage mitigation fund** for owners who rent to these households.

Improve **disaster preparedness** and response efforts, particularly for special needs populations.

Support **homeownership** and down payment assistance for low to moderate income households, especially for minority households and households with young children.

Support intensive case management for those experiencing chronic homelessness.

Support social inclusion programs for those reentering housing from homelessness.

Support additional services to those experiencing unsheltered homelessness like storage and sanitation facilities.

Support the expansion of affordable childcare opportunities.

Support the coordination and expansion of mobile health and peer health services that serve special needs populations.

Address the “benefits cliff”: pursue opportunities to ease the transition off housing assistance to encourage more households using assistance to embrace upward mobility.

Prioritize housing and services to special needs populations: elderly, families with young children, developmentally disabled, victims of DV, homeless, or with behavioral or physical health issues.

Support local economic development: especially job training for those who are exiting homelessness, and microenterprise development.

# Example: responding to community-identified needs

## PARTNERS AS LEAD

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# Home Rehab Loan Program




🏠 Home > Services > Housing and Human Services

## Home Rehab Loan Program (Owners)

The Home Rehabilitation Program strives to sustain the quality of life in our community, provide an affordable housing rehabilitation option to low and moderate income households, preserve the existing housing stock in our neighborhoods, and provide employment opportunities for local contractors. The residences must be occupied by owner households with incomes **at or below 80% of the median income of Whatcom County (PDF)**. View a video that summarizes the program here:

<https://youtu.be/T9fkzvVQeQY>

Funds from the Community Development Block Grant provide low-interest loans for the rehabilitation of one- to four-unit family residences. In addition to providing loans, the program offers the following services:



Owner-occupied  
adult family homes



In-home childcare

# Worked with partners to refine the program

## Community resources:



## Licensing agencies:



Aging & Long-Term Support  
Administration



# Wenatchee, WA

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**Brooklyn Holton**

Neighborhood & Community Services Coordinator

# South Wenatchee Neighborhood

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**PROBLEM:** The South Wenatchee was the earliest to develop and therefore has become a focus for improving infrastructure and community access to facilities.

The Chelan Avenue project served as a catalyst for community engagement in the full South Wenatchee Sub Area planning process.

Issues looking to be addressed with our Chelan Avenue project included:

- Updated Infrastructure
- Multimodal access and facilities
- Sense of safety
- Community ownership
- Connection to the Community Center & adjacent park
- Public Art

# South Wenatchee Action Plan

- Process
  - Community ownership in development of plan
  - Considered multi-stakeholder implementation
  - Yielded tangible results
  - Affirmed results of previous engagement



# Chelan Avenue Project - Considerations

## Considerations surrounding the project:

- Beginning a “South Wenatchee Action Plan” effort
- CDBG funding alone was inadequate
- Opportunity to mend/build trust
- Improvement planned for Community Center & Park
- Affects businesses & residents

### **SIDEWALKS & LIGHTING**



# Chelan Avenue Project - Approach

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## **How we addressed the considerations and best practices gleaned:**

- Planning Effort: This project was a pilot for using an “active planning” approach towards developing the South Wenatchee Action Plan.
- Funding: Utilized the pre-award cost option which incentivized the City to support an accelerated timeline with additional funding
- Trust: Movement on the project generated momentum for the Action Plan and ownership in the community. Public meetings were held in the neighborhood, at convenient times and with food provided in partnership.
- Facility Improvements: Built momentum for projects 3-5 years out
- Audience: Able to bring a variety of voices to the table for Council feedback



# Chelan Avenue Project - Results

- United Neighborhood Association
- No Vandalism and Council Gratitude
- Friendships ~ invitation to partake
- Support for larger projects
- Standard for community engagement



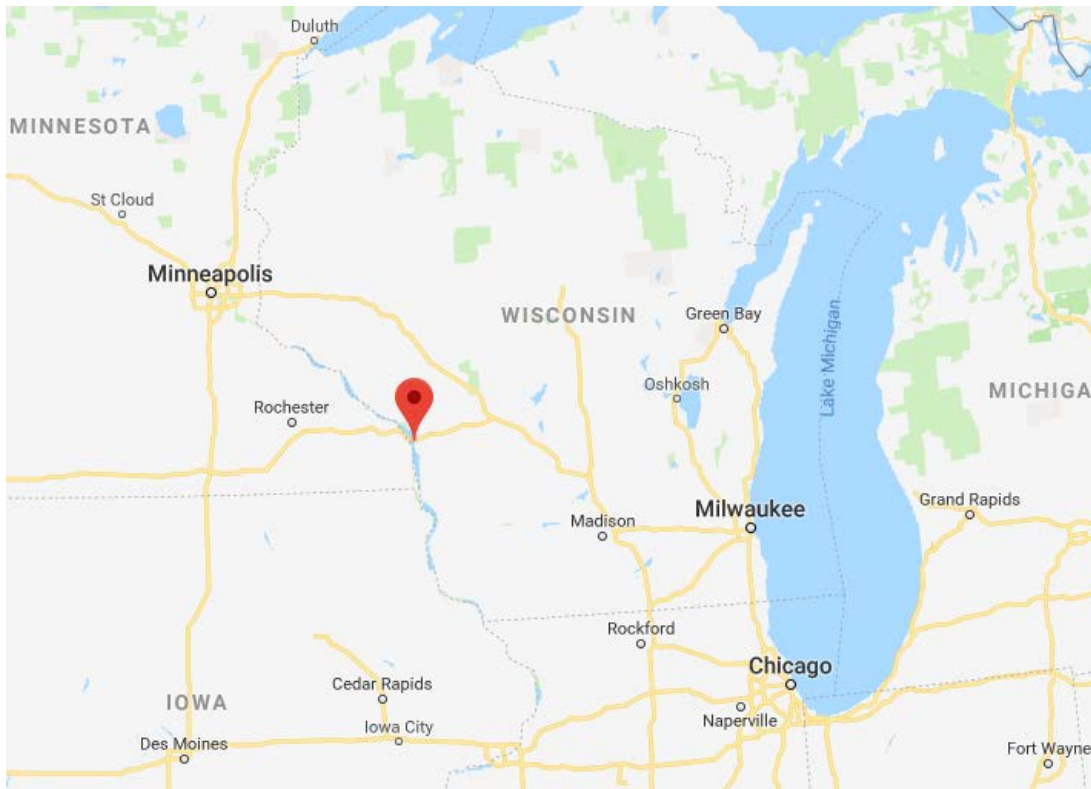
# La Crosse, Wisconsin

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**Caroline Gregerson**

Community Development Administrator

# About La Crosse



**HUD Allocation for 2020:**

**\$881,561 (CDBG)**

**\$310,213 (HOME)**

**CDBG Program Income \$587,384**

Entitlement grantee since 1978

Wisconsin's largest West Coast City, est. 1856

City between Bluffs and the Mississippi River

Employers: Health Care, Universities,  
Manufacturing



# What were La Crosse activities prior to 2013?

- Housing Rehabilitation, Small Business Loans, Affordable Homeownership (priority)
- Building maintenance for a Senior Center that the City no longer wanted responsibility for
- Creating an ADA compliant bathroom in an Arts Center
- Funding allocations were based on what had been funded the year prior
- No new applicants

## Missing

- Accountability for our Consolidated Planning Goals
- Projects that created affordable housing opportunities for renters
- A funding formula based on goals



From this: addressing ongoing maintenance issues in city-owned buildings



To this: 32 affordable apartments

# Consolidated Planning - Whose needs?

Needs typically represented in surveys, public hearings, neighborhood association meetings:

- Homeowners
- White
- Retired

To truly identify needs, we wanted to target these groups:

- Single mothers
- People of color
- People with disabilities
- Renters

Best practices:

- Do your own citizen engagement.
- Find interns or VISTA volunteers to help.



# Strategies to hear new voices

## Where to find these groups?

- School open houses and new family orientation
- City of La Crosse Parks and Recreation “Field of Screams”
- Door-to-door surveying in target neighborhoods (included service day with college students)

## Single Mom Focus Groups

- Brought together by school social workers
- Offered gift cards and pizza, childcare

## Other methods to engage citizens

- Neighborhood association meetings
- Resident meetings at the public housing authority (with snacks)
- Press release
- Facebook advertising

**Result:** 1895 residents took the survey, 18 public meetings with 235 participants





# Needs identified in Consolidated Plan

- Lack of affordable rental housing
- Lack of quality housing
- Concern for large homeless population
- Disrepair of roads
- Declining number of families living the City of La Crosse
- Scarcity of licensed childcare services and mental health care services



# Set targeted, specific goals

## Goals and Performance Metrics (Over 5-years)

1. Increase the safety and maintenance of homes through code enforcement
2. Repair aging housing infrastructure, both rental and owner-occupied
3. Increase the number of quality and affordable owner-occupied homes in target neighborhoods.
4. Build mixed-income, affordable, multi-family housing, with set-aside units for homeless individuals
5. Rebuild public infrastructure to improve livability for families in Neighborhood Revitalization Strategy Areas.
6. Expand access to licensed childcare or early learning opportunities for LMI persons
7. Support businesses that create economic opportunity in LMI neighborhoods with an emphasis on food access.
8. Prevent and end homelessness in La Crosse
9. Alleviate poverty and increase self-reliance (focus on mental health, substance abuse, health care, domestic violence, and youth services).



[City of La Crosse's 2020-2024 Consolidated Plan](#)



# Strategies for achieving goals

- Work with partners and departments year-round to get projects developed
- Fund only activities outlined in your goals
- Highest ranked projects funded
- Separate funding buckets for high priority goals
- **Ideas for funding affordable multi-family housing**
  - Invited Low Income Housing Tax Credit developers to La Crosse
  - Created a CDBG loan pool fund to cover CDBG eligible costs for multi-family construction
  - Projects take a long time- pledge future funds or funds over 2 years



*Garden Terrace Multi-Family Housing project*

# CAPER: Report on goals annually

| 5-YEAR GOALS   | 5-YEAR OUTCOMES   | Results to Date (2019-2020) | 2019 Actual | Percentage of Goal Met |
|--|---|-----------------------------|-------------|------------------------|
| <b>Neighborhood Revitalization</b>   |   |                             |             |                        |
| 1. Increase safety and maintenance of homes through code enforcement   | 5000 housing units make repairs as a result of code enforcement                                 | 4536                        | 212         | 91%                    |
| 2. Repair aging housing infrastructure   | 75 units of homeowner housing rehabilitated   | 74                          | 14          | 99%                    |
|  | 25 rental units rehabilitated   | 20                          | 0           | 80%                    |
| 3. Demolish dilapidated housing structures and replace with new, affordable housing                                    | 30 units of homeowner housing added   | 48                          | 6           | 192%                   |
|  | 30 buildings demolished   | 25                          | 3           | 83%                    |
| 4. Improve livability, attractiveness, and safety through public infrastructure  | 2 priority neighborhood plan projects implemented<br>(e.g. green spaces, street-scaping, parks) | 2                           | 1           | 100%                   |
|  | Street lighting added in census tract 4 or 9, or 2 corridors                                    | 2                           | 0           | 200%                   |
| 5. Increase storm water captured through green infrastructure  | 1 green infrastructure project  | 0                           | 0           | 0                      |
| <b>Affordable Housing</b>  |   |                             |             |                        |
| 6. Increase mixed-income, affordable rental housing for low-income families, minorities, and persons with disabilities | 200 units of affordable rental housing added  | 89                          | 50          | 45%                    |
|  | 35 units for persons transitioning out of homelessness added                                    | 21                          | 15          | 60%                    |
| <b>Economic Development</b>  |   |                             |             |                        |
| 7. Increase economic opportunities for LMI persons   | 100 FTE jobs created  | 106                         | 38          | 106%                   |
| 8. Support neighborhood-based businesses   | 2 businesses assisted   | 135                         | 53          | 4100%                  |
| <b>Anti-Poverty Services</b>   |   |                             |             |                        |
| 9. Prevent and end homelessness in la Crosse   | 3000 homelesspersons receive overnight shelter  | 5631                        | 490         | 188%                   |
|  | 100 homeless persons housed in permanent housing.   | 373                         | 166         | 132%                   |
|  | 75 households assisted in obtaining or keeping housing  | 690                         | 241         | 599%                   |
| 10. Alleviate poverty and increase self-reliance   | 25,000 LMI persons assisted   | 17,791.00                   | 1936        | 63%                    |

- [Performance Metrics](#)

- Create my own spreadsheet
- Executive Summary for policy makers



*Minority/Women-Owned Business Grant*



# CAPER Slideshow

## Garden Terrace Multi-Family Project

“I grew up on the Northside. Every time a new Veteran moves in, I help them get furniture in their apartment and have helped others get food from the Kane Street Garden. I love the community here.” – Tony



## CDBG/HOME-funded Replacement Housing

“3 months ago, they found the listing for Charles Street. A dream, that again, would change their lives. They are now proud homeowners, having gone from homelessness, to renters, to homeowners. Thank you to everyone that has played a part in this journey. Thank you is not big enough.”

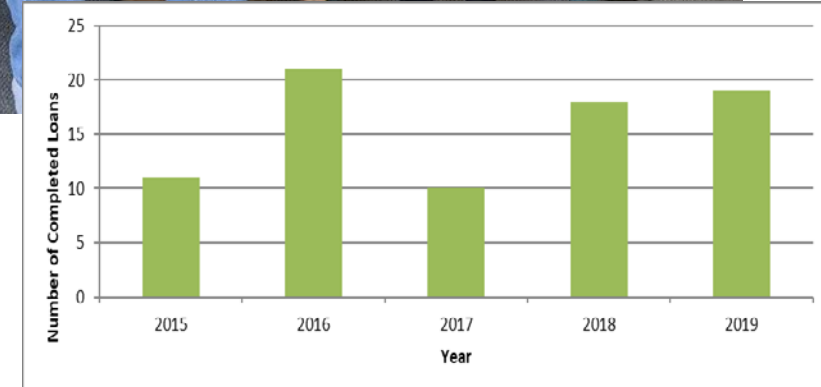


# CAPER Slideshow

## CDBG Housing Rehabilitation Loan

“Without this program, it is possible we would have lost our home.” – Terry and Tama Schlintz

Had a collapsed wall in their basement due to flooding. This program allowed them to fill in their basement and move their appliances.



# Poll Question

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How do you solicit feedback on program activities and projects?

- A) Solicit input from elected officials & city/county council
- B) Conduct formal surveys or feedback meetings/calls with subrecipients
- C) Conduct formal surveys or feedback meetings/calls with beneficiaries
- D) All of the above
- E) Other

# Resources

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Kelly Price, ICF

# Resources

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- CDBG HUD Exchange:  
<https://www.hudexchange.info/programs/cdbg/>
- Explore CDBG (other best practices and 101 video modules):  
<https://www.hudexchange.info/programs/cdbg/cdbg-ta-products/#all-products>
- CDBG State Guides, Tools, and Webinars:  
<https://www.hudexchange.info/programs/cdbg-state/guides/#guides-and-training-manuals>

# Q & A

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Kelly Price, ICF

# CDBG Best Practices Webinar Series

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|   |   |
|---|---|
| <b>Grant Oversight Strategies</b>         | November 12, 2020<br>2:00 – 3:30 PM EST |
| <b>Reducing CDBG Administrative Costs</b> | November 17, 2020<br>2:00 – 3:30 PM EST |
| <b>Leveraging CDBG Funds</b>              | November 18, 2020<br>2:00 – 3:30 PM EST |