

Annual Action Plan

May 1, 2013 to April 30, 2014

City of Buffalo

Byron W. Brown, Mayor

Community Development Block Grant

HOME Investment Partnerships

Emergency Solutions Grant

Housing Opportunities for Persons with AIDS

March 22, 2013

ES-05: Executive Summary

Introduction

The Annual Action Plan is required to receive funding through the U.S. Department of Housing and Urban Development for four entitlement programs: Community Development Block Grant, Home Investment Partnerships, Emergency Solutions Grant, and Housing Opportunities for Persons with AIDS.

CDBG funds are used to assist with the development of viable communities by providing decent, affordable housing; a suitable living environment; and economic opportunities for persons with low- and moderate-incomes. HOME funds support the construction and rehabilitation of affordable housing for low- and moderate-income renters and homeowners. ESG funds help to prevent homelessness, and address the housing and supportive service needs of homeless individuals and families. HOPWA funds provide housing assistance and related supportive services for persons living with HIV/AIDS and their families.

The Annual Action Plan covers the period from May 1, 2013 to April 30, 2014 and identifies funding for projects that address critical economic development, neighborhood revitalization, and housing development needs; as well as public services for low- and moderate-income households, the homeless, and persons living with HIV/AIDS.

Summary of objectives and outcomes

Entitlement funds and program income will be used to support the following activities:

<i>Goal</i>	<i>Objective</i>	<i>Funding</i>	<i>Source</i>	<i>Outcome</i>
Residential rehabilitation	DH-2	\$1,300,000	CDBG	43 units
Residential rehabilitation	DH-2	\$1,000,000	HOME	23 units
Substantial rehabilitation	DH-2	\$1,471,500	HOME	54 units
Housing production	DH-1	TBD	HOME	TBD units
Clearance	DH-3, SL-3	\$1,837,000	CDBG	100 buildings
Public services	SL-1	\$1,841,000	CDBG	32,000 persons
Public facilities	SL-3	\$2,147,000	CDBG	25,000 persons
Economic development	EO-1, EO-3	\$1,271,500	CDBG	28 persons
Section 108 repayment	NA	\$1,420,500	CDBG	NA
Rapid rehousing	DH-2	\$270,000	ESG	60 households
Emergency shelter	SL-1	\$419,000	ESG	4,200 persons
Street outreach	SL-1	\$166,000	ESG	180 persons
Prevention	DH-2	\$85,000	ESG	500 persons

<i>Goal</i>	<i>Objective</i>	<i>Funding</i>	<i>Source</i>	<i>Outcome</i>	
Housing assistance	DH-2	\$255,000	HOPWA	107	households
Housing placement	DH-2	\$60,000	HOPWA	43	households
Supportive services	DH-2	\$141,000	HOPWA	80	households
Planning/administration	NA	\$2,832,500	Various	NA	

Evaluation of past performance

The most recent Consolidated Annual Performance and Evaluation Report (covering the period from May 1, 2011 to April 30, 2012) includes the following accomplishments:

Repair existing housing

- CDBG and HOME funds were used to rehabilitate 79 structures, with a total of 107 units.

Develop affordable and market rate housing

- HOME funds supported two major rental projects with a total of 130 units, including 51 HOME-assisted units.
- HOME, HUD Replacement Housing Factor Program, Low-Income Housing Tax Credit equity funds, bond financing, property revenues, and deferred developer fees were used to rehabilitate 126 senior units at Walden Park.
- HOME funds supported the development of six three-bedroom townhomes for low-income households.

Encourage new homeowners for existing structures

- CDBG funds provided 32 homebuyers with closing cost assistance.

Remove the blighting influence of dilapidated structures

- CDBG, General Fund, and Capital Funds were used to demolish 328 properties.

Support neighborhood revitalization efforts to improve public facilities and infrastructure

- CDBG funds improved seven community centers.
- CDBG funds improved 41 parks and playgrounds.
- CDBG funds resurfaced streets and replaced sidewalks along 20 streets.

Expand employment opportunities for residents

- CDBG funds supported commercial loans that created seven full-time and 18 part-time jobs; of which five full-time and 14 part-time jobs were held by low- and moderate-income residents.
- BURAs staff provided technical assistance to eight Broadway Market tenants, and helped implement strategies to benefit the businesses located in the Market.

Provide necessary public services

- CDBG funds provided counseling, legal, and fair housing services to more than 3,800 persons
- CDBG funds distributed to 35 CBOs provided human services to more than 17,000 persons at 47 program sites.

Assist homeless families with housing and supportive services

- ESG funds provided prevention services to over 5,050 individuals and families.
- ESG funds provided transitional housing for over 5,850 individuals and families.
- ESG funds provided supportive services to almost 5,200 individuals and families.

Provide housing assistance and related services to persons with AIDS

- HOPWA funds provided assistance to 189 individuals or families living with HIV/AIDS.

Improve program management and administration

- Community Housing Development Organization performance was improved through training and capacity building.
- Accounting and project management were enhanced through better project monitoring.
- Targeted neighborhood investments increased the impact of dwindling funds.

Summary of citizen participation process and consultation process

Citizen Participation

The city has provided many opportunities for citizens offer input regarding the Annual Action Plan. The preparation and adoption schedule was posted on the city's website, and over 850 notices were mailed or e-mailed to block clubs and non-profits. A public hearing was held on November 15, 2012 to encourage citizen input at the start of the process; and open houses held on December 11, 12, and 13 to give residents the opportunity to discuss neighborhood needs and priorities that should be considered for both the Consolidated Plan and Annual Action Plan. A survey was also provided at the open houses, and posted on the city's website so persons unable to attend could provide input. A draft of the Annual Action Plan will be posted on the city's website, and presented at a public hearing on February 20, 2013. A 30-day comment period running through March 21 will give citizens an opportunity to offer comments.

Consultation

On November 13, 14, and 15, 2012, the city held focus group meetings with stakeholders to discuss the Annual Action Plan and funding priorities. Affordable/special needs housing providers, fair housing advocates, business associations, homeless assistance providers, community-based organizations, and health and human services providers were all represented. The focus groups discussed community development needs and shared best practices for carrying out programs. The city also distributed over 140 surveys to these providers. A total of 38 surveys (25 percent) were returned, and the data was summarized and used to prepare the plan.

Summary of public comments.

A summary of all written comments received during the public comment period will be inserted before the Annual Action Plan is submitted to HUD.

Summary of comments or views not accepted and the reasons for not accepting them.

The city accepts and responds to all comments that are submitted.

AP-15: Expected Resources

Introduction

Since HUD has not yet released the amount of funding that will be available for these programs, the city has used a 15 percent across-the-board cut from its current funding levels. It is expected that the city will receive \$11,320,000 in CDBG; \$2,357,000 in HOME; \$1,070,000 in ESG; and \$470,000 in HOPWA funding.

Table 1: Expected Resources

<i>Program</i>	<i>Uses</i>	<i>Year 1 Allocation</i>	<i>Year 1 Prog Income</i>	<i>Year 1 Prior Resources</i>	<i>Year 1 Total</i>	<i>Years 2 to 5 Total</i>
Total		\$15,217,000	\$1,300,000	\$5,840,000	\$22,357,000	\$66,068,000
CDBG	Home repairs Buyer assistance Clearance Public services Public facilities Public infrastructure Economic development Admin/planning	\$11,320,000	\$950,000	\$5,840,000	\$18,110,000	\$49,080,000
HOME	Home repairs Substantial rehab Production	\$2,357,000	\$350,000	\$0	\$2,707,000	\$10,828,000
ESG	Street outreach Emergency shelter Transitional housing Rapid re-housing Prevention HMIS	\$1,070,000	\$0	\$0	\$1,070,000	\$4,280,000
HOPWA	Housing assistance Housing placement Supportive services	\$470,000	\$0	\$0	\$470,000	\$1,880,000

Narrative Description

CDBG

The city expects a 15 percent reduction in CDBG funds from the current program year. Since there is no way to determine future funding allocations, the 2013/14 base figure has been used to calculate allocations for years 2 through 5. There are unexpended funds from prior program years that the city anticipates spending during the current program year. Once these funds have been spent, there will be no prior year resources for years 2 through 5.

HOME

It is anticipated that the city will see a 15 percent reduction in HOME funds from the current program year. Since there is no way to determine future funding allocations, this base figure has been used to calculate allocations for years 2 through 5; although it is possible that additional program cuts will be experienced.

ESG

It is anticipated that the city will see a 15 percent reduction in ESG funds from the current program year. Since there is no way to determine future funding allocations, this base figure has been used to calculate allocations for years 2 through 5; although it is possible that additional program cuts will be experienced.

HOPWA

It is anticipated that the city will see a 15 percent reduction in HOPWA funds from the current program year. Since there is no way to determine future funding allocations, this base figure has been used to calculate allocations for years 2 through 5; although it is possible that additional program cuts will be experienced.

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied.

CDBG

Funding to community-based organizations for the delivery of housing programs leverages additional resources from state and private sources. The funding spent on clearance activities leverages additional money from the city's general fund and capital improvement budget. The Buffalo Building Reuse Project is leveraging funding from both the state and National Grid to implement this program. Agencies that receive funding for public services bring in additional funding from federal, state, county, foundations, and other private sources.

HOME

Proposals for funding to rehabilitate, construct, or convert structures for affordable housing will consider the amount of matching funds being provided as a criteria for award.

ESG

These funds require a minimum one-to-one match. The current match, coming from other federal, state, county, and private sources, is over \$4.5 million.

HOPWA

This program is exempt from matching requirements; however the agencies receiving funds have identified over \$1 million in additional federal, state, county, and private sources to assist with the services being provided.

If appropriate, describe publicly-owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.

The city will consider the use of publicly-owned land for the construction of affordable housing for low- and moderate-income households. During the 2013 program year, the city will use publicly-owned land to assist Gospa Village and Hope Gardens, which are both housing developments that serve the homeless.

AP-20: Annual Goals and Objectives

Table 2: Goals Summary Information

<i>Goal</i>	<i>Category</i>	<i>Area</i>	<i>Needs addressed</i>	<i>Funding</i>	<i>Outcome indicator</i>	
Home repair	AH	citywide	Affordable housing	CDBG	66	units
Substantial rehab	AH	citywide	Affordable housing	HOME	54	units
New construction	AH	citywide	Affordable housing	HOME	TBD	units
Clearance	NHCD	low-mod	Community development	CDBG	100	units
Facilities/infrastructure	NHCD	low-mod	Community development	CDBG	25,000	persons
Public services	NHCD	low-mod	Community development	CDBG	32,000	persons
Commercial lending	NHCD	citywide	Economic development	CDBG	28	persons
Section 108 repayment	NHCD	NA	Economic development	CDBG	NA	
Rapid rehousing	Homeless	citywide	Homelessness	ESG	60	hhs
Emergency shelter	Homeless	citywide	Homelessness	ESG	4,200	persons
Street outreach	Homeless	citywide	Homelessness	ESG	180	persons
Prevention	Homeless	citywide	Homelessness	ESG	500	persons
Housing assistance	NHSN	citywide	Special needs	HOPWA	107	hhs
Housing placement	NHSN	citywide	Special needs	HOPWA	43	hhs
Supportive services	NHSN	citywide	Special needs	HOPWA	80	hhs
<i>All projects will begin on May 1, 2013; and conclude on April 30, 2014</i>						

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing.

It is estimated that 120 extremely low-, low-, and moderate-income families will receive assistance.

AP-35: Project Summary

Table 3: Project Summary Information

<i>Project Name</i>	<i>Target Area</i>	<i>Needs Addressed</i>	<i>Funding</i>
Residential rehabilitation	Citywide	Affordable housing	\$2,300,000
Substantial rehabilitation	Citywide	Affordable housing	\$1,471,500
Clearance	Citywide	Community development	\$1,837,000
Public facilities	Citywide	Community development	\$2,147,000
Public services	Citywide	Community development	\$1,841,000
Economic development	Citywide	Economic development	\$1,271,500
Rapid rehousing	Citywide	Homeless	\$270,000
Emergency shelter	Citywide	Homeless	\$419,000
Street outreach	Citywide	Homeless	\$166,000
Prevention	Citywide	Homeless	\$85,000
Housing assistance	Citywide	Non-homeless special needs	\$255,000
Housing placement	Citywide	Non-homeless special needs	\$60,000
Supportive services	Citywide	Non-homeless special needs	\$141,000
<i>Complete project descriptions are located in the appendix.</i>			

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs.

The plan attempts to allocate funding across a range of projects, to ensure that community development efforts are comprehensive. The city has a range of needs in these neighborhoods, and funding must be dedicated to many different types of projects to begin making a difference.

CDBG funding is used for emergency home rehabilitation; homeownership counseling; park and recreational facility improvements; street resurfacing and sidewalk replacement; public facility repairs and upgrades; public services, and economic development assistance.

HOME funding is used for owner-occupied rehabilitation; acquisition, rehabilitation, and resale of housing; and multi-family rehabilitation and new construction. ESG funding is used for street outreach, emergency shelter and transitional housing, rapid rehousing, and prevention. HOPWA funding is used for housing assistance, housing placement, and support services.

AP-50: Geographic Distribution

Describe the geographic areas (including areas of low-income and minority concentration) where assistance will be directed.

The city will fund efforts located within HUD-eligible low- and moderate-income block groups; but will focus on neighborhoods and corridors included in the boundaries of the Better Buffalo Fund. This fund is a commitment by the state of up to \$190 million over the next five years to make capital investments that improve disadvantaged areas and develop community-wide assets. The fund is designed to support actionable, high-impact infrastructure, housing, and other development projects that build on anchor institutions and employment centers and have additional funding committed from other sources.

Table 4: Geographic Distribution

<i>Target Area</i>	<i>Fund percentage</i>
Black Rock	5
West Side	15
Lower West Side	5
Perry Choice	10
Pratt-Willert	5
Fruit Belt	15
Cold Spring	5
Masten Park	5
Hamlin Park	5
Fillmore-Leroy	10
Buffalo Promise	20

Buffalo Promise Neighborhood

The BPN was created in 2010 as a collaborative effort led by the Westminster Foundation, with the goal of providing a continuum of solutions to children from the cradle through college and career. BPN was selected by the Department of Education to receive both planning and implementation grants under the Promise Neighborhood program. This funding was used to develop a comprehensive neighborhood revitalization strategy, which BPN is now beginning to implement. Opportunities for improvement include community policing; increased recreational assets such as open space and community gardens; infrastructure

improvements and commercial infill; and development of a Family Life Center to provide adult education, career training, and recreation and fitness.

Fruit Belt

The Fruit Belt was part of the “Four Neighborhoods, One Community” study that was prepared in 2010. The city has continued to work with residents to address concerns regarding encroachment of the adjacent Buffalo Niagara Medical Campus, and to ensure that the neighborhood benefits from the investments taking place there. Due to its location adjacent to the BNMC, the area is a primary focus of the Buffalo Billion and the Better Buffalo Fund. Opportunities for improvement include a workforce development strategy to take advantage of job growth at the BNMC; housing demand arising from nearby employment, including employer-assisted homeownership; zoning updates to encourage mixed-use neighborhoods and infill development; focused code enforcement; and improvements in human and social capital, in conjunction with the BNMC.

Perry Choice Neighborhood

PCN has been targeted since it received a Choice Neighborhoods planning grant from HUD. If the project is awarded an implementation grant, the City will be required to devote a percentage of its annual CDBG funding to the PCN. Opportunities for improvement include redeveloping public housing into mixed-income neighborhoods; building neighborhood retail and business services; improving public transportation; concentrating redevelopment efforts in the target area’s most viable sections; and creating a better sense of place and design, and a more walkable community.

West Side

Revitalization activities on the West Side are driven by a collaborative effort among non-profits, including People United for Sustainable Housing, the Massachusetts Avenue Project, and Heart of the City Neighborhoods. The group was able to secure foundation funding to develop and begin implementing a community development plan. The city has supported these efforts with both CDBG and HOME funding for housing, parks, and infrastructure. Opportunities for improvement include investing in high quality, affordable housing through rehabilitation of vacant, abandoned buildings as well as new construction on vacant lots; new commercial development, support for small business, and improvements to business districts; strategic investment in infrastructure; acquisition and land banking of vacant and abandoned property; and redevelopment of vacant lots for urban agriculture, open space, and green infrastructure to address combined sewer overflows.

Rationale for the priorities for allocating investments geographically.

In order to generate the greatest impacts from declining entitlement funds, the city will focus efforts on neighborhoods that exhibit the following characteristics:

- Are near emerging employment and economic development engines that can serve as a stabilizing influence;
- Have developed a cohesive network of community-based and institutional support; and
- Have secured and leveraged funding to support their efforts.

Targeting and leveraging entitlement funding represents the best opportunity to accomplish the city’s community development goals; and the Better Buffalo Fund represents the single greatest source of supplemental funding for these projects.

AP-55: Affordable Housing

Introduction

The city will provide affordable housing to the homeless, non-homeless, and special needs populations through rental assistance, the rehabilitation of existing units, and the construction of new units.

Table 5: One Year Goals for Affordable Housing by Support Requirement

Homeless	180
Non-Homeless	120
Special-Needs	150
Total	450

Table 6: One Year Goals for Affordable Housing by Support Type

Rental Assistance	330
Production of New Units	TBD
Rehab of Existing Units	120
Acquisition of Existing Units	0
Total	450

AP-60: Public Housing

Introduction

The city will address the needs of its public housing and encourage residents to become more involved in its management and homeownership.

Actions planned during the next year to address the needs of public housing.

The Buffalo Municipal Housing Authority operates 3,941 units in 27 developments. It meets the needs of its tenants through regular physical, operational, and management improvements, which are listed in its annually updated Five-Year Agency Plan.

BMHA is engaged in efforts to improve its housing stock and the overall living environment for its residents by creating mixed-income communities and alleviating concentrated poverty. The Perry Choice Neighborhood program is an example of this approach. The project is currently wrapping up its planning phase, and will apply for a \$30 million grant to implement the strategies that have been developed in concert with residents of the Perry Homes and Perry Extension developments.

Actions to encourage public housing residents to become more involved in management and participate in homeownership.

BMHA's Resident Services Division works to engage, educate, and empower residents by providing opportunities for personal development, economic stability, education, health, and fostering family and community life. The Division organizes resident councils at each development, as well as a citywide council; assists the Resident Advisory Board in its mission to review and comment on BMHA's Annual Plan; educates and consults with the Resident Review Board regarding applicants; and helps to establish and educate residents regarding disaster preparedness through BMHA Citizen Corps.

BMHA also conducts annual resident information meetings at each of its developments. These meetings are designed to inform residents of current and future plans such as lease changes, modernization projects, human resource programs, and available training.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance.

The BMHA is not designated as troubled.

AP-65: Homeless and Other Special Needs Activities

Introduction

The city will support street outreach, emergency shelter and transitional housing, rapid rehousing, and prevention to assist the homeless and other special needs populations.

Describe actions to reach out to homeless persons (especially unsheltered persons) and assess their individual needs.

The outreach strategy promoted by the Homeless Alliance is to simplify and broaden efforts to assist more clients in receiving benefits and services. The city will provide ESG funding to Crisis Services and the Matt Urban Center to support efforts to locate homeless persons in shelters, soup kitchens, and on the street; and link them up with appropriate services and case management.

Describe actions to address the emergency shelter and transitional housing needs of homeless persons.

The supply of emergency and transitional housing beds currently appears to be sufficient. With implementation of the HEARTH Act, the Homeless Alliance will be developing a coordinated entry system using a common assessment form. This will ensure that placements are made based on the needs of the homeless individual or family, rather than on where there might be an empty bed. The city will provide ESG funding to four emergency shelters – City Mission, Compass House, Salvation Army, and Vive; and four transitional housing providers – Gerard Place, Saving Grace Ministries, Teaching and Restoring Youth, and YWCA, for operating expenses and support services.

Describe actions to help homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

The lack of permanent, affordable housing is the largest gap faced by persons experiencing homelessness as well as the low-income community in general. The top strategy being pursued to ensure that homeless individuals make the transition to permanent housing and independent living is prioritizing safe and stable housing and making affordable housing options more accessible to homeless individuals. The city recently initiated a Rapid Rehousing Demonstration Project to help homeless individuals and families to reclaim permanent housing. This effort will be carried forward with ESG funding.

Describe actions to help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Since persons in poverty are the most susceptible to becoming homeless, reducing financial vulnerability is the key to helping low-income families and individuals from becoming homeless. The city will provide ESG funding to Legal Aid Bureau and Neighborhood Legal Services to assist with preventing homelessness. Legal Aid Bureau works with owners who are in danger of losing their home to foreclosure; while Neighborhood Legal Services provides assistance to help tenants avoid eviction.

AP-70: HOPWA Goals

The city will use HOPWA funding to assist individuals and families who are either HIV-positive or living with AIDS. The need for these services has been increasing along with the number of HIV-positive individuals. There are about 2,300 persons in Erie and Niagara counties who are known to be HIV-positive, and the Centers for Disease Control and Prevention estimates that another 550 to 600 are undiagnosed. Although most are single men and women, a growing number are single mothers with young children.

The trends that the city will face in the coming years are based on the facts that the AIDS/HIV virus continues to spread, and up to 27 percent of persons with AIDS/HIV are unaware that they are infected. There is an obvious need for further education and testing. The city will encourage sub-recipients to increase their efforts to educate the community about the services available for persons with HIV/AIDS, and to attempt to ensure that every person in need of services is linked to the appropriate provider.

Affordable housing remains a critical issue in stabilizing the health of persons with HIV/AIDS. In a survey conducted by the AIDS Network of WNY, 23 percent of the respondents had spent time on the streets or in an emergency shelter. The city directs ESG funding to a number of emergency shelters, which in turn serve many persons with HIV/AIDS.

The city will provide HOPWA funds to Benedict House, Evergreen Health Services, and the Red Cross to deliver housing assistance, housing placement, and supportive services. These sub-recipients will leverage over \$1 million in additional funding from a range of private and public sources, including in-kind contributions.

With the HOPWA funding, these agencies will provide housing assistance to 107 persons, including 43 through short-term rent, mortgage, or utility support, 24 through tenant-based rental assistance, and 39 at Benedict House; housing placement for 43 persons, including 25 permanent housing placements (first month's rent, security and utility deposits) and 18 information services; and supportive services for 80 persons.

AP-75: Barriers to Affordable Housing

Introduction

The city will act to address barriers to affordable housing by updating its land use and zoning, participating in a regional land bank, investigating the impacts of fees and charges, and updating its Analysis of Impediments study.

Actions planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment.

Land Use and Zoning

The city's zoning code was developed in the early 1950s, based on a popular model at the time that sought to separate different uses – residential, commercial, employment – with the car as a means of travelling among them. This attempt to compete with the expanding suburbs has proven largely unsuccessful, and features such as large residential lot requirements and prohibitions against mixed-use developments have made housing more costly and difficult to build. The city's 2006 Comprehensive Plan embraced smart growth as a means of focusing revitalization and redevelopment in its existing neighborhoods. This effort to reverse decades of city abandonment and suburban sprawl depends upon key investments of federal, state, and local funds to restore livability, economic potential, and social cohesion in targeted neighborhoods. Central to this strategy is the proposed Green Code – an updated land use plan and zoning ordinance that will be adopted in 2013, and support the development of walkable, mixed-use neighborhoods built on an urban scale.

Land Banking

The demolition of thousands of abandoned and deteriorated buildings has created many vacant lots that could be used to develop affordable housing and neighborhood amenities. Blueprint Buffalo, a 2004 plan for reclaiming vacant properties, identified a land bank as the ideal entity to transform vacant properties into assets. While the city has engaged in informal land banking activities for many years, the Buffalo, Erie, Niagara Land Improvement Corporation was created in May 2012 in response to the state's approval of land bank legislation. Through this corporation, the city will be able to work regionally to address vacant properties.

Fees and Charges

The city has employed state guidelines in its Soils Policy in order to address environmental toxicity standards and soil contamination of lots being used in its development and grant assistance programs. This policy requires removal of two feet of soil, installation of a permeable environmental fabric, and restoration of imported, certified soil. The cost of implementing this policy ranges from \$20,000 to \$40,000 per buildable lot. While this is a significant cost, it ensures that decades of environmental hazards are rectified and subsequent housing development is safe for its occupants.

The city conducts an asbestos survey on each structure to be demolished. For those identified as containing asbestos, the state imposes an asbestos fee on each unit to be readied for demolition. This fee adds several thousand dollars to the cost of demolishing a structure, with no additional benefit. Removal of the fee would allow the city to greatly expand the number of abandoned and deteriorated structures that it can demolish for the available funding. Efforts to lobby the state to remove this fee, in conjunction with other municipalities that are similarly affected, have been unsuccessful to date.

Analysis of Impediments

A draft of the city's updated *Analysis of Impediments to Fair Housing Choice* outlined additional barriers to affordable housing, including the poor condition of the existing housing stock; declining availability of affordable rental units; concentration of voucher holders; lack of transit connections; persistence of housing discrimination; and growing needs among the non-English speaking population.

The city will be implementing the action steps to address these concerns over the course of the next five years. The city has also agreed to participate in a regional Analysis of Impediments as part of the HUD Sustainable Communities Initiative, which will address desegregation and access to opportunity within Erie and Niagara counties.

AP-85: Other Actions

Introduction

The city will take other actions to address obstacles to underserved needs, foster and maintain affordable housing, reduce lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure, and enhance coordination among agencies.

Actions planned to address obstacles to meeting underserved needs.

The greatest obstacle that the city faces remains the limited community development dollars available from federal, state, local, and private sources. The overwhelming needs in Buffalo make it impossible to address everything that city leaders would like to improve. In response, the city has taken two approaches. The first is to target investments geographically to areas that can best benefit from an infusion of public support. The second is to be proactive in leveraging dollars and combining funds from various sources in order to achieve project goals. These approaches will continue, and be linked to the state's Better Buffalo Fund to ensure success.

Actions planned to foster and maintain affordable housing.

The city has embraced smart growth as an approach for focusing revitalization and redevelopment in its existing neighborhoods. This ongoing effort to reverse decades of urban abandonment and suburban sprawl depends upon key investments of CDBG, HOME, state, and local funds to restore livability, economic potential, and social cohesion in targeted neighborhoods.

Central to this strategy is the Green Code – an updated land use plan and zoning ordinance for the entire city that is currently wrapping up. The goal is to use land use planning to support affordable housing by encouraging the development of dense, walkable neighborhoods with access to goods, services, and public transportation. Zoning is also a critical element in the provision of affordable housing, by removing barriers such as minimum lot sizes and prohibitions against mixed-use development that unnecessarily add to costs.

Actions planned to reduce lead-based paint hazards.

LBP hazards are very extensive across Buffalo. Roughly 95 percent of the city's housing stock was constructed before 1980, so most housing units have the potential for LBP hazards. A 2006 report indicated that one-third of all lead-based poisoning cases in the state originated in six Buffalo zip codes, with about 300 cases identified annually.

The city does not have the resources to address all LBP hazards, so efforts are targeted in the most-affected areas through the Green and Healthy Homes Initiative. This is a collaborative effort to bring together organizations to combat LBP hazards, asthma-related issues, and provide weatherization for lower-income families. Various funding sources have been identified, including the Community Foundation of Greater Buffalo, the Attorney General's Office, and HUD.

GHHI is concentrated in the six zip codes mentioned above. Every year a four- to six-block area within each zip code is selected for concentrated inspections. About 900 units receive exterior assessments, and 300 of these units where a child is present will also receive interior inspections. While this effort does not include inspections of every home with the potential for LBP hazards, areas with the highest concentration of elevated blood lead level cases are being inspected regularly.

The city recently passed legislation to allow LBP hazards to be cited as a violation, and coordination between the city and the county allow housing and health code violations to be cited simultaneously. The city also requires that all of its rehabilitated units are lead-safe, and provides funding to CHDOs and CBOs for lead-hazard remediation and toxic soil removal.

Actions planned to reduce the number of poverty-level families.

Federal, state, and regional policies on welfare, health care, housing choice, transportation, and the minimum wage are all critical components in reducing poverty. While the city has little control over these factors, it will continue assist in this effort by providing incentives to retain, expand, and attract business; to advocate for affordable housing and public transportation; and to support organizations and programs that provide job training, literacy, and placement services.

During the 2013 program year, economic development funding will be provided to assist businesses in the creation of jobs for low- and moderate-income households; and public service funding will be provided to agencies that offer after-school programs to youth, literacy services, and job training.

Actions planned to develop institutional structure.

The city is continuing to adjust to the recent shift of program administration from the Buffalo Urban Renewal Agency. While this has required a tremendous amount of work in setting up systems, it also offers an opportunity to revisit past practices and make improvements moving forward. During the program year the city will re-examine its sub-recipient application for CDBG, ESG, and HOPWA funding, and make adjustments that will encourage better coordination of services.

BURA staff will continue to assist the city in administering its entitlement programs; and the city has also established relationships with the National Development Council and the New York State Business Development Corporation to help with its economic development efforts.

Actions planned to enhance coordination between public and private housing and social service agencies.

Four of the six CBOs that receive funding for housing programs also provide social services: Fillmore-Leroy Area Residents, Matt Urban Center, Old First Ward Community Association, and University Heights Community Development Association. Given the on-going reductions in funding, consolidating overhead and management expenses in this manner appears to be a trend that will continue to grow. The city also encourages agencies to work collaboratively in addressing the broader range of needs that families looking for assistance may need to begin the journey out of poverty.

AP-90: Program Specific Requirements

Introduction

The city has prepared program specific requirements for the use of CDBG program income, HOME resale and recapture, and ESG performance standards.

CDBG

Projects planned with CDBG funds expected to be available during the year are identified in Table 3. The following identifies program income that is available for use that is included in projects to be carried out.

Amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	\$950,000
Amount of proceeds from Section 108 loan guarantees that will be used during the year to address priority needs and specific objectives	\$0
Amount of surplus funds from urban renewal settlements	\$0
Amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	\$0
Amount of income from float-funded activities	\$0
Total Program Income	\$950,000

HOME

Describe other forms of investment being used beyond those identified in Section 92.205.

The city uses no other form of investment beyond those identified in Section 92.205. Under 92.205, a participating jurisdiction may invest HOME funds as equity investments, interest-bearing loans or advances, non-interest-bearing loans or advances, interest subsidies consistent with the purposes of the HOME program, deferred payment loans, grants, or other forms of assistance that HUD determines to be consistent with the purposes of the program. Each participating jurisdiction has the right to establish the terms of assistance, subject to the requirements of this part. The city generally invests HOME funds as interest-bearing loans or advances, non-interest-bearing loans or advances, deferred payment loans, or conditional grants.

Describe the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities.

The city has two options for controlling the resale of homebuyer property during the affordability period: the “Recapture Option” and the “Resale Option.” The Recapture Option is based on the level of primary lender financing that the homebuyer is able to obtain, or the need for closing cost assistance. The following guidelines apply:

- The option will be used whenever a development subsidy has been provided to a developer, CHDO, or other qualified entity for the construction of affordable housing; and
- A homebuyer is unable to obtain sufficient financing through a private lender or other approved subsidy source for the full amount of the listed fair market purchase price. A direct subsidy will be provided as gap financing up to the limits described in the HOME Agreement with the project developer; or
- A homebuyer has obtained sufficient financing through a private lender or other approved subsidy source for the full amount of the listed fair market purchase price, but does not have sufficient resources to fund the closing costs associated with the purchase. A direct subsidy up to \$5,000 will be provided to finance reasonable and necessary costs, including but not limited to costs to process and settle the financing for purchase of the home, such as private lender origination fees, credit report fees, fees for title evidence, fees for recordation and filing of legal documents, attorney’s fees, and private appraisal fees.
- In the event that it is determined to be appropriate to use the Resale Option, the city will submit proposed resale terms consistent with the HOME regulations to the local HUD Office, and seek authorization to proceed.

The Recapture Option is used to collect all or a portion of the HOME subsidy in the event the recipient decides to sell the property within the affordability period, or to otherwise violate the affordability provisions of the owner’s agreement. The homebuyer may sell the property to any willing buyer, but the sale of the property during the affordability period triggers the repayment of the direct HOME subsidy. In the event that the proceeds from the sale are less than the repayment amount due, the homebuyer must petition the city to accept partial repayment. If sufficient documentation is presented to verify that the net proceeds are insufficient to repay the HOME investment as required, the amount to be repaid will be reduced.

The subsidy recapture provisions of the HOME Program Homebuyer Agreement (Recapture) and the Grant Enforcement Note and Mortgage are provided below. All entities that receive HOME funding for the creation of affordable homebuyer housing – including developers, CHDOs, and Community Based Organizations – will use these recapture provisions.

Sample Subsidy Recapture Provisions – for CHDO Rehab and Home Buyer Properties with a proposed ten-year affordability period. If a purchaser receives funding under the HOME program for a direct subsidy to support the purchase a HOME-assisted property, the full amount of the direct subsidy assistance provided is due and payable if the property is sold during the period of affordability.

Sample Subsidy Recapture Provisions – Direct Subsidy

The full amount of the Recapture Obligation is \$00. The Mortgagor acknowledges and agrees that the amount of the Recapture Obligation represents a portion of the cost of the development and purchase price of the Property and is intended for the purpose of reducing the principal of the first mortgage lien to the Lender.

1. If the property is sold during the term of this mortgage, the amount to be repaid under this Note and Mortgage will be the full amount of the Recapture Obligation.
 - a. Following the XXth anniversary of the date which appears at the top of the first page, and contingent upon verification that the Mortgagee has occupied the property as his or her principal residence for the full XX year term, the Recapture Obligation will be forgiven and no repayment will be required.

- b. Notwithstanding the terms noted above, the total amount to be repaid shall not exceed the net proceeds of sale up to the original total amount of the Recapture Obligation. The net proceeds are the sales price of the home minus repayment of the superior loan (if any) and any closing costs.
2. If the Recapture Obligation becomes due and payable, the amount of the Recapture Obligation to be repaid by the Mortgagor will be determined by the Mortgagee as the occurrence of the earliest date that (i) the Mortgagor defaulted under this Note and Mortgage or the Lender(s) loans (if there are other Lenders); and (ii) the Mortgagor sold, rented, conveyed any interest in, or otherwise failed to occupy the Property.
3. The term of this Note and Mortgage is XX years. This Note and Mortgage will be deemed of no further force and effect upon ____ (the date of the XXth anniversary of the date set forth at the top of the first page), and neither party of this Note and Mortgage will have any further rights or obligations under this Note and Mortgage against each other; except that, if the Mortgagor has failed to fulfill the Recapture Obligation due or otherwise defaulted under the terms of this Note and Mortgage, then the security interest created by this Note and Mortgage (in other words, the lien on the Property) will continue until the Recapture Obligation plus all costs of collection payable under the terms of this Note and Mortgage have been discharged by the Mortgagor. The Mortgagee will, on or after such date, if the Mortgagor has complied with all of the requirements of this Note and Mortgage, upon written request by Mortgagor, execute a satisfaction or discharge of this Note and Mortgage.

Describe the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds.

See above – only the Recapture Option is used.

Describe plans for using HOME funds to refinance existing debt secured by multi-family housing that is rehabilitated with HOME funds, along with a description of the refinancing guidelines required that will be used.

No existing debt will be refinanced with HOME funds.

ESG

What are the written standards for providing ESG assistance?

The City of Buffalo, Town of Tonawanda, and Erie County are in discussions facilitated by the Homeless Alliance to create coordinated assessment tools, policies, and procedures for clients to access services more efficiently. Continued communication among the participants is required to ensure that services throughout the service area are developed in accordance with the needs of the homeless. The following standards are being developed:

Eligibility

Planning is currently underway to develop a coordinated entry system for homeless services that will include the design of a common assessment form. The model will eventually determine the most efficient and effective means of access to all homeless programs, including prevention and rapid re-housing.

Regardless of how a family or individual makes contact for assistance, a common assessment form should be used to determine the initial eligibility of the client. If the client is eligible, a follow-up assessment may be conducted to confirm eligibility and formally initiate assistance with the appropriate agency.

In order to qualify for assistance, a household or individual must:

- have household income below 30 percent of the area median; and

- be either homeless (for rapid re-housing assistance), or at risk of becoming homeless (for homelessness prevention assistance) as defined by HUD.

Additional criteria for targeting may include families or individuals who are:

- showing repeat entries into shelters;
- paying more than 50 percent of their income for rent;
- facing disabilities in the household;
- victims of domestic violence;
- single mothers with children under the age of 5; or
- between the ages of 20 and 24.

Families and individuals may be screened out of the eligibility process if the household appears to have resources or opportunities to become rapidly re-housed without the use of ESG funds, or it is determined they are in need of a more intensive level of services. Once a household or individual is qualified to receive assistance, they will be referred to a case manager for consultation and evaluation to determine the type of assistance or services needed to become stably housed. Case managers will be responsible for entering information into HMIS.

Street Outreach

Outreach programs focus primarily on placing chronically homeless persons into emergency shelters or transitional housing, in an effort to reduce the number of individuals who are living on the streets. Case managers coordinate services and make placements in drop-in centers, safe havens, soup kitchens, stabilization beds, and shelters. Many of these placements also provide homeless individuals with meals, counseling, medical and psychiatric services, showers, laundry facilities, clothing, employment referrals, assistance in applying for benefits, and other social services.

Outreach services primarily target sub-populations, such as the mentally-ill living on the street, those living in shelters, recovering substance abusers and others who would otherwise not receive assistance (for example, victims of domestic violence who are staying in homeless shelters rather than domestic violence shelters for reasons of space or security). All persons who accept assistance are entered into HMIS, and their progress tracked by case managers.

Emergency Shelters

The city is currently working with the Homeless Alliance to establish performance standards for emergency shelters and transitional housing providers that will seek to reduce the average length of stay in these facilities, and increase exits to permanent housing. HMIS data will be used to identify current performance and establish a baseline for each metric. Shelter providers will be engaged regarding benchmarks for goals and expected outcomes, which will become part of their contracts. The common assessment form being developed will be used to assess, prioritize, and reassess individuals' and families' needs for essential services related to emergency shelter. Agencies providing this service are required to have written policies and procedures for admission, diversion, referral, and discharge that have been approved by the city.

Coordination

Agencies receiving ESG funding through the city will be expected to use a common assessment form, which is currently being developed by the Homeless Alliance. Once assessments are completed, case managers will be expected to work closely with referral agencies and other providers to ensure that clients receive the most appropriate services, including emergency shelter, transitional housing, rapid re-housing, prevention, and other mainstream services. .

Prevention and Rapid Re-housing

The common assessment tool being developed will be used at the initial intake to determine both eligibility and the type of assistance applicants will receive. The assessment will include a point system to help set priorities based on the applicant's needs and types of service available. Once applicants are assessed at the initial intake, case managers will make the final determination on the type of assistance needed.

Rent and Utilities

Program participants will be required to pay a portion of their household income for rent and utilities while receiving rapid re-housing assistance. The percentage of the household income the program participants pay will depend on factors such as other household financial obligations, the location of the dwelling, and household size. Tentative guidelines for participant contributions to rent are:

Less than 4 months	0 to 30 percent
4 to 6 months	30 to 50 percent
7 to 9 months	50 to 80 percent
10 to 12 months	80 percent
More than 12 months	100 percent

Length of Assistance

Both medium-term (3 months) and long-term (up to 24 months) rental assistance will be part of the rapid re-housing program. Based on data from HPRP, it is anticipated that the majority of households will receive financial assistance for three to six months, and average around \$2,000. Case managers working with applicants will develop a housing plan for each program participant. These plans will include the elements participants will need in order to be stably housed when the program term concludes. Housing plans will also include benchmarks and goals that participants must achieve. Rental assistance will be adjusted according to the progress and needs of each participant.

Before the Rapid Re-housing Demonstration Project begins, standards for determining the type, amount and duration of housing stabilization services will be developed with the Homeless Alliance. This will include maximum amount of assistance, maximum number of months, and maximum number of times that participants may receive assistance. Data from the HPRP will be considered when establishing this policy.

Transitional Housing

The city will continue to fund transitional housing providers during the program year. These agencies are required to have written policies and procedures for admission, diversion, referral, and discharge that have been approved by the city.

The length of stay in transitional housing should be no longer than the time needed to become stably housed. Reassessment of participants' needs for essential services and transitional housing should be done monthly.

Essential services will also be provided to residents of transitional housing, to ensure that participants obtain the skills needed to remain stably housed when exiting transitional housing. Participants will be assessed by a case manager at the time of entering transitional housing, and plans developed that include benchmarks and goals to achieve in order to become stably housed.

Describe the centralized or coordinated assessment system established by the Continuum of Care.

The Homeless Alliance is currently developing a coordinated assessment system that should be in place during the 2013 program year.

Identify the process for making sub-awards and describe how the ESG allocation is available to non-profit organizations.

All ESG program funding is distributed to non-profit organizations that provide services to the homeless. Organizations apply for ESG funding using an application that assembles information on the type of services performed, the target population, and the amount of funding requested. Applications are reviewed and rated by the Continuum of Care Review Committee, which also provides funding recommendations for the city to consider.

Specify the plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The city uses the Homeless Alliance's Continuum of Care Review Committee to assess and rate applications for ESG funding. This committee includes a formerly homeless person. The Homeless Alliance is frequently consulted regarding program issues and decisions.

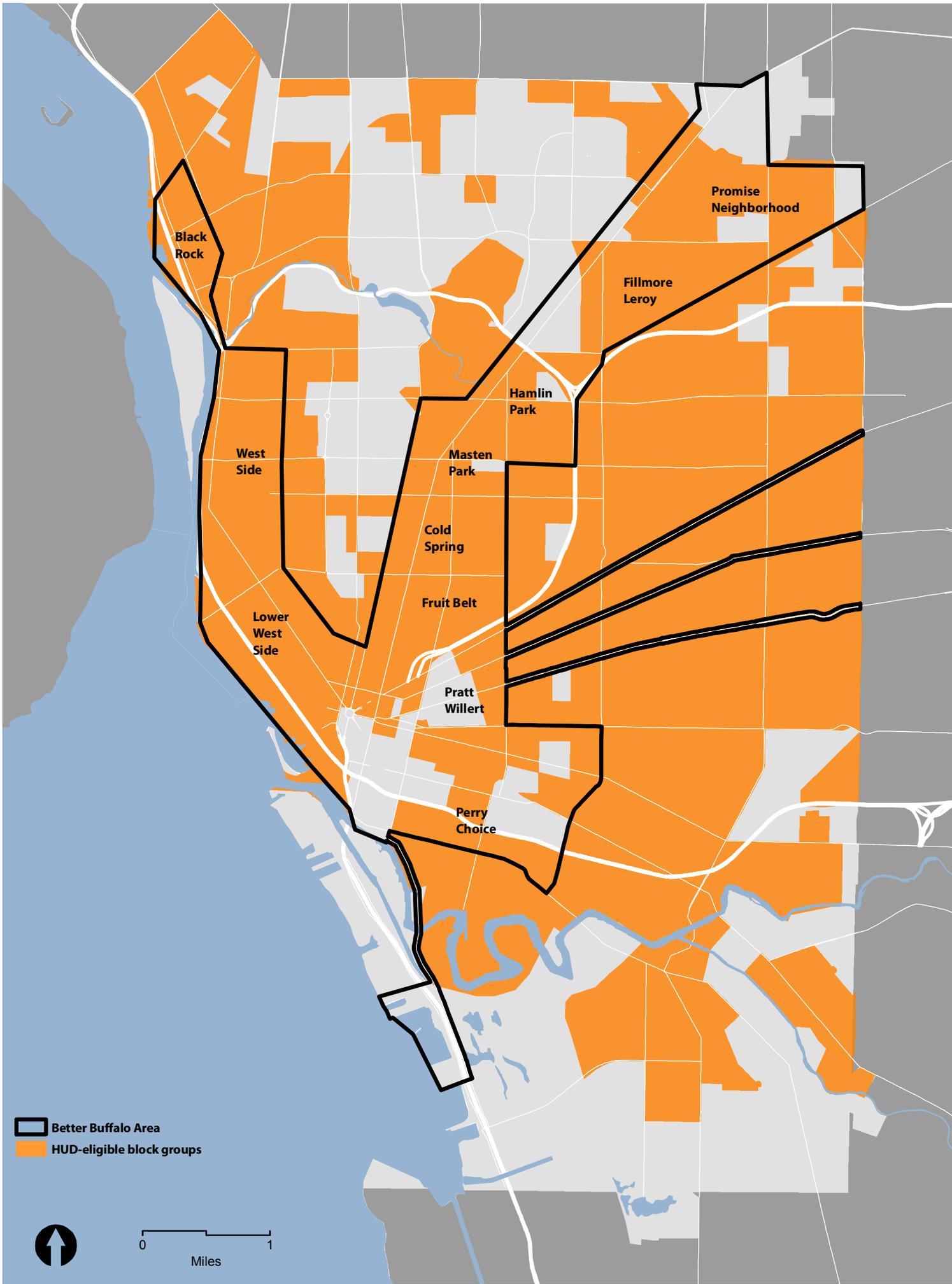
Describe performance standards for evaluating ESG.

In 2010, the Homeless Alliance initiated a detailed analysis to develop new outcome measures and benchmarks for homeless programs. Since then, work has continued on evaluating outcomes and developing benchmarks for the homeless population. The emphasis on improving the quality of data collection to reduce the number of "unknown" outcomes system-wide was clearly identified.

The HEARTH Act's emphasis on rapid re-housing brings the opportunity for new programming to accompany the new funding. As there is not a significant history of rapid re-housing activity, the city will be developing a set of performance standards that all service providers will be expected to meet.

The following preliminary performance standards were developed after consultation with the Homeless Alliance:

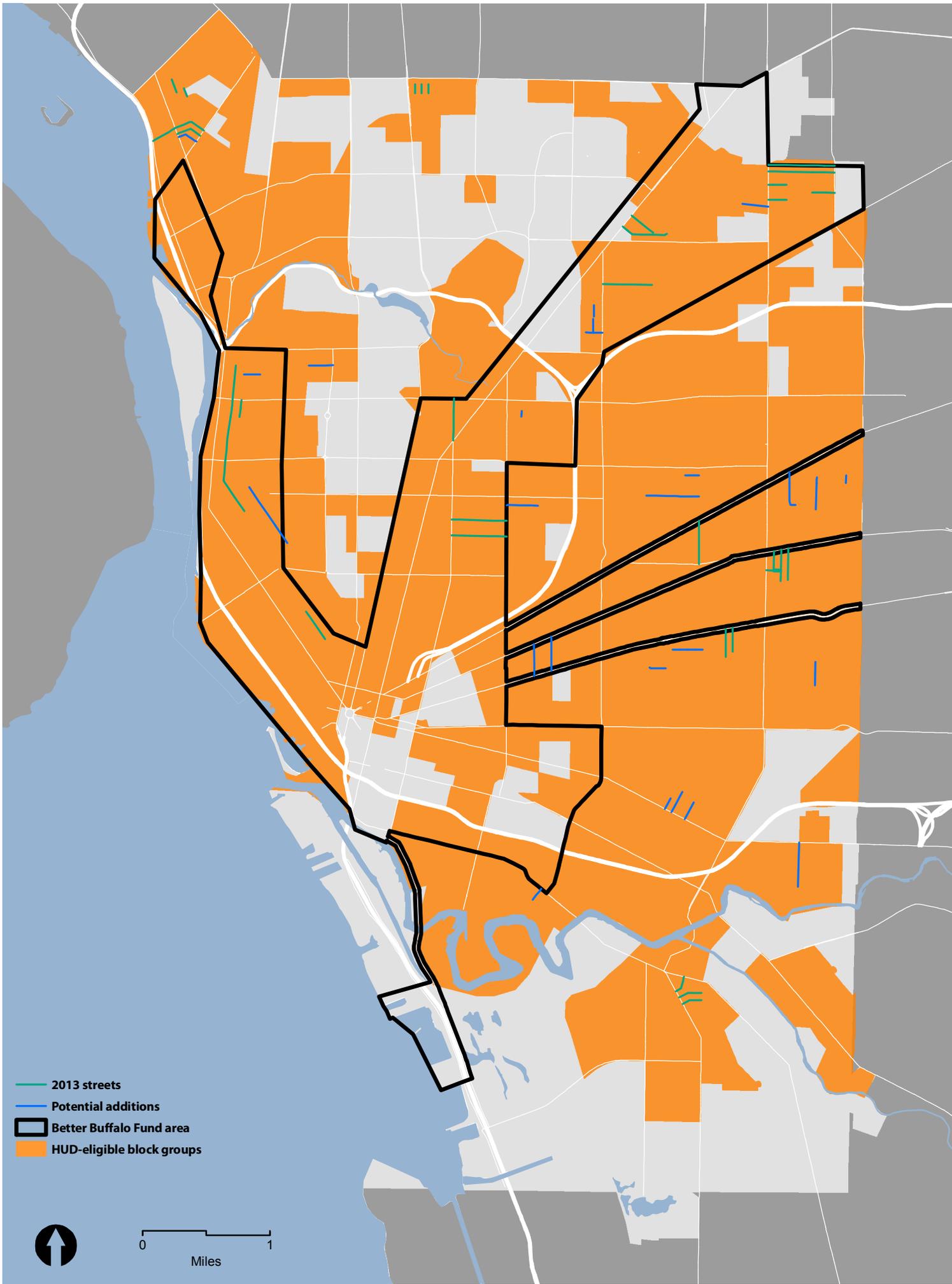
- Reduce the number of persons entering homeless shelters.
- Reduce the number of persons returning to homelessness.
- Access mainstream income resources.
- Return 65 percent of participants to permanent housing.
- Stably house 75 percent of participants for at least six months after exiting the program.
- Reduce the length of shelter stays to less than 20 days, or by 10 percent of the current length of stay.



 Better Buffalo Area
 HUD-eligible block groups



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Miles



- 2013 streets
- Potential additions
- Better Buffalo Fund area
- HUD-eligible block groups



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2013 Annual Action Plan
Public Service Agencies

- Parks
- Public facilities
- Public Services
- Homeless services
- Persons with AIDS services
- CDBG-Eligible Block Groups (LowMod 51% or higher)

