

Welcome to Using the Consolidated Plan to Maximize Investments.

This webinar explains how grantees can use the consolidated planning process to make investments that lead to transformative impacts in their communities. In essence, with high demand and limited funds, how can you focus resources in a targeted manner to make a real difference? Making well-informed and strategic choices is the first step.

In the first part of this webinar, we walk you through how you can use the consolidated plan process. In the second half of the webinar, we illustrate how this works in practice by talking through a case study that describes how a fictitious community -- Rye, Indiana -- worked to maximize their investments. We will wrap up by providing a brief overview of the Maximizing Investments Toolkit, a new set of HUD tools designed to help communities with planning.

As we proceed through the webinar, keep an eye out for the dark blue boxes on the slides that follow. In these, we identify the relevant sections of the eCon Planning Template and products from the Maximizing Investments Toolkit that can support you through your consolidated planning process.

So, what does it mean to maximize investments? With high demand and few funds, maximizing investments means focusing funds and building on community assets and resources to extend the reach of your HUD funds.

Making well-informed and strategic choices is the first step. This means making choices that address your community's high-priority needs, complement private and public investments, leverage resources, and forge strong partnerships. The consolidated planning process can help you do this.

It is important to remember that Con Plan investments may take shape differently in different communities, and the planning process should always be tailored to local dynamics.

Through the consolidated planning process, you can target resources to the programs that are most effective at meeting priority needs; identify new resources; and line up HUD-funded activities with other initiatives in the community, all while building new partnerships.

The intent of the process is to drive planning that is strategic and results in comprehensive, holistic and cohesive community development investments.

The illustration on this page shows the different phases of the consolidated planning process and how each overlaps the others.

Consolidated planning is an integrative process and can be approached from different directions. The data collection and assessment process of each phase informs and influences the other phases.

When planning, it is important to look for and respond to issues and opportunities that surface and converge, and not to focus only on needs and gaps in services.

There are five core elements that contribute to the consolidated planning framework: priority needs, geographic priorities, local capacity, assets and opportunities, and funding resources.

When planning, grantees gather information about these elements from multiple sources. They receive this information at different points in the process and sometimes out of sequence. Given this, throughout the Con Plan process, grantees need to step back periodically and assess what they've learned and how that influences their approach.

There is no one way to approach strategic planning for the consolidated plan, and no one way to maximize the impacts of program funds. We recommend that grantees analyze all of the information they gather before developing strategies.

The first core element is "identifying priority needs." A comprehensive understanding of the pressing needs in your community forms the basis for developing investment strategies. Grantees determine priority needs by analyzing data, conducting research, and considering stakeholder and public input.

In the Con Plan needs assessment, grantees use data from multiple sources to characterize their communities' needs. This includes data from the American Community Survey; economic and local data from sources such as the Department of Labor and local building and human service departments; and information gathered through consultation with stakeholders such as developers, service providers, and advocates. Furthermore, grantees consider citizen input.

In the same way, grantees collect information to create a profile of their housing inventory, including market-rate, affordable, and subsidized housing. Through the market analysis process, grantees identify their housing assets and challenges, gain an understanding of private market dynamics, and determine where to focus public investment.

To determine priority needs, grantees consider the findings of the needs assessment and market analysis. They assess the relative importance of these needs as expressed by the community, their ability to address them with HUD and other funds, their partners' capacity to implement programs, and their ability to leverage other public and private investment to have a greater impact.

A second element of planning for maximum investment is to identify geographic priorities and target areas. By targeting funds, grantees can combine investments in an area to achieve their goals. This is not to say that grantees should limit their investment to only one area, but rather that one way of increasing impact is to concentrate investment in one or several areas. The scale and type of investment should be customized to each area.

When identifying geographic priorities, grantees should consider, at a minimum, the needs in the area, as well as prior and current program investments. In addition to HUD investments, grantees should identify other public and private investments that complement them.

Community assets, such as transit stops, educational and other institutions, infrastructure features, and local partner capacity all have the potential to help the grantee maximize its investments. Mapping key demographics and market data, assets, and opportunities can help grantees see how they converge and start to visualize solutions.

Mapping can also help grantees understand area dynamics and places that require more analysis. For example, you might look for areas of concentrated and/or multi-faceted needs and determine whether these areas require closer analysis, or, you might focus on an area where there has been a lot of investment, but little impact, and be prompted to analyze why this is the case.

The involvement of community partners is essential to consolidated planning for several reasons. Partners provide grantees with an understanding of community needs as they know them “on the ground.” Their input helps grantees design programs that work well. They help grantees implement programs and bring resources to the table.

Grantees work with partners in different ways during the planning process. For example, partners may bring needs to a grantee’s attention and work with the grantee to find a way to address the needs, or a grantee may identify priority needs and look for partners to help design and implement programs to address them.

You should use the consultation process to inventory your current partners, their roles and capacities, as well potential partners and their capacities. By asking organizations for the names of others to speak with, you can extend the reach of your consultation process and your pool of potential partners.

Specifically, through consultation grantees should be able to:

- Inventory partners, their role in addressing priority needs, and their geographic service areas
- Identify other stakeholders, and whether they have the capacity to contribute resources to meet priority needs, or have the ability to implement projects and programs to meet priority needs
- Assess the capacity of the organizations that will form the grantee’s program delivery structure, and their ability to carry out consolidated plan activities

In addition to tapping the organizational capacity found in local partners, grantees should find opportunities to build on community assets, prior investments, and other initiatives under way. Furthermore, grantees should assess how these features add value to their investments.

Once you have identified the community features that add value, examine ways in which you can invest HUD funds to build upon these assets. For example, it makes sense to locate affordable housing investments in an area that has access to public transportation or is within walking distance of a grocery store and other services. This location allows residents to have access to employment and services without needing to own a car.

Grantees can use the consolidated plan public participation and consultation processes to learn about other initiatives and investments taking place in the area. By involving other municipal departments, nonprofits and other funders in the planning process, grantees can not only learn what is happening in the area, but also start to coordinate the ways they will build on these efforts.

In sum, aim to integrate your plans and projects with other public and private revitalization activities. Look for commonality with projects, and align your investments with others to maximize impact, paying special attention to activities that open the door for further investment.

Grantees not only need to find ways to build on local assets but also need to seek out other funding sources with which they can leverage their HUD funds. When grantees are able to leverage and align funding sources, they will be able to extend their money. With multiple funding sources, grantees may be able to design projects that meet multiple goals, and may have greater results than if the project were funded with one source. Leveraging non-HUD funds is important, and grantees should make every effort to bring as many resources as they can to the table.

As discussed previously, grantees can use the consultation process to identify potential funding sources. Through discussions with non-profits, for-profits and philanthropic organizations, grantees may discover opportunities to work together by combining resources or leveraging each other's capacity to access funds. Furthermore, grantees should communicate with municipal agencies and departments to pool resources.

Some questions you should seek to answer include:

- What resources are identified in other local plans?
- What funding sources have other recently completed projects used? Who were the projects partners and sponsors?
- What resources are available through local funding agencies and housing finance agencies?
- Have other local agencies, grantees, or partners received new funding from the state, federal government, or the private sector?

Keep in mind that:

You should not limit potential funding sources to those identified above, but should explore federal and regional as well as local sources. You can list your non-CPD resources in screen SP-35 of the eCon Plan Template.

Now let's move to an example of how a grantee might use the Con Plan process and the tools we discussed to strategically combine assets and resources to meet the community's priority needs. This is a fictional case, in a fictional community.

When the City of Rye started its consolidated planning process in 2014, the northeastern corner of the city, a highly deteriorated and low-income section that suffered from a severe population loss and a depressed economy, was beginning to show signs of change due to recent infrastructure improvements. Knowing that the planning department had recently completed a community plan, community development staff considered whether the area might be a good place to focus investment. When a

short while later the community approached the City Council on its own and requested help, it became clear that the area merited further consideration.

After an exploratory process, the city designated Northeast Rye as one of its geographic priority areas in its consolidated plan, and its staff worked with the community to develop strategies to further stimulate investment while addressing the needs of existing residents.

The following slides will explain how the city and community members approached the planning process and determined what was needed to revitalize Northeast Rye.

One of the first things the city did was hold community meetings in Northeast Rye to learn directly from community members about their concerns . At the meeting residents and business owners said they needed better-quality affordable housing, job training and access to jobs. They also expressed concerns about public safety.

Building on the information they gathered at the community meetings, the city used GIS mapping resources as well as CPD Maps to complete a demographic, economic, and physical asset analysis of the area. With these tools, the city compared Northeast Rye to the entire city, and determined that:

- A considerable number of housing units were old and in poor shape.
- The last five years had witnessed an increase in the number of renter households that were cost-burdened.
- In general, residents had lower education levels than residents in other areas of the city.
- There was considerable unemployment in the area.
- There were more elderly people living in the area than in other parts of the city, but few services.
- Overall, crime was decreasing in the area, though personal property crimes had increased slightly.

The city concluded that the area needed new, affordable rental housing, job training programs, economic investment, as well as an evaluation of elder services in the area. Ultimately, these considerations informed the city's investment plan.

After analyzing the data and considering community input, the city decided to consider Northeast Rye as one of the geographic priority areas within its Con Plan.

The city knew that in order to have an impact in the community, it needed to focus investments. Staff narrowed the area to focus on the mixed residential and commercial corridor along Martin Boulevard. In previous decades this corridor had once been Northeast Rye's "Main Street."

City staff focused on the Martin Boulevard corridor as a target area after considering the following factors:

- The city recently had invested HUD and other funds in this area. The improvements included: new sidewalks and curb cuts, roadway and intersection improvements and some individual housing rehabilitation projects.
- There were several community groups active in the area, some with more capacity than others.
- One group had been using CDBG funds to provide job training citywide for three years.
- Commuting pattern data showed that the area had good access to job centers through high-frequency buses running along Martin Boulevard and with the new commuter rail station.
- New businesses were appearing around the commuter rail station.
- There seemed to be renewed interest in the area, and housing prices were increasing in the areas directly adjacent to the commuter rail station.
- Several initiatives proposed in the Northeast Rye Community Plan were under way, and were located near Martin Boulevard, creating the potential for a critical mass of investment.

In order to understand how the city might lead revitalization efforts in the Northeast Rye area, and to start identifying potential projects and programs, staff consulted with individuals, business owners and other municipal departments as they developed their investment plan for the area. They talked with potential partners individually and in focus groups, asking for their feedback on priority needs, possible development activities and services. Staff listened for key issues, including how to leverage community assets, the challenges of working in the area and ways to overcome them. These consultations not only informed the consolidated plan, but also helped the city create a team of partners that could contribute to the revitalization of the area.

As the investment plan began to take shape, the city continued to look for creative ways to partner with other organizations. In the slides that follow, we give some examples of how they did this.

Throughout the planning process, the city worked to identify the area's assets and opportunities for smart investment. Staff inventoried projects that were being funded and those that had received funds in prior years. They talked with community organizations, developers and advocates to identify projects that would complement HUD investments. The city's analysis considered the needs of the community along with the investment opportunities that the area offered.

Eventually, the city decided to start with redeveloping an area located along Martin Boulevard called Walnut Corners that housed an old car repair lot and shop, a car wash, and a small retail building that dated back to the 1950s. A number of small-scale contaminants (lead paint, asbestos, and some petroleum) were present on the site. Walnut Corners is near a major bus route and the new commuter rail station.

Once the city understood the potential for redevelopment and the needed services in the Northeast Rye area, it started to identify funding sources that it could use to leverage its CDBG and HOME funds.

Working with its partners, the city created an inventory of resources. It compared guidelines against potential activities and identified ways in which HUD resources could be leveraged with other funds.

By considering other possible funding sources, including those brought to the table by community partners, the city was able to focus in on what types of development and programs it could reasonably finance in the target area. With this information, the project details began to take shape.

The city's investment plan for the redevelopment site was as follows:

CDBG and HOME resources would be used in conjunction with other funds for off-site infrastructure development, and for the planning and development of affordable rental units. The city would look for new and creative ways of partnering with other organizations. For example, staff had learned that the local utility was willing to lease rooftops to install solar panels on properties in exchange for reduced utility rates. Working with the identified developer of affordable rental units at the site, the city would determine that it was advantageous to include solar leases in plans for new housing and commercial space.

The city and its partners identified other resources after it started planning for investments on the property. The Walnut Corners site was contaminated, so the city would seek Brownfield Funding through the EPA. When it was determined that affordable rental units would be constructed at the property, the city determined that it would also seek Low Income Housing Tax Credits to provide equity to the development, and it was arranged that a local foundation would be approached and asked to further subsidize construction of very-low-income housing units.

In addition to redeveloping the site at Walnut Corners, the city worked with other municipal departments to continue infrastructure improvements into the residential neighborhoods. They worked with a local foundation to secure funds to establish a job training and placement program for residents, which would also receive CDBG funds. And they were able to partner with the Department of Elder Affairs to provide services through a new Senior Center located on the ground floor of the housing development.

The investment in Northeast Rye resulted in several outputs: new affordable housing near transit; opportunities for new businesses and job creation; infrastructure improvements, such as lighting, that increased safety; job training programs and a Senior Center.

By using existing planning, institutional and financial resources in the consolidated plan process, Rye was able to address many of the needs in the area and improve the residents' quality of life. By taking a holistic planning approach, the city was able to focus its investments in a way that resulted in outcomes that were far greater than what prior investments had achieved.

Let's recap the case study to highlight the planning elements that made the project at Walnut Corners particularly successful.

Instead of working in isolation, the city built on work already completed in the Northeast Rye Community Plan. It was able to align its Con Plan strategies with the goals identified in the Community Plan.

The city also built on prior participatory work, and brought residents and stakeholders to the table early in the planning process. The city relied on their input to inform the priority needs and ways to approach investment in this area. Furthermore, the city used data and mapping to analyze and understand the area dynamics, help pinpoint the priority needs it would address, locate prior investments, and identify potential sites for redevelopment.

Through the consultation process, Rye collaborated with partners to identify, align and leverage resources, instead of trying to pull together the elements of the project on its own. By problem-solving together, the city was able to formulate a development plan that took advantage of special funding opportunities, and was able to leverage nontraditional resources.

Ultimately, the city was also able to design a project that addressed multiple needs at the same time and built on the area's existing assets.

To help its grantees customize their own approach to maximizing investments, HUD created the Maximizing Investments Toolkit. The toolkit includes over 20 tools and products designed to support the consolidated planning process.

Specifically, the products provide guidance to grantees on how to use information gathered throughout the process to inform their investment decisions. They include guidebooks, user-friendly spreadsheets, checklists, a case study and Prezi.

While in the graphic shown on screen each product is linked to a particular phase in the planning process, in fact, the products are versatile and can be used at multiple points in the process. HUD encourages grantees to use the products as they best fit their own process.