

ALLEN OWEN
Mayor

JERRY WYATT
Councilmember at Large Position 1

CHRIS PRESTON
Councilmember at Large Position 2



YOLANDA FORD
Mayor Pro Tem
Councilmember District A
JEFFREY L. BONEY
Councilmember District B
ANTHONY G. MAROULIS
Councilmember District C
FLOYD EMERY
Councilmember District D

CITY COUNCIL SPECIAL MEETING AGENDA

Notice is hereby given of a Special City Council Meeting to be held on **Monday, July 2, 2018**, at **5:30 p.m.** at: **City Hall, Council Conference Room, 2nd Floor, behind the Council Chamber**, 1522 Texas Parkway, Missouri City, Texas, 77489, for the purpose of considering the following agenda items. All agenda items are subject to action. The City Council reserves the right to meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551 of the Texas Government Code.

1. CALL TO ORDER

2. DISCUSSION/POSSIBLE ACTION

- (a) Consider appointing a member to serve on the Community Development Advisory Committee.
- (b) Consider and discuss the administration and priorities of the Community Development Advisory Committee and the Community Development Block Grant program.
- (c) Discuss proposed contracts for municipal court judges.
- (d) Discuss proposed amendments to Chapter 18, Article IV, of the Missouri City Code relating to solicitation.

3. CLOSED EXECUTIVE SESSION

The City Council may go into Executive Session regarding any item posted on the Agenda as authorized by Chapter 551 of the Texas Government Code.

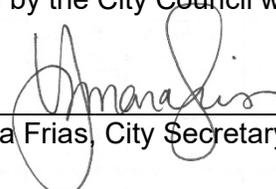
4. RECONVENE into Special Session and Consider Action, if any, on items discussed in Executive Session.

5. ADJOURN

In compliance with the Americans with Disabilities Act, the City of Missouri City will provide for reasonable accommodations for persons attending City Council meetings. To better serve you, requests should be received 24 hours prior to the meetings. Please contact Maria Jackson, City Secretary, at 281.403.8686.

CERTIFICATION

I certify that a copy of the July 2, 2018, agenda of items to be considered by the City Council was posted on the City Hall bulletin board on June 29, 2018, at 4:00 p.m.



Yomara Frias, City Secretary Department

I certify that the attached notice and agenda of items to be considered by the City Council was removed by me from the City Hall bulletin board on the ____ day of _____, 2018.

Signed: _____

Title: _____



**CITY COUNCIL
AGENDA ITEM COVER MEMO**

July 2, 2018

To: Mayor and City Council
Agenda Item: 2(a) Consider appointing a member to serve on the Community Development Advisory Committee.
Submitted by: Maria Jackson, City Secretary

SYNOPSIS

Consider appointing a member to serve on the Community Development Advisory Committee.

BACKGROUND

During the June 4, 2018, special City Council meeting, City Council requested to interview new candidate Zelia Brown on June 18, 2018 for vacant position number 7 on the Community Development Advisory Committee (CDAC). Currently, there is one vacancy on the committee with a term expiration on June 20, 2018. The term expiration for the new committee member would expire on June 30, 2020.

(1) Community Development Advisory Committee member:

- Position 7 – Vacancy left by Don Smith - Citizen At Large

Vacancy

1. Position 7 – Term Expires on June 30, 2018

New Applicant

1. Zelia Brown – District A

SUPPORTING MATERIALS

1. Community Development Advisory Committee Roster
2. New Candidate Application

STAFF'S RECOMMENDATION

Consider appointing a member to serve on the Community Development Advisory Committee.

Director Approval: Maria Jackson, City Secretary



(2018-2020)
COMMUNITY DEVELOPMENT
ADVISORY COMMITTEE
ROSTER

Name & Address	Position	Member Type	Term Expires	Meeting Date when <u>first</u> Appointed	Phone Number(s)	District
Yolanda Ford	Position 1	District A Councilmember	n/a	7/1/2013		A
Jeffrey L. Boney	Position 2	District B Councilmember	n/a	11/20/2017		B
Chris Preston	Position 3	Any member of Council to serve At-Large Position	n/a	5/25/2014		C
Monica Rasmus	Position 4	Regular	6/30/2019	1/3/2012		A
Bertha Eugene	Position 5	Regular	6/30/2019	1/3/2012		B
Eunice Reiter	Position 6	Regular	6/30/2020	1/3/2012		Citizen At Large
Vacant	Position 7	Regular	6/30/2018			Citizen At Large



CITY OF MISSOURI CITY

BOARD/COMMITTEE/COMMISSION APPLICATION

Zelia Brown A
Name **District**

16202 Carson Circle Missouri City, Texas 7748
Address **City, State, Zip Code**

COLONY CROSSING VILLAGE OF TALBOTS MILL Section : 1
Subdivision

[REDACTED] [REDACTED]
Phone Number **Email Address**

Compliance Manager for State & Federal Grant Programs
Occupation

No response.
Education

Civic/Church/Community Involvement::

Member of the Society of Corporate Compliance & Ethics, guest presenter on grants management for the local chapter of the National Grants Management Association (NGMA) in 2016; guest speaker at the LA Presbytere in 2011 on Disaster Recovery, nominated for the L'Oreal Paris 2008 Women of Worth Award, featured in Ebony magazine in 2007, recipient of two Keys to the City (New Orleans), provide workshops on job placement and job retention, and author.

Hobbies/Personal/Family Interests::

Traveling, Music, Reading, Baking

On which Board/Committee/Commission would you like to serve?::

Community Development Advisory Committee, TIRZ Boards,

Explain why::

I have extensive experience in assisting with the administration, monitoring, and advisement of multiple community development projects in the Gulf Coast Region totaling over \$1.2 billion, and also job placement and retention.

References (optional)::

No response.

Length of residence in the City::

6 years

If available, please attach your resume::

BIO ZELIA BROWN MAY 2018.pdf

Do you have time to commit to this service? That is, attend meetings, study the matters to be brought before this board/committee/commission, and participate in all its activities?:: Yes

Signature of Applicant:: Zelia Brown

Submission Date:: May 6, 2018



ZELIA BROWN is Manager for Grants Performance and Compliance for the Houston Community College System supervising a portfolio of over \$25M. She was former Director of multiple HUD Housing Programs totaling \$1.2B, and created policies to end the homelessness wait for Veterans in 2015. As President of her business, WRITE ON TARGET CONSULTING, Brown's company assists those looking for employment, author's job descriptions for employers, and provides workshops to job seekers on how to write a winning resume, interview T.I.P.S., and job retention.

Rooted in integrity, this Rockefeller Fellows Finalist ensures timely expenditure and closeout of grant funds by tracking program and project performance. Brown has successfully decreased the number of grants that were at risk by 62% by maintaining compliance with the federal regulations. Because of her expert knowledge, Brown was requested by the Department of Health and Humans Services to participate in a case study conducted by Price Waterhouse where she provided advisement and desired functionality in support of a new "HHS Mobile Application" that went live in 2017.

A native of the 9th Ward, Brown and her two daughters moved to Houston in 2001 and relocated back to New Orleans in the summer of 2005 two months before Hurricane Katrina. Like many other residents, Brown lost everything as her home on the Lakefront sustained 10 feet of water damage.

Brown has provided technical assistance concerning Sections 24, Parts 5 Subpart F, 982, 570, and 200 of the Code of Federal Regulations. Some of her works with organizations include the City of New Orleans, Habitat for Humanity in Fort Bend County, Fort Bend CORPS, The Arc, Texana, The Women's Center, Veterans Affairs, Houston Housing Authority, and the Texas Workforce Commission, to name of few. Brown has supervised multiple programs including, but not limited to, Disaster Recovery with Hurricanes Katrina, Ike and Harvey, NSP, HPRP, CDBG, HOME, FTHB, ESG, HCVP, VASH, Single-Family & Multi-family construction, Owner-occupied Rehab programs, and TWC. She is noted for ensuring that ALL of her projects are "deficiency free," and have received zero (0) findings during Federal, and State audits.

On April 4, 2011, Brown rigorously orchestrated the culmination of bringing together Wells Fargo and American Title, in that for the first time in the history of Fort Bend County a Section 8 Housing Choice Voucher recipient became a homeowner by using their voucher to pay their new home mortgage instead of continuing to pay rent. In her effort to end homelessness for Veterans in Houston, in June of 2015, Brown revised procedural processes regarding enrollment for the Houston Housing Authority so that 102 homeless Veterans could receive Vouchers in one week as opposed to the old procedure of several months. Because of this, her organization, along with many others, were honored by three Secretary of States from the U. S. Department of HUD, DOL, VA, and former Mayor Annise Parker.

When she's not working on housing programs, Brown advocates and assists job seekers and Veterans with job placement and retention, and empowers them with the number one question to ask the interviewer that could end their job search forever. For more info, visit www.ijustgothired.com.

In recognition of her leadership and achievements, Brown was on the Dean's List and finished college in three years, and was recipient of the African-Americans in Higher Education Award. She is a member of the Society of Corporate Compliance and Ethics, Alpha Kappa Alpha Sorority Incorporated, was guest presenter on grants management for the local National Grants Management Association (NGMA) in 2016; guest speaker at the LA Presbytere in 2011 on Disaster Recovery, nominated for the L'Oreal Paris 2008 Women of Worth Award, featured in Ebony magazine in 2007, recipient of two Keys to the City (New Orleans), publisher on career strategies for LinkedIn, and author.

Brown is the proud mother of two beautiful and brilliant daughters in which the oldest received her Masters Degree from Tulane University in New Orleans and her youngest is currently attending the University of Houston's undergraduate program.



**CITY COUNCIL
AGENDA ITEM COVER MEMO**

July 2, 2018

To: Mayor and City Council
Agenda Item: 2(b) Consider and discuss the administration and priorities of the CDBG and Community Development Advisory Committee program
Submitted by: Otis T. Spriggs, Director of Development Services

SYNOPSIS

Missouri City has been awarded a grant from the U.S. Department of Housing and Urban Development (HUD) in the amount of \$272,007 for the City's Community Development Block Grant (CDBG) Program Year (PY) 2018. Council has approved the final funding allocations for the CDBG PY 2018 Annual Action Plan and authorized the City Manager to accept and execute the grant agreement in the amount of \$272,007 from the U.S. Department of Housing and Urban Development (HUD) for the City's CDBG PY 2018 Annual Action Plan.

At the request of the City Manager Anthony Snipes, staff will be presenting a historical update of the Program and priorities, in hopes of providing an overall summary of the CDBG Program activities and opportunity areas that fall within the qualified boundaries. Program categories, activities and priorities will be discussed.

With this preliminary discussion, staff seeks Council's direction regarding the future programming allocations and the focus areas that funding should be directed.

In guiding this discussion, the following authorizing statutes of the CDBG program require that each activity funded, except for program administration and planning activities, must meet one of three national objectives. The three national objectives are:

- Benefit to low- and moderate- income (LMI) persons;
- Aid in the prevention or elimination of slums or blight; and
- Meet a need having a particular urgency (referred to as urgent need).

Note that an activity that does not meet a national objective would not be compliant with CDBG requirements and may be subject to remedial actions.

STRATEGIC PLAN 2019 GOALS ADDRESSED

- Create a great place to live
- Maintain a financially sound City

BACKGROUND

On March 21, 2018 City Council approved the Program Year (PY) 2018 Annual Action Plan submission to HUD reflecting the following funding allocations as adjusted by the Contingency Language:

Public Service Activities

Funding Allocation (Cap: 15% of total funding)

- Fort Bend Seniors Meals on Wheels \$ 10,200
- Child Advocates \$ 10,200
- Educational Scholarships \$ 9,975
- Edison Art \$ 10,426

Total: \$ 40,801

Non-Public Service Activities

Funding Allocation

- Fifth Street Corridor Area/Slum & Blight: \$ 37,000.00
- Housing Rehabilitation: \$ 92,804.60
- Code Enforcement: \$ 47,000.00
- Administration: (Cap: 20% of total funding): \$ 54,401.40

Total: \$ 231,206.00

Grand Total: \$272,007

The City is in its last year of the Five Year Consolidated Plan and was granted a one-year extension until May 2019, which is now a 6-year plan. Our program year begins July 1st, thus our Five-Year Consolidated Plan is due May 17, 2019. If our pending request for a realignment of the program year with the City's new fiscal year is granted by HUD, our new Five Year Consolidated Plan will become due August 17, 2019.

Other service activities will be introduced and considered, such as HUD's Section 108 Home Loan Funding, which is often utilized for eligible economic development projects. Other competitive grants offered by HUD include the Choice Neighborhood Grant Program, which deals with concentration of neighborhood decline.

BUDGET/FISCAL ANALYSIS

Purchasing Review: N/A

Financial/Budget Review: No funds are requested at this time. This is a discussion item.

Note: Compliance with the conflict of interest questionnaire requirements, if applicable, and the interested party disclosure requirements (HB 1295) has been confirmed/is pending within 30-days of this Council action and prior to execution.

SUPPORTING MATERIALS

1. June 1, 2018, HUD CPD Funding Matrix
2. Consolidated Plan/Action Plan (Amended)
3. Basically CDBG, National Objectives Chapter Handout
4. Basically CDBG Section 108 Funds Handout

STAFF'S RECOMMENDATION

Staff recommends that City Council conduct a discussion regarding the CDBG program administration and priorities of the Community Development Advisory Committee.

Director Approval: Otis T. Spriggs, AICP, Director, Development Services

**Assistant City Manager/
City Manager Approval:** Scott R. Elmer, P.E.



U.S. Department of Housing and Urban Development
Office of Community Planning and Development
CPD Cross Program Funding Matrix



MISSOURI CITY, TX

Mayor Allen Owen

Program Area	Grant Type	Funding Year	Amount Awarded	Encumbered but Unspent by Grantee*	Unencumbered by Grantee*	Recapture Risk*	Eligible Activities	Performance Measures				
Formula Programs												
Community Development Block Grant (CDBG)	Formula	2017	\$266,015			\$0 (05/02/2018)	* Public Facilities/ improvements * Housing/ Rehabilitation * Public Services (capped at 15%) * Economic Development * Acquisition/ Clearance * Administration/ Planning (capped at 20%)	Top 5 Activities:	2016	2015	2014	
		2016	\$281,265					Public Improvmts	109,000	39.4%	26.2%	39.0%
		2015	\$313,640	EN	EN			Housing	68,376	24.7%	48.3%	36.9%
		Total:	\$860,920	\$303,846	\$20,000			Admin/Planning	62,376	22.5%	15.5%	11.2%
				PI	PI			Public Services	37,016	13.4%	10.1%	12.9%
				\$0	\$0			Total	276,768	100.0%	100.0%	100.0%
				RL	RL			FY 2016 %Spent Under 80% AMI:			88.9%	
				\$0	\$0			FY 2016 %Spent Under 50% AMI:			79.6%	
								2016	2015	2014		
								Persons Assisted Directly:	214	154	215	
				Services Avail. for Persons:	41,860	35,130	20,896					
				Leveraged Funds:	\$276,691							
				Program Income:	\$0							
Total				\$303,846	\$20,000	(\$75,177)						

Statutory/Reg Requirement for Obligations & Expenditures

CDBG	Obligations:	CDBG tracks funds associated with an activity rather than obligations.
	Expenditures:	An entitlement must have no more than 1.5 times its annual award prior to the end of its grant year.State CDBG requirement is for timely distribution of funds to local governments, not timely expenditure.Per CDBG regs, older funds are exhausted prior to spending new funding.
HOME	Under 24 CFR 92.500(d)(1):	
	Commitments:	requirement waived.
	CHDO reservation:	Last day of month 24 months after notification of grant agreement execution.
	Expenditures:	Last day of the month five years after notification of grant agreement execution for FY 1992-2014 HOME grants; and September 30 nine years after the beginning of the federal fiscal year for FY 2015 and later HOME grants
	Local Account Funds -Last 5 years*:	Last 5 Completed Program Years
ESG	Under 24 CFR 576.203	
	Obligations (for State):	within 60 days from the date HUD signs the grant agreement.
	Obligations (State Sub-Recpt):	within 120 days from the date the state obligates funds to subrecipients.
	Obligations (local gov and territory):	within 180 days from the date HUD signs the grant agreement.
	Expenditures (all recipients):	within 24 months from the date HUD signs the grant agreement.
HOPWA	Under 24 CFR 574.540:	

* Numbers reflect the information entered by the grantee into IDIS, DRGR, and other HUD reporting systems. Numbers are as of the date this matrix was published and change on a regular basis.



U.S. Department of Housing and Urban Development
Office of Community Planning and Development
CPD Cross Program Funding Matrix



	Expenditures:	within 3 years of the date the grant agreement is signed.
	Performance Measure:	* Data from grantee's annual HOPWA CAPER due during the federal FY2017. Includes HOPWA funds spent during the grantee's operating year regardless of allocation year. Additional HOPWA performance reporting data can be found at https://www.hudexchange.info/programs/hopwa/hopwa-performance-profiles/
		** Facility-Based Units being developed with capital funding but not yet opened (# units of housing planned)
		***Some households may be counted under multiple Activity Types if they received 2 or more HOPWA-funded services during the operating year.
HTF	Under 24 CFR 93.400(d):	
	Commitments:	24 months after the date of grant agreement execution.
	Expenditures:	5 years after the date of grant agreement execution.
	Local Account Funds -Last 5 years*:	Last 5 Completed Program Years
CoC	Obligations:	within 2 years of award.
	Expenditures:	within 7 years of award.
CDBG-R	Under ARRA:	
	Obligations:	CDBG tracks funds associated with an activity rather than obligations.
	Expenditures:	100% by 09/30/12.
NSP1	Under HERA:	
	Obligations:	18 months (9/2010).
NSP2	Under ARRA:	
	Expenditures:	50% by 2/11/12 100% by 2/11/13
NSP3	Under Frank-Dodd:	
	Expenditures:	50% by 2/11/13 100% by 2/11/14
HPRP	Under ARRA:	
	Commitments:	9/30/09
	Expenditures:	60% by 2 yrs after date HUD signed grant agreement 100% by 3 years after date HUD signed grant agreement (90 extra days to draw costs incurred before 3-year deadline)
DR	Dependent on language in appropriation.	
Section 108	Grantee can borrow up to 5 times annual CDBG award. Loan repayment period of up to 20 years.	

* Numbers reflect the information entered by the grantee into IDIS, DRGR, and other HUD reporting systems. Numbers are as of the date this matrix was published and change on a regular basis.



**PY 2018
ANNUAL ACTION PLAN**

**The U. S. Department of
Housing and Urban Development's
Community Development Block Grant Program (CDBG)**

**6th Program Year of the
2013-2018 Consolidated Plan**

**City of Missouri City, Texas
DUNS 083582882
Grantee #: B-18-MC-48-0040**

Allen Owen, Mayor

**Jerry Wyatt, At Large Pos. 1
Chris Preston, At Large Pos. 2
Yolanda Ford, District A**

**Jeffery L. Boney, District B
Anthony Maroulis, District C
Floyd Emery, Mayor Pro Tem,
District D**

Anthony Snipes, City Manager

May 15, 2018

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

HUD regulations at 24 CFR Part 91.15 (a)(2) require that City of Missouri City to submit an Action Plan to HUD by May 15, 2018, to receive PY 2018-2019 formula allocation. The Action Plan outlines how these funds will be used to address the goals and objectives outlined in the City's Five Year Consolidated Plan (2013-2019). In January 2018, HUD granted the City a one (1) year extension to its Six Year Consolidated Plan. The PY 2018 Annual Action Plan represents the sixth year plan for the current Consolidated Plan process. The City has not received its PY 18 Funding Allocations, however HUD has issued a revised procedures to govern the submission and review of consolidated plans and action plans for FY 2018 funding prior to computation of FY 2018 allocation amounts. *As required, the City's Contingency Language states, if HUD allocates more funding than the anticipated \$300,000 the City will increase the Housing Rehabilitation budget and the Administration Budget (20% cap of annual allocation) by that percentage amount but if it is less, the City will decrease funding to the Housing Rehabilitation budget, Public Service (15% cap of annual allocation), and the Administration Budget (20% cap of annual allocation) by that appropriated percentage amount. However, if HUD's allocation is less than 20% of the estimated annual CDBG total allocation (excluding money remaining after carrying out the activity), a substantial amendment to the Action Plan is not required.* The Draft Action Plan includes information regarding proposed projects to expend \$300,000 CDBG allocation for PY 2018 plus estimated \$316,518.58 PY2018, PY2018 carry-over funds. Total estimated PY 2018 funding is \$582,533.58. *(The Draft Annual Action Plan includes information regarding proposed projects to expend an estimated \$300,000 CDBG allocation for PY 2018 plus estimated \$76,357.51 PY2018 & PY2018 carry-over funds. Total estimated PY 2018 funding is \$357,622.51.)* The Department of Development Services (DS) is the lead department responsible for the consolidated planning process. The development of the Action Plan involves collaboration with other city departments, social service providers, housing developers, economic development entities, and the general public. These efforts shaped the various housing, community development, and economic development strategies which are outlined in the Action Plan.

Included in the plan are the following projects:

- Code Enforcement in CDBG Target Areas;
- Housing rehabilitation for owner-occupied units throughout the City;
- Services to Disabled Persons - Public service activities other than low/moderate income housing benefit: 15 Persons;
- Public Services for Abused and Neglected Children - Public service activities other than low/moderate income housing benefit: 73 Persons;
- Public Services for home-bound seniors - Public service activities other than low/moderate income housing benefit: 21 Persons;

- Public Services for Scholarships for post-secondary education - Public service activities other than low/moderate income housing benefit: 5 Persons; and
- Fair Housing Workshop
- Market Housing Study (PY 2017)

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The City's current Six Year Consolidated Plan, which covers the period July 2013 to June 2019, contains the goals and objectives which the City plans to address over the five year period. The Action Plan identifies those Five Year Plan goals and objectives that will be addressed with funding in that particular fiscal year. The Action Plan identifies 8 activities to be carried out the goals, objectives and outcomes which will be addressed in:

1. Housing Rehabilitation: \$92,804.60 to provide owner-occupied housing rehabilitation; \$37,000 to provide Renter-Occupied housing rehabilitation to the Fifth Street Corridor area only
2. Code Enforcement: \$47,000 to provide code enforcement in CDBG Target Areas
3. Post-secondary Scholarships: \$9,975 to provide scholarships for education
4. Meals on Wheels: \$10,200 to provide home-delivered meals
5. Child Advocates: \$10,200 to provide services to neglected/abused children
6. Edison Art: \$10,426 to provide educational services to children
7. Fair Housing: \$25.00 to provide Fair Housing Workshops

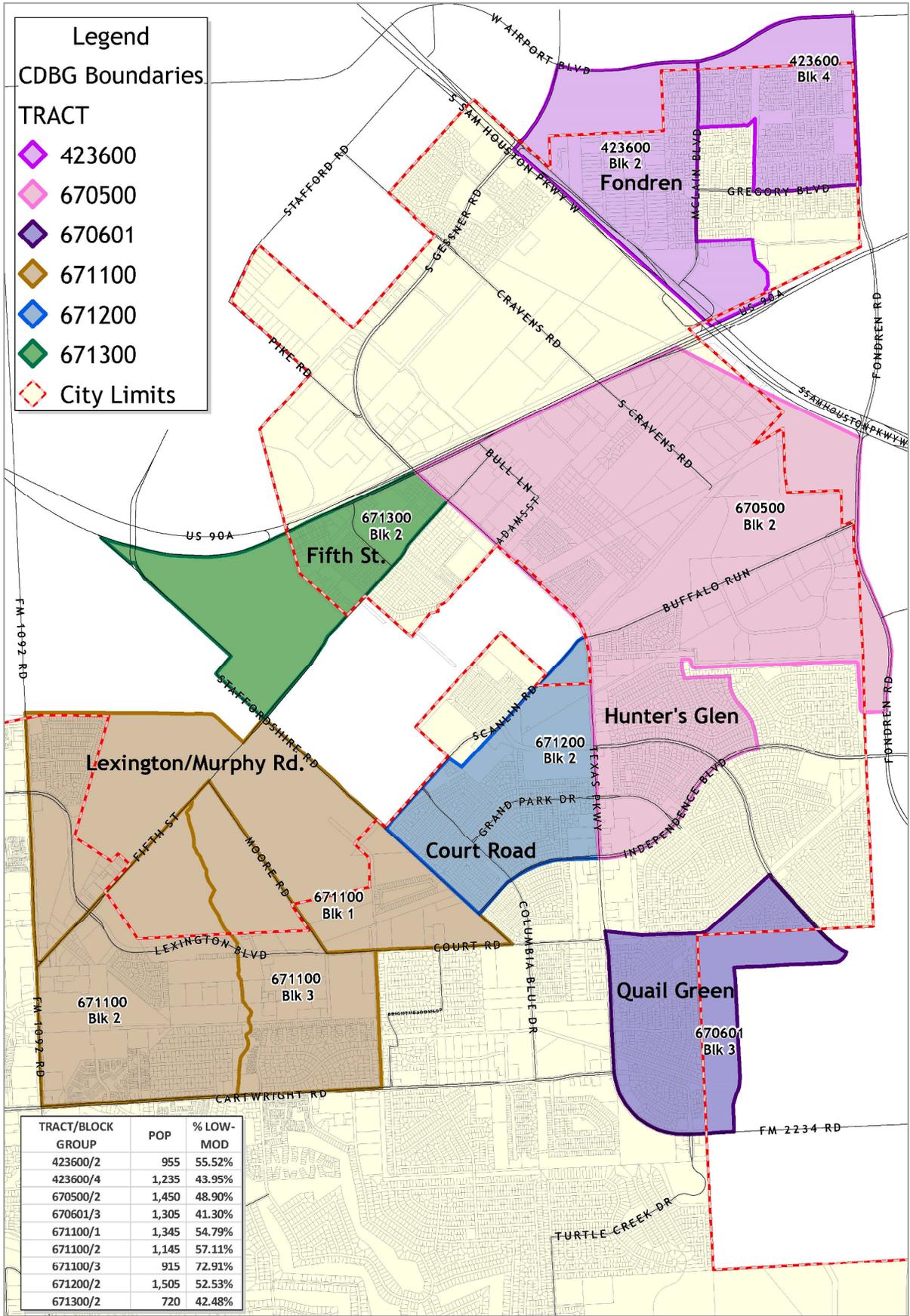
The PY 2018 Annual Action Plan addresses the priority needs set forth in the PY 2013-2019 Consolidated Plan (the City received a one year extension to the Consolidated Plan year). The proposed activities will serve low- to moderate-income residents through area-based code enforcement; park improvement; housing unit-based housing rehabilitation; and client-based home-delivered meals to the elderly, counseling to abused and neglected children; school-aged education; and post-secondary scholarships. The City will continue to affirmatively further fair housing within its jurisdiction and comply with Section 3 in reducing poverty by employing Section 3 contractors and subcontractors to the greatest extent feasible, provide job training, employment, and contracting opportunities for low- or very-low income residents in connection with projects and activities in Fair Housing and Section 3.

Legend

CDBG Boundaries

TRACT

- ◆ 423600
- ◆ 670500
- ◆ 670601
- ◆ 671100
- ◆ 671200
- ◆ 671300
- City Limits



TRACT/BLOCK GROUP	POP	% LOW-MOD
423600/2	955	55.52%
423600/4	1,235	43.95%
670500/2	1,450	48.90%
670601/3	1,305	41.30%
671100/1	1,345	54.79%
671100/2	1,145	57.11%
671100/3	915	72.91%
671200/2	1,505	52.53%
671300/2	720	42.48%

Map By:
GIS Division
February 2016



**Community Development
Block Grant (CDBG)**

%Low-Mod >= 41.3%, CDBG Eligible

0 0.125 0.25 0.5 0.75 1 Miles

Geographic Coordinate System North American Datum 1983 (NAD83)

The information on this map is provided and maintained by various agencies, including county departments, municipal governments, state and federal agencies. No guarantee is given as to the accuracy or currency of any of the data. The map is designed to serve as a secondary representation of real property found within this jurisdiction, and is compiled from the recorded deeds, plats, and other public records, which are primary sources for this public information. Users of this map are hereby notified that these primary sources should be consulted for verification of the information presented here. The data layers do not take the place of a legal survey or other primary source documentation. The city and its vendors assume no legal responsibility for the information on this map.

CDBG Target Areas for Code Enforcement

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The following were the major achievements reported in the latest Consolidated Annual Performance and Evaluation Report which covered the period of July 1, 2018 to June 30, 2018:

- Housing - 4 households were assisted.
- Public Services (excluding services to homeless) - 152 persons benefitted from public service activities.
- Public Facilities Improvements - 2 public facilities and infrastructure projects were
- Code Enforcement -1,072 persons benefitted from Code Enforcement activity

- Fair Housing - No fair housing complaints were received during PY2018.
- The public service agencies are on target to meet their goals. The City awards scholarships to all eligible applicants. Housing rehabilitation and code enforcement are also on target. The PY 15 housing rehabilitation program units were completed in PY2018. The PY 16 housing rehabilitation program units may not be completed by the end of PY2018; they will be completed in PY 2018 along with the proposed PY 2018 units. The City carried out a number of administrative tasks, including attending several HUD-sponsored workshops/conferences and webinars on fair housing, Section 3, and labor relations. Additionally, the City devoted significant general fund resources to enhancing the housing rehabilitation project through acquiring a Rehabilitation Software program and engaging the City's Building Inspectors to perform necessary inspection. The City improved its CDBG Funding Application and Housing Rehabilitation documents as well as the Subrecipient review process for the PY2018.

In addition during PY2018, the City's highlights its involvement in the regional collaboration of fair housing assessments and affirmatively furthering fair housing for program year 2018-2023, which was realigned to the Analysis of Impediments for Fair Housing (AI); its intentions to conduct the research and development of a comprehensive housing study. It will evaluation through the Comprehensive Plan update process, opportunities for redevelopment along four of the City's major corridors Texas Parkway; Cartwright Road; and FM 1092, and its influence development strategies within CDBG target areas including Fifth Street.

In PY2018, the City continued to work with the Houston Metropolitan Transit Authority (METRO) and Fort Bend Transportation to provide demand-response transportation services for the disabled and elderly. A new door to door and park and ride route system has been implemented. Other transportation services are provided from regional locations to various shopping and health-related hubs. The City will continue to work with METRO to encourage the establishment of fixed-route transit along major thoroughfares in Missouri City.

The City of Missouri City is committed to affirmatively furthering fair housing choice throughout the City. Title VIII of the Civil Rights Act of 1968 makes discrimination based on race, color, religion, sex, national origin, familial status or disability illegal in connection with the sale or rental of housing and any vacant land offered for residential construction or use. An Analysis of Impediments to Fair Housing Choice was developed in PY 2012 and a new one is currently underway.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

During the PY 2018 process, the City of Missouri City began its citizen participation process with the integral participation of a seven (7) member Community Development Advisory Committee (CDAC). The CDAC is comprised of the three (3) district City Council members serving the CDBG Target Areas and four (4) Missouri City residents. The CDAC serves as a non-conflict grant review committee which met on March 26, 2018 to review applications for funding and make funding recommendations. In addition to oversight and contribution from the CDAC, the City also hosts a pre- application workshop on February 8, 2018, two (2) public hearings each year and a 30-day public comment period for the Annual Action Plan which started on April 16, 2018 and ended on May 15, 2018 to advise the public of the consolidated planning process and to inform them of proposed funding strategies for the CDBG Programs, and to seek public input on the proposed strategies. These meetings were held on April 16, 2018 (Regular City Council Meeting) and on May 21, 2018 (Regular City Council Meeting). Notices advertising these meetings were published in the Fort Bend Herald, posted on the City's website and sent via email to all HOAs. On April 16, 2018, the funding strategies developed through the process were presented to the City Council for approval at a public meeting. Notice of this meeting was published in the Fort Bend Herald, posted on City's website, and partners were directly notified via email. On May 21, 2018, the Action Plan was present to the City Council for approval.

During the Consolidated Planning and Fair Housing Planning periods, the City utilizes a public survey to solicit detailed concerns and comments from residents. The surveys are in English and Spanish and are available electronically on the City's website, emailed to all public service agencies and advocacy groups, and available in paper copy at the City's library and City Hall. Agencies and advocacy groups, including homeowner's associations are asked to share the internet link and paper copies of the surveys with their constituents. During Action Plan years, the City refers back to the results of the surveys to determine ways in which it can better address the high priority needs.

The City of Missouri City works closely with the members of the CDAC to determine the priority needs of the community and the efficient use of CDBG funds. Additionally, the City works closely with its subrecipients to ensure that all clients receive the most comprehensive services possible, including directing clients of one agency to additional services of another agency. The City works to identify other avenues for serving residents whose needs do not meet the City's CDBG program structure or capabilities. Other possibilities include provide technical assistance to non-Subrecipient public service agencies to help increase their capacity and their awareness of CDBG funding and other potential resources.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

The City received four public comments:

Public hearing to receive comments for or against the proposed City's Community Development Block Grant Program Year 2018 Annual Action Plan was held on April 16, 2017:

1. Charity Carter with Edison Art Foundation thanked City staff and the Committee for their consideration.
2. Hunters Glen 1 & 2 HOA Board members thanked City staff and the Committee for their consideration for the applications for playground improvements and request the City Council to approved their project. The HOA would also contribute for the playground improvements.
3. Email from Ruthanne Mefford, Chief Executive Officer, Child Advocates of Fort Bend on April 17, 2018: I wanted to follow up with you regarding the meeting last night. I did read the email and interpreted the meeting as primarily intended for the public. As a beneficiary of the CDBG grant over the years, we are very appreciative of the city's support and funding. From our perspective, as you know we are very focused on our data collection and ensuring that we are accurately tracking and documenting services provided to Missouri City clients. We don't have any further opinions. Again, thank you for providing an opportunity for input. Best, Ruthanne Mefford, Chief Executive Officer, Child Advocates of Fort Bend.
4. At the May 21st City Council Meeting resident Bruce Zabovoswski request the City Council to approved the Hunters Glen 1 & 2 HOA Park project.

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

There were no comments /views not accepted at this meeting to be considered when preparing the Action Plan. At the City Council meeting on April 16, 2018, community members presented their applications, the Council discussed and unanimously approved the public hearing regarding the proposed strategies and recommendations presented by staff which included provision of funding for housing rehabilitation, public facilities, & code enforcement projects, and related Public Services.

7. Summary

During PY 2012, 3 tracts of land were rezoned to allow the construction of multi-family housing, with an additional tract rezoned in 2014. A new age-restricted multi-family project has been completed and is leased at capacity on FM 1092 in Missouri City. Another age-restricted complex has construction at Trammel-Fresno and Highway 6. A multi-family complex at Sienna Parkway and Sienna Springs Blvd has been constructed. Another multi-family complex is under construction east of Sienna parkway on Sienna Springs Blvd.

The City had addressed identified impediments to fair housing by disannexing acreage to encourage the construction of a multi-family housing development; establishing a method to review and consider requests for reasonable accommodations for group homes for the disabled that would not qualify for the exemption from zoning rules under the state statute; providing CDBG funds, which were matched with local funds and in-kind contributions, for the rehabilitation of deteriorating housing owned and occupied by the low- to moderate-income; and using CDBG funds to improve sidewalks, including the installation of curb cuts and wheelchair ramps, in a low- to moderate-income neighborhood.

The City funded Habitat For Humanity to provide minor housing rehabilitation, accessibility retrofits and energy efficiency measures to help ensure that the low-income, particularly the elderly and disabled, are able to remain in their homes and that their homes are safe and energy efficient as well as accessible through the installation of wheelchair ramps and other adaptive measures for the disabled. Not only did Habitat for Humanity provide housing rehabilitation services using CDBG funds, but it also provided pro-bono services to properties in Missouri City to low- to moderate-income households.

Habitat for Humanities is an MBE contractor and also trains and hires Section 3 individuals as interns, then subcontractors, helping the City to address poverty in the area and meet its Section 3 goals.

In addition, the City is involved in the regional collaboration of fair housing assessments and affirmatively furthering fair housing for program year 2018-2023. The City's has hired a consulting firm to conduct the fair housing analysis of impediments. The City's intends to hire a consulting firm to conduct the research and development of a comprehensive housing study. The City's evaluation through the Comprehensive Plan update process, opportunities for redevelopment along four of the City's major corridors Texas Parkway; Cartwright Road; and FM 1092, and its influence development strategies within CDBG target areas including Fifth Street.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	MISSOURI CITY	
CDBG Administrator	MISSOURI CITY	Development Services
HOPWA Administrator		
HOME Administrator		
HOPWA-C Administrator		

Table 1 – Responsible Agencies

Narrative (optional)

The City of Missouri City is the CDBG Grantee and the lead agency responsible for administering the programs covered by the Consolidated Plan. The Development Services Department is responsible for the programmatic activities while the Finance Department manages all financial duties. The City has on staff a Community Development to conduct the majority of the day-to-day activities and will contract with a CDBG consulting firm to provide technical assistance to the staff and subrecipients, if needed.

The Educational Scholarships Program and the Housing Rehabilitation program are administered in-house by the Development Services Department staff. The Housing Rehabilitation program is managed by a General Contractor with administrative approved from City staff. The City has engaged the Building Inspection department to supervise the inspections and permitting of the Housing rehabilitation program. The Code Enforcement, Public Facilities and Capital projects are managed in-house within the Police Department, Public Works and Parks Departments, respectively. Other programs are administered by the subrecipients with oversight by the City staff responsible for CDBG.

The Community Development Advisory Committee convenes to set the funding levels for activities, review progress throughout the year and approve any programmatic changes.

Consolidated Plan Public Contact Information

The City of Missouri City provides residents and stakeholders the opportunity to participate in the CDBG process throughout the year and particularly during the Consolidated and Annual Action Planning Processes. The City's Development Services Department is the primary contact for all public inquiries and comments, however, all of the City's elected officials and members of the Community Development Advisory Committee (CDAC) receive inquiries and comments and notify the Development Services Department to fully address the issues. The City's Community Development Advisory Committee meets multiple times during the annual planning process and periodically throughout the year when amendments are needed and/or issues arise that require review and action by the committee. The CDAC is comprised of the three City Councilmembers responsible for districts in which CDBG Target Areas fall as well as of four residents of the City, each representing different geographic areas or programmatic areas of concern.

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

The City of Missouri City endeavors to consult with any and all entities that can provide information, services, or funding regarding the needs of the under-resourced and special needs populations in the City. This includes citizen groups, service providers, business leaders, and individual residents themselves. The purpose of the consultation is to ensure that the City's CDBG funds are used to the best and highest use possible, that additional funds are identified and leveraged, and that the residents of Missouri City are provided the best neighborhoods and services possible.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The City makes every effort to consult with and coordinate with public and private service providers serving Missouri City. Currently, no public housing agency serves Missouri City. The State of Texas' Section 8 Housing Choice Voucher (HCV) program does not cover Fort Bend County or Missouri City. The Harris County Section 8 Housing Choice Voucher program does cover a small corner of Missouri City, but the area is single family and industrial with no multi-family and few rental units. No Harris County HCV program participants have elected to rent in the Fondren Park area that covers Missouri City and Harris County. Fort Bend County is in the process of becoming a Public Housing Authority with Section 8 HCVs, however the designation has not been finalized and there are no funds to provide vouchers to a new PHA.

The City has funded the Child Advocates of Fort Bend County, which receives Missouri City CDBG funding, provides counseling to neglected and abused children and their non-offending guardians.

The City funds several other public service agencies and works with all of the funded agencies as well as others serving the City to facilitate coordination among the service providers. Housing and service providers are encouraged to assist clients in identifying other agencies that can provide additional services and have been instrumental in referring clients to other service providers.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

There is no Continuum of Care program specifically for Missouri City or Fort Bend County. Several years ago, the Coalition for the Homeless of Houston/Harris County expanded its jurisdiction to cover all of Fort Bend County, including Missouri City. The City, through its consultant, discusses the needs in Fort Bend County with the Coalition. Currently, Fort Bend Women's Center receives CoC funds within the

county. Fort Bend County Family Promise received Shelter + Care funding, but cancelled its contract as the program did not address the agency's mission. Family Promise is located in Missouri City. Both, FBF Promise and the FB Women's Center serve Missouri City homeless residents.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City does not receive ESG funds.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Fort Bend Habitat for Humanity
	Agency/Group/Organization Type	Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Throughout the year, the agency was consulted regarding the housing needs both for rehabilitation and affordable housing purchase. The City works closely with Fort Bend Habitat for Humanity and the collaboration and coordination has resulted in and will continue to result in identifying ways in which to further the housing rehabilitation program, address the need for more affordable housing units and find alternative funding for those housing needs which fall outside the scope of the City's CDBG program. The anticipated outcomes are (1) to determine and implement the best practices for housing rehabilitation, (2) to work jointly in securing additional funding sources for special situations and (3) to increase the number of affordable housing units for sale in Missouri City. For PY 18 the City will attempt to hire multiple General Contractors to conduct the Housing Rehabilitation projects.
2	Agency/Group/Organization	Missouri City Community Development Advisory Committee
	Agency/Group/Organization Type	Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Economic Development Anti-poverty Strategy Social Service needs, Public Facility needs

	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The Community Development Advisory Committee, comprised of 3 City Councilmembers and 4 citizen members, 2 of whom reside in the CDBG Target Areas provides valuable consultation to the City staff in the areas of public facility/infrastructure needs, social service needs, priorities of residents, and capacity of applicant agencies. The CDAC meets with City staff numerous times throughout the year and individual members are in contact with the City staff to relay information. The anticipated outcome is to ensure that the priorities of the residents are met and that the City is as efficient and cost-effective in addressing the needs of the under-resourced as possible.</p>
3	<p>Agency/Group/Organization</p>	<p>Fort Bend County Community Development</p>
	<p>Agency/Group/Organization Type</p>	<p>Other government - County Grantee Department</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment Public Housing Needs Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy CDBG collaboration</p>
	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The City collaborates with the County's Community Development Department to refer agencies and residents to each other depending on location and need. The anticipated outcomes include (1)ensuring that the under-resourced and special needs populations are provided services through the agency eligible to serve them and (2)determining housing needs/programs throughout the county and how to best access those eligible for Missouri City, as well as understanding the status of the County's proposed Section 8 HCV program.</p>

4	Agency/Group/Organization	Child Advocates of Fort Bend
	Agency/Group/Organization Type	Services-Children
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City funds Child Advocates and collaborates and consults with them throughout the year. The anticipated outcome is to determine changes in need and procedures as well as ways in which the City can better serve the agency and assist the agency in serving abused and neglected children in Missouri City.
5	Agency/Group/Organization	FORT BEND SENIORS
	Agency/Group/Organization Type	Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City funds Fort Bend Seniors' Meals on Wheels program and consults with the agency as to the additional needs of its clients. The anticipated outcome is that when a housing rehabilitation client appears to be in need of home-delivered meals, the City will refer them to Fort Bend Seniors; and when a Meals on Wheels client is living in a deteriorated home, Fort Bend Seniors refers the client to the City for possible inclusion in the housing rehabilitation program.

Identify any Agency Types not consulted and provide rationale for not consulting

The primary agency types not consulted are:

- Public Housing Authority due to the non-existence in Missouri City or Fort Bend County
- General population emergency shelters, transitional housing, and permanent supportive housing due to the non-existence in Missouri City or within a reasonable distance in Fort Bend County

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Coalition for the Homeless of Houston/Harris County	The goals of Missouri City's Strategic Plan overlap in the sense that the needs of the homeless, particularly victims of domestic violence, have received a high priority and that Missouri City has reached out to the 2 homeless providers in the area to encourage application for funding.
Disaster Recovery Plan	State of Texas General Land Office	The goals of the strategic plan overlap in the sense that (1) flood prevention is a high priority and (2) housing rehabilitation is a high priority. The City has worked with GLO to determine any prevention activities that should be funded through the Disaster Recovery funds. Likewise, the City is working with Houston Galveston Area Council, as a subrecipient of GLO, to determine the ability to secure housing demolition/reconstruction or major housing rehabilitation for those homeowners whose houses are beyond the scope of the City's housing rehabilitation program. The City has requested CDBG-DR funds from Fort Bend and Harris County through GLO to recover from past disasters.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

AP-12 Participation – 91.105, 91.200(c)

**1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting**

The Citizen Participation Process includes the integral participation of a seven (7) member Community Development Advisory Committee. The CDAC is comprised of the three (3) City Council members, two (2) elected from districts that include the CDBG Target Areas, and 4 Missouri City residents. In addition to oversight and input from the CDAC, the City also hosts 2 public hearings each year and a 30-day public comment period for the Annual Action Plan.

During the Consolidated Planning and Fair Housing Planning periods, the City utilizes a public survey to solicit detailed concerns and comments from residents. The surveys are in English and Spanish and are available electronically and emailed to all public service agencies and advocacy groups, and available in paper copy at the City Hall. Agencies and advocacy groups, including homeowner's associations are asked to share the internet link and paper copies of the surveys with their constituents. During Action Plan years, the City refers back to the results of the surveys to determine ways in which it can better address the high priority needs.

The City also consults with a number of public and private agencies to determine the needs of their clients.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Non-targeted/broad community	Two public hearings were conducted.	Three Public Comments	N/A	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Newspaper Ad	Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	Ads are placed in English and Spanish notifying the public of the 2 public hearings and the 30-day public comment period.	No Public Comments received	No Public Comments received	
3	CDAC meetings	Non-targeted/broad community	Throughout the year the City hosts meetings of the Community Development Advisory Committee that are open to the public and notice is posted on the City's website and at City Hall at least 72 hours prior to the meetings.	Comments from the CDAC are included in the minutes and involve funding priorities. The Nonprofits representatives who applied for the CDBG program attended the meetings.	All comments that are received are accepted and reviewed. Responses are made as is applicable. All CDAC member comments are part of the minutes and are accepted and incorporated.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Internet Outreach	Non-targeted/broad community	Notices of CDAC meetings, public hearings and public comment periods are placed on the City's website and Social Media outlets.	No Public comments received.	N/A	www.missouricitytx.gov

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The City will receive \$272,007 in CDBG funds for PY2018. It anticipates having approximately \$304,561.71 (PY17: \$174,143.32; FY 16: \$72,614.68; PY15: \$7,803.71; PY14: \$50,000; Unobligated= \$ 20,000.00) will carry over to PY2018. The City does not have program income. Therefore, for PY2018, it anticipates approximately \$576,568.71 in available funds for serving low- to moderate-income residents. Prior year resources will be allocated to Housing Rehabilitation, if necessary. In addition to the CDBG allocation, the projects funded will also be leveraged by substantial additional resources from the subrecipients and the City's general fund. The amount leveraged will be approximately \$2 for every CDBG dollar spent.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$272,007	\$0	\$304,561.71	\$576,568.71	\$576,568.71	Unexpended funds in the amount of \$343,845.56 was carried over from Prior years for projects. Prior year resources have been allocated to a Market Housing Study in the amount of \$30,000; and any remaining funds will be tied to existing projects: housing rehabilitation.

Table 5 - Expected Resources – Priority Table

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

There are no matching requirements for CDBG, however the City leverages significant additional resources. For every dollar spent on Code Enforcement, the program will leverage at least \$1.00. Additionally, Development Services, Finance, and Legal Department staff members provide at least \$50,000 in time covered by the City's general fund and not expended through CDBG. The public service agencies provide significant leverage/match for their programs: Child Advocates of Ft. Bend provides \$69,757 to augment CDBG funds for services to abused and neglected children; Meals on Wheels provides approximately \$169,561.06 to augment the CDBG allocation for home-delivered meals to the elderly; and Edison Art provides approximately \$12,840 to augment the CDBG allocation for School Summer Reading program. General Contractors will provide approximately \$50,000 to augment CDBG funds for owner-occupied housing rehabilitation. The total estimated for leveraging is \$352,158, approximately twice the annual allocation.

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

The City addresses the needs identified in the plan through its public parks, businesses and housing, owned and operated by the City of Missouri City. The Fifth Street Corridor contain properties by private owners, the City will work with those owners to provide housing rehabilitation, economic development and neighborhood stabilization to eliminate slum and blight.

Discussion

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Housing Rehabilitation	2013	2019	Affordable Housing	Fondren Hunter's Glen Fifth St. Quail Green Court Road Lexington/Murphy Road Citywide	Housing Rehabilitation	CDBG: \$ 129,904.60	Homeowner Housing Rehabilitated: 8 Household Housing Unit
2	Meals on Wheels	2013	2019	Non-Homeless Special Needs Non-Housing Community Development		Senior Services	CDBG: \$10,200	Public service activities other than Low/Moderate Income Housing Benefit: 21 Persons Assisted
3	Services to Neglected or Abused Children	2013	2019	Non-Housing Community Development		Services to Neglected or Abused Children Street Improvements	CDBG: \$10,200	Public service activities other than Low/Moderate Income Housing Benefit: 73 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Post Secondary Scholarships	2013	2014	Non-Housing Community Development		Educational Services	CDBG: \$9,975	Public service activities other than Low/Moderate Income Housing Benefit: 5 Persons Assisted
5	Edison Arts	2013	2014	Non-Housing Community Development		Educational Services	CDBG: \$10,426	Public service activities Low/Moderate Income Housing Benefit: 20 Persons Assisted
6	Code Enforcement	2013	2014	Non-Housing Community Development	Fondren Hunter's Glen Fifth St. Quail Green Court Road Lexington/Murphy Road	Code Enforcement	CDBG: \$47,000	Housing Code Enforcement/Foreclosed Property Care: 750 Household Housing Unit
7	Fair Housing	2013	2014	Non-Housing Community Development	Hunter's Glen Fifth St.	Public Facilities	CDBG: \$25	Other: 1 Other

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Housing Rehabilitation
	Goal Description	<p>During PY2018, the City will contract with General Contractors, to provide minor to moderate housing rehabilitation services to approximately 8 low- to moderate-income owner-occupied housing units throughout the City of Missouri City.</p> <p>During PY2018, Fifth Street Slum & Blight Improvement - Rehabilitation of substandard rental & owner occupied housing located in the designated Fifth Street blighted area to bring housing to standard condition.</p>
2	Goal Name	Meals on Wheels
	Goal Description	<p>During PY2018, Fort Bend Seniors will provide daily hot home-delivered meals to 21 home-bound elderly residents of Missouri City. The CDBG allocation will cover the cost of the meals, and Fort Bend Seniors will cover the salaries of the drivers, vehicle costs and administrative/operating/overhead costs. Residents' city-wide will be served.</p>
3	Goal Name	Services to Neglected or Abused Children
	Goal Description	<p>During PY2018, Child Advocates of Fort Bend County will provide counseling, forensic interviewing and advocacy to 73 abused and/or neglected children in Missouri City. This will be a city-wide project.</p>
4	Goal Name	Post Secondary Scholarships
	Goal Description	<p>During PY2018, the City of Missouri City will award at least 5 scholarships to qualified low- to moderate-income students who are pursuing post-secondary education through a trade/technical school, community college, junior college or 4-year university. The amount of scholarship for each student will depend on the costs not covered by other sources and the number of qualified applicants. This is a city-wide project and is managed by the City, with the selection process conducted by a subcommittee of the Community Development Advisory Committee.</p>

5	Goal Name	Edison Arts
	Goal Description	During PY2018, Edison Arts will provide art and dance educational services during the summer STARs program to 20 students in Missouri City. This will be a city-wide project.
6	Goal Name	Code Enforcement
	Goal Description	During PY2018, the City will assign one code enforcement officer to serve the CDBG Target Areas and to be supported by one or more additional city-wide officers. The activities will include windshield surveys for violations, responding to complaints, in-depth investigations, citing violators, appearing in court when the violations are not resolved.
7	Goal Name	Fair Housing
	Goal Description	During PY2018, The City will conduct educational workshops pertaining to Fair Housing.

Projects

AP-35 Projects – 91.220(d)

Introduction

Missouri City will provide code enforcement activities throughout all CDBG Target Areas, housing rehabilitation city-wide to low- to moderate-income homeowners, public facilities improvement and public services to low- to moderate residents. Public services will include home-delivered meals to home-bound elderly, arts education to students, supportive services to neglected and abused children, and post-secondary scholarships to students.

Projects

#	Project Name
1	Housing Rehabilitation
2	Meals on Wheels
3	Child Advocates
4	Post-secondary Scholarships
5	Edison Arts
6	Code Enforcement
7	Fair Housing
8	Program Administration

Table 7 - Project Information

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

The allocation priorities were based on (1) the priorities set in the current Consolidated Plan which were based on a combination of resident survey results, interviews with stakeholders, input from City departments; (2) current residents' complaints or requests for services or area improvements; (3) applications from housing rehabilitation and public service agencies; and (4) unfunded or underfunded needs/priorities in City departments. Limited financial resources is the major obstacle to addressing the underserved needs. Cuts to the funding of non-profit subrecipients, is due to decrease in CDBG funding allocation, real estate decline causing property tax revenues to decline, aging of public facilities/infrastructure, aging of residential units, and increased numbers of under-resourced residents leads to less money to serve more eligible individuals, households and neighborhoods.

AP-38 Project Summary
Project Summary Information

1	Project Name	Housing Rehabilitation
	Target Area	Fondren Hunter's Glen Fifth St. Quail Green Court Road Lexington/Murphy Road
	Goals Supported	
	Needs Addressed	
	Funding	\$129,804.60
	Description	Provide minor to moderate housing rehabilitation to 8 housing units owned and occupied by low- to moderate-income residents
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	It is estimated that 10 housing units, including 30 individuals will be assisted.
	Location Description	City-wide
	Planned Activities	Conduct minor to moderate rehabilitation, including correction of code violations, health and safety improvements, energy efficiency improvements and retrofits for disabled residents. The cost for the rehabilitation will be a maximum of \$10,000 per unit without CDAC prior approval.
2	Project Name	Meals on Wheels
	Target Area	City Wide
	Goals Supported	Senior Services
	Needs Addressed	
	Funding	\$10,200
	Description	Provide home-delivered hot meals to home-bound elderly residents. Additionally, provide interactions with the residents and visual assessments of their conditions, reporting any concerns to the Fort Bend Seniors' case managers.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	An estimated 22 unduplicated individuals will be served. The individuals will be home-bound elderly.
	Location Description	City-wide
	Planned Activities	Fort Bend Seniors will deliver hot meals to 22 low- to moderate-income home-bound elderly on a daily basis. This translates to 365 meals per person or 3,285 total meals.
3	Project Name	Child Advocates
	Target Area	City Wide
	Goals Supported	Services to Neglected or Abused Children
	Needs Addressed	
	Funding	\$10,200
	Description	Provide services to 75 abused and neglected children who are under CPS care and/or are low- to moderate-income.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 75 children will benefit from the proposed activities. Of these, most will have been removed from the home and in foster care.
	Location Description	Recipients will be city-wide and will receive services at 5403 Avenue N, Rosenberg TX.
Planned Activities	Child Advocates of Fort Bend County will provide forensic interviewing, counseling and advocacy services to 75 abused and/or neglected children who are either with their non-abusing parent/custodian or have been removed from the home and are in foster care.	
4	Project Name	Post-secondary Scholarships
	Target Area	Citywide
	Goals Supported	Educational Services
	Needs Addressed	
	Funding	\$9,975
	Description	Provide post-secondary scholarships to low- to moderate-income residents.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	Depending on the number of qualified applicants, an estimated 5, not to exceed 10, low- to moderate-income individuals will be served. The individuals will be enrolled in a trade/technical school, community college, junior college or 4-year university and will have a gap in funding of tuition, fees, and/or on-campus room/board. The City will manage the program.
	Location Description	City-wide to be served at 1522 Texas Parkway, Missouri City
	Planned Activities	The City will solicit applications from low- to moderate-income High School seniors or those enrolled in post-secondary education and will select up to 10 to receive a minimum of \$1,000 each for furthering their education. The size of the scholarships will be based on the number of qualified applicants. It is estimated that between 5 and 10 will qualify, giving each between \$1,000 and \$2,000.
4	Project Name	Edison Art
	Target Area	Citywide
	Goals Supported	Educational Services
	Needs Addressed	
	Funding	\$10,426
	Description	Provide Educational Art program to low- to moderate-income residents.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Edison Art will provide educational art and dance services to 25 summer school students from Missouri City.
	Location Description	City-wide to be served at 1522 Texas Parkway, Missouri City
	Planned Activities	The City will solicit applications from low- to moderate-income High School seniors or those enrolled in post-secondary education and will select up to 10 to receive a minimum of \$1,000 each for furthering their education. The size of the scholarships will be based on the number of qualified applicants. It is estimated that between 5 and 10 will qualify, giving each between \$1,000 and \$2,000.
	Project Name	Code Enforcement
	Target Area	
	Goals Supported	
	Needs Addressed	

	Funding	\$47,000
	Description	Provide residential code enforcement activities in CDBG Target Areas
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 750 housing units will be investigated. All will be located in CDBG Target Areas which qualify as being 41.3% or more low- to moderate-income.
	Location Description	CDBG Target Areas to be served at 1522 Texas Parkway, Missouri City
	Planned Activities	A code enforcement officer solely assigned to the CDBG Target Areas, supported by other city-wide officers as needed, will conduct windshield assessments of violations, investigate complaints, cite violators and appear in court or other proceedings regarding the unresolved violations. Staff salaries will be charged to CDBG.
	Planned Activities	A code enforcement officer solely assigned to the CDBG Target Areas, supported by other city-wide officers as needed, will conduct windshield assessments of violations, investigate complaints, cite violators and appear in court or other proceedings regarding the unresolved violations. Staff salaries will be charged to CDBG.
7	Project Name	Fair Housing
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	\$25.00
	Description	Conduct Fair Housing Workshops
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	1
	Location Description	City-Wide
	Planned Activities	Conduct Fair Housing Workshops
8	Project Name	Program Administration
	Target Area	

Goals Supported	
Needs Addressed	
Funding	\$54,376.40
Description	Provide general CDBG program administration.
Target Date	6/30/2019
Estimate the number and type of families that will benefit from the proposed activities	Program Administration, not applicable.
Location Description	1522 Texas Parkway, Missouri City, TX 77489
Planned Activities	Provide program administration for CDBG program.

AP-50 Geographic Distribution – 91.220(f)

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

In PY2018, the City will not fund Park involvement projects. The City will conduct code enforcement activities in all of the CDBG Target Areas and the total percentage of funds allocated is 17.27, each Target area is divided equally. This primary service area has the following characteristics:

TRACT/BLOCKGROUP	POPULATION	% LOWMOD
423600/2	955	55.52%
423600/4	1,235	43.95%
670500/2	1,450	48.90%
670601/3	1,305	41.30%
671100/1	1,345	54.79%
671100/2	1,145	57.11%
671100/3	915	72.91%
671200/2	1,505	52.53%
671300/2	720	42.48%

Based on HUD's exception to the 51% low-mod income requirement of 41.30%, the area qualifies as an eligible target area.

Geographic Distribution

Target Area	Percentage of Funds
Fondren	3
Hunter's Glen	3
Fifth St.	3
Quail Green	3
Court Road	3
Lexington/Murphy Road	3

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The park investments are allocated based on the park of highest use by low- to moderate-income residents and the need for expanded amenities in the park. The type of investment was based on resident comments and complaints about lack of improvement to park facilities. Although Hunters Glen HOA 1&2 requested funding for PY 18, the City will not fund Park involvement projects.

Discussion

For PY2018, see the maps in the Executive Summary for the location of the CDBG Target Areas.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City of Missouri City will provide funds to a non-profit corporation for the rehabilitation of 8 owner-occupied housing units with PY 2018 funds and complete additional housing units with PY 2016 & PY 2017 funds. Without a HOME program or additional CDBG funding, no additional affordable housing units can be added to the stock through Entitlement funds.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	8
Special-Needs	0
Total	8

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	8
Acquisition of Existing Units	0
Total	8

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

The City is limited by the size of its CDBG allocation. Therefore, housing rehabilitation is the primary affordable housing activity that can be funded. During PY2018, a Housing Rehabilitation General Contractor will complete the PY 2016 & PY 2017 activity of providing owner-occupied rehabilitation to approximately 20 homes and will then expend PY 2018 dollars to complete 8 additional homes.

The City will conduct a Market Housing Analysis to determine the level of housing and address the housing needs in Missouri City funded under PY 2017.

AP-60 Public Housing – 91.220(h)

Introduction

There is no Public Housing Authority that serves the vast majority of Missouri City. Harris County has a Section 8 HCV program that covers a small portion of Missouri City, but that portion does not have significant rental housing. There is no public housing or Section 8 HCV program in Fort Bend County outside of Rosenberg to the far west/southwest of Missouri City.

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

Not Applicable. Without any public housing entity in or near Missouri City, there are no plans to address the need for public housing.

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

Not Applicable. There are no public housing residents.

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

Not Applicable. There is no PHA serving Missouri City.

Discussion

Without a public housing agency providing public housing or Section 8 HCVs in Missouri City, the City has no power, authority or funding to address public housing needs.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

Several years ago, the Coalition for the Homeless of Houston/Harris County expanded its coverage to include Fort Bend County. At that time, Missouri City began relying on the Coalition to provide information on the number and needs of the homeless population in the city. Additionally, Missouri City relies on area homeless providers to address the needs of homeless persons. While the City solicits funding applications from those emergency shelters and transitional housing providers serving the Missouri City area, none applied for funding for PY2018.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including: Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City's one-year goals for reaching out to homeless persons is met through interacting with the Coalition for the Homeless of Houston/Harris County (now including Fort Bend County). The Coalition conducts its point in time enumeration and an annual needs survey throughout Harris and Fort Bend Counties. These two activities serve to reach out to homeless persons and assess their individual needs. The City relies on the Coalition for conducting the enumeration and survey each year.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City of Missouri City must rely on shelters and transitional housing agencies to meet the needs of homeless persons. Though the City has solicited applications for funding from a domestic violence shelter/transitional living program and a family shelter, neither applied for funding in PY2018. The City has placed a high priority on addressing the needs of homeless persons, but at this time there are no agencies applying for funds to serve Missouri City residents. The City will continue to reach out to area agencies that can provide shelter and transitional housing to homeless persons.

Helping 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

While the City solicits applications from potential subrecipients, the only two agencies in the area serving homeless persons have not applied for funding. Fort Bend Women's Center was a subrecipient until 2010 and no longer applied for funding. Fort Bend Women's Center provides shelter, supportive services, crisis intervention and transitional housing to victims of domestic violence. In prior years, the Women's Center used Missouri City CDBG funds to support the TBRA program and shelter operations. However, the

number of Missouri City residents was too small to warrant the administrative expense to receive/manage the funds.

Despite encouraging Family Promise to apply, they have not sought funding through Missouri City. Family Promise provides short-term shelter in churches for families who are homeless but are able to become self-sufficient in a few months' time. Missouri City has encouraged the agency to apply for funding but due to changes in their scope and procedures they have opted not to apply.

Helping 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.

The main way in which Missouri City utilizes CDBG funds to help low-income individuals and families avoid becoming homeless is through the rehabilitation of their homes to make them safe and accessible.

Discussion

Homeless providers locate where there is a large congregation of homeless persons. Homeless persons tend to move to and congregate near homeless providers. As a result, most of the shelters, transitional housing providers, permanent supportive housing providers and service providers for the homeless are located in the core of Houston. As a result, there are limited service providers in suburban areas like Missouri City. There are 2 Fort Bend County providers -- Fort Bend Women's Center and Family Promise -- but these are smaller agencies and target specific subpopulations. These two agencies are actively involved in the Coalition for the Homeless which covers all of Fort Bend County, including Missouri City. However, neither has requested support or assistance from Missouri City for PY2018.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The Analysis of Impediments identified the barriers to affordable housing and impediments to fair housing, including: restrictive zoning, well-defined environmental codes, lack of City financial resources for developing affordable housing or providing first-time homebuyers assistance, and lack of interest by builders to build lower-priced housing, lack of public fixed-route transportation. The City has developed a Fair Housing Ordinance Sec. 33-1 and has updated its housing rehabilitation policies and procedures. Though not all of the barriers directly affect affordable housing, the linkages between transportation costs and housing costs as well as between limited employment opportunities and housing costs do result in a shortage of affordable housing.

The City has collaborated with other municipalities to conduct a regional Analysis of Impediments to Fair Housing.

Land costs as well as building codes drive housing costs, making affordable housing more difficult to develop without a HOME program or other assistance available to developers. Additionally, without a HOME program and with limited CDBG funds, a first-time homebuyer's program is not feasible.

Fort Bend County does not currently have a public housing authority. Therefore, there are no public housing units or Section 8 Housing Choice Vouchers in Missouri City.

Also, due to the limited CDBG funding and the lack of a HOME program, Missouri City is unable to fund a demolition/reconstruction program for those owner-occupied housing units that require more than 50% of the current value to repair. The federal regulations that prohibit Fort Bend County and Harris County from providing HOME assistance in Missouri City because Missouri City is a CDBG Entitlement is a barrier to providing first-time homebuyers assistance, new affordable housing construction, and demolition/reconstruction activities.

Actions it 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

Fort Bend County is working to become a public housing authority and provide Section 8 HCVs. Once the program is in place, the City of Missouri City can begin assisting the County in encouraging landlords to accept the vouchers.

The City worked with Houston-Galveston Area Council's Disaster Recovery program to inform homeowners on the waiting list for City-sponsored housing rehabilitation of the opportunity for repairs

when damage was due to Hurricane Ike.

The City's current Comprehensive Plan includes the determination of a need for affordable housing with the impending growth that is projected for the next 10-20 years. In this plan, the outlook for the city takes into account the expansion of commercial development as well as the need for more multi-family units of housing.

The rise in commercial development places the city in a more competitive position to entice companies and industries to re-locate to Missouri City. This new growth expands the demand for a more varied housing product. The current housing stock remains over 90% single-family. The new businesses that will be locating in Missouri City will have employees that require more choices for permanent housing. This need for more affordable housing has been presented to the Development Services Department. In working on the City's overall comprehensive plan, the Development Services Department has included the need for more affordable housing stock to be provided for the next 10 years. During PY 2012, 3 tracts of land were rezoned to allow the construction of multi-family housing, with an additional tract rezoned in 2014. New age-restricted multi-family projects have been completed on FM 1092 and Sienna Springs Blvd west of Sienna Parkway in Missouri City. New age-restricted Huntington at Sienna multi-family complex is completed and fully leased at Trammel-Fresno and Highway 6. It added 132 age restricted multifamily units. The construction of a multi-family complex at east of Sienna Parkway on Sienna Springs Road is underway, to date, 8 of the 28 apartment buildings have been completed.

The City approved an ordinance to rezone an approximate 23.0592 acre tract of land from SUP and LC-2 to PD. The subject site is located at 3222 Texas Parkway. This PD, would be a mixed use development proposed to consist of (1) the church and the youth facility; (2) a commercial tract; (3) a senior independent living facility providing 80 to 120 dwelling units (Gala at Texas Parkway); and (4) a senior independent living facility providing 80 to 120 dwelling units (Jubilee at Texas Parkway). A maximum of 240, age restricted, dwelling units are proposed.

GCI Development Texas LLC, proposes to construct a senior multifamily facility, "Gala at Texas Parkway," west of Texas Parkway, just south of the intersection at Cartwright Road. GCI Development Texas LLC proposes to partially finance the construction of the facility with housing tax credits from the Texas Department of Housing and Community Affairs (TDHCA). GCI Development Texas LLC has requested the City's support of its application for housing tax credits as well as a commitment for development funding.

Discussion:

Land costs and limited areas zoned for multi-family create barriers to the development of affordable housing in Missouri City. Additionally, with Missouri City not being a HOME Participating Jurisdiction, the funding to develop affordable housing units, provide first-time homebuyers assistance and conduct demolition/reconstruction activities is not available, but much needed.

The City will continue to support Fort Bend Habitat for Humanity in its work to acquire, rehabilitate and

sell properties in Missouri City for low- to moderate-income homebuyers. Additionally, the City is working with other area entities to layer funding and identify alternative funding for those households that cannot be assisted through CDBG.

AP-85 Other Actions – 91.220(k)

Introduction:

The City will focus this next year on housing rehabilitation, residential neighborhood improvements and public services. The PY 2015 parking lot lighting and expand the parking lot in Hunters Glen Park project were completed in PY 2016 and PY 2016 Buffalo Run Park project were completed in PY 2017. The City will continue to fund code enforcement in CDBG Target Areas. In addition to area-based improvements to housing rehabilitation and lead based paint, the City will fund counseling for abused and neglected children; home-delivered meals for the elderly; and post-secondary scholarships to low- to moderate-income students. The City will also conduct a Market Housing Study to determine the level of housing and address the housing needs in Missouri City.

Actions planned to address obstacles to meeting underserved needs

The CDBG funds will be used to:

- Improve the owner-occupied housing of those who are unable to afford repairs, particularly homes of the elderly and disabled;
- Improve the health, safety and nutrition of home-bound elderly through home-delivered hot meals and personal contact provided by Meals on Wheels;
- Improve the reading level of students through education program provided by ACHIEVE Fort Bend;
- Provide forensic interviewing and counseling of abused and neglected children provided by Child Advocates;
- Improve the employability of young adults through the provision of post-secondary scholarships; and
- Improve recreational opportunities by constructing walking trail improvement in a neighborhood park;
- Conduct Assessment of Fair Housing Plan.

All of those served will be low- to moderate-income, and based on past years funding these organizations, the vast majority will be minorities -- African American, Hispanic and Asian.

Actions planned to foster and maintain affordable housing

The City will fund a non-profit corporation to provide housing rehabilitation for low- to moderate-income homeowners in order to maintain their homes affordably, allowing them to remain in their homes. Additionally, the non-profit, using other funding, will continue to acquire, rehabilitate housing to low- to moderate-income residents. The City will provide fair housing education, conduct Fair Housing Plan and Housing Market Study.

Actions planned to reduce lead-based paint hazards

Each of the 8 homes that will be rehabilitated will undergo lead-based paint evaluation, regardless of the

age of the residents in the home. All of the housing with lead-based paint will be remediated according to federal regulations. Educational materials will be provided to all clients receiving housing rehabilitation. Additionally, the City will request that subrecipients provide lead hazard information to their clients to reduce not only lead-based paint hazards but health hazards from all lead sources.

Actions planned to reduce the number of poverty-level families

The post-secondary scholarships, reading education program of will greatly enhance the employability and incomes of the low- to moderate-income clients. The vast majority of the clientele are living below the poverty level. All of the young adults qualifying for post-secondary scholarships are low- to moderate-income, with approximately 25% being in households with poverty-level incomes.

Actions planned to develop institutional structure

During the next year, the City will continue to review/evaluate/improve its policies and procedures in managing the CDBG program. The Community Development Advisory Committee will receive additional training on CDBG regulations and project eligibility. The Development Services Department will provide additional information to other departments regarding eligibility of projects and better ways to manage projects funded through CDBG. Additionally, the Development Services and Finance Departments will strive to work more closely together in making the financial processes of CDBG more efficient.

Staff will continue to attend HUD trainings, NeighborWorks, Inc and National Community Development Association conferences throughout the year.

Technical assistance will be provided to all subrecipients and all non-profits seeking CDBG funding from Missouri City. By improving the institutional structure of the subrecipients, the City will improve the overall institutional structure of the program.

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

There is no public housing in Missouri City, nor is there a Section 8 HCV program. The City will reach out to the LIHTC properties to provide technical assistance to the managers to help residents, particularly the elderly and disabled, in accessing social services. Community Redevelopment Corporations and State CHDOs that purchase foreclosed properties for rehabilitation and sale at affordable housing prices will be encouraged and the City will work to coordinate with them and facilitate their activities.

Monitoring of subrecipients has proven to be an excellent way to enhance coordination with CDBG-funded agencies. On-site monitoring includes technical assistance and discussions of methods of inter-agency collaboration and coordination.

The United Way of Greater Houston hosts monthly meetings in Fort Bend County to enhance inter-agency

coordination among United-Way funded agencies as well as other social service providers. The City will ensure that a representative attends these meetings.

Discussion:

Unlike large cities such as Houston, Fort Bend County including Missouri City, is suburban in nature and there are fewer social service and housing agencies providing assistance to the low- to moderate-income. The City will make every effort possible to identify through agencies within the county that do or can serve Missouri City residents and will facilitate services to Missouri City as much as possible.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

The major sections below are not applicable as the City does not receive program income, does not has a Section 108 loan, does not have surplus funds from urban renewal settlements and had no funds returned to the line of credit. It is estimated that 75% of all CDBG funds will serve low- to moderate-income.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

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

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The 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
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

Emergency Solutions Grant (ESG)
Reference 91.220(I)(4)

1. Include written standards for providing ESG assistance (may include as attachment)
2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.
3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).
4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its 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.
5. Describe performance standards for evaluating ESG.

Housing Trust Fund (HTF)
Reference 24 CFR 91.220(I)(5)

1. Distribution of Funds
 - a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2).
 - b. Describe the jurisdiction's application requirements for eligible recipients to apply for HTF funds.

c. Describe the selection criteria that the jurisdiction will use to select applications submitted by eligible recipients.

d. Describe the jurisdiction's required priority for funding based on geographic distribution, which is a description of the geographic areas of the State (including areas of low-income and minority concentration) in which it will direct assistance during the ensuing program year.

e. Describe the jurisdiction's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner.

f. Describe the jurisdiction's required priority for funding based on the extent to which rents for units in the rental project are affordable to extremely low-income families.

g. Describe the jurisdiction's required priority for funding based on the financial feasibility of the project beyond the required 30-year period.

h. Describe the jurisdiction's required priority for funding based on the merits of the application in meeting the priority housing needs of the jurisdiction (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations).

i. Describe the jurisdiction's required priority for funding based on the location of existing affordable housing.

j. Describe the jurisdiction's required priority for funding based on the extent to which the application makes use of non-federal funding sources.

2. Does the jurisdiction's application require the applicant to include a description of the eligible activities to be conducted with HTF funds?

3. Does the jurisdiction's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements?

4. **Performance Goals and Benchmarks.** The jurisdiction has met the requirement to provide for performance goals, consistent with the jurisdiction's goals established under 24 CFR 91.215(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

5. **Rehabilitation Standards.** The jurisdiction must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The jurisdiction's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The jurisdiction must attach its rehabilitation standards below. If the jurisdiction will not use HTF funds for the rehabilitation of housing, enter "N/A".

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).

6. **Resale or Recapture Guidelines.** Below, the jurisdiction must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the jurisdiction will not use HTF funds to assist first-time homebuyers, enter "N/A".

7. **HTF Affordable Homeownership Limits.** If the jurisdiction intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the jurisdiction will not use HTF funds to assist first-time homebuyers, enter "N/A".

8. **Limited Beneficiaries or Preferences.** Describe how the jurisdiction will limit the beneficiaries or give

preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the jurisdiction will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter "N/A."

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the jurisdiction must not limit or give preferences to students. The jurisdiction may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303 only if such limitation or preference is described in the action plan.

9. Refinancing of Existing Debt. Enter or attach the jurisdiction's refinancing guidelines below. The guidelines describe the conditions under which the jurisdiction will refinance existing rental housing project debt. The jurisdiction's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the jurisdiction will not refinance existing debt, enter "N/A."

Discussion:

The City does not receive program income, surplus funds other non-direct allocations from CDBG. It anticipates that 75% of the funds will go to directly serve low- to moderate-income residents.

Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

The City received three public comments:

Public hearing to receive comments for or against the proposed City's Community Development Block Grant Program Year 2018 Annual Action Plan was held on April 16, 2017:

1. Charity Carter with Edison Art Foundation thanked City staff and the Committee for their consideration.
2. Hunters Glen 1 & 2 HOA Board members thanked City staff and the Committee for their consideration for the applications for playground improvements. The HOA would also contribute for the playground improvements.
3. Email from Ruthanne Mefford, Chief Executive Officer, Child Advocates of Fort Bend on April 17, 2018: I wanted to follow up with you regarding the meeting last night. I did read the email and interpreted the meeting as primarily intended for the public. As a beneficiary of the CDBG grant over the years, we are very appreciative of the city's support and funding. From our perspective, as you know we are very focused on our data collection and ensuring that we are accurately tracking and documenting services provided to Missouri City clients. We don't have any further opinions. Again, thank you for providing an opportunity for input. Best, Ruthanne Mefford, Chief Executive Officer, Child Advocates of Fort Bend.
4. At the May 21st City Council Meeting resident Bruce Zabovoswski request the City Council to approved the Hunters Glen 1 & 2 HOA Park project.

4-1

City of Missouri City

PUBLISHER'S AFFIDAVIT

CDBG
(English)

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

Before me, the undersigned authority, on this day personally appeared Lee Hartman who being by me duly sworn, deposes and says that he is the Publisher of *Fort Bend Herald* and that said newspaper meets the requirements of Section 2051.044 of the Texas Government Code, to wit:

- 1. it devotes not less than twenty-five percent (25%) of its total column lineage to general interest items;
- 2. it is published at least once each week;
- 3. it is entered as second-class postal matter in the county where it is published; and
- 4. it has been published regularly and continuously since 1959.
- 5. it is generally circulated within Fort Bend County.

(CLIPPING) (S)
on Back

Publisher further deposes and says that the attached notice was published in said newspaper on the following date(s) to wit:

4-1

_____, A.D. 2018

Lee Hartman
Publisher

SUBSCRIBED AND SWORN BEFORE ME by Lee Hartman, who

- a) is personally known to me, or
- b) provided the following evidence to establish his/her identity, _____

on this the 5th day of April, A.D. 2018
to certify which witness my hand and seal of office.



Brittani E. Ramirez
Notary Public, State of Texas

CITY OF MISSOURI CITY NOTICE OF PUBLIC HEARING AND RELEASE OF PY 2018 CONSOLIDATED ANNUAL ACTION PLAN

HUD Community Development Block Grant Program

To build and strengthen new partnerships with State and local governments and the private sector, the U.S. Department of Housing and Urban Development (HUD) requires a single consolidated submission for the planning and application aspects of the Community Development Block Grant (CDBG) Program. The City of Missouri City (the "City") is in the process of developing its PY 2018 Consolidated Annual Action Plan to tell HUD and residents how it plans to spend the PY 2018 funds allocated by HUD. We would like to hear your comments on how the funds should be spent.

The City will hold a public hearing on **Monday, April 16, 2018, at 7:00 PM during the City Council Meeting at the City Council Chamber, 2nd Floor, City Hall, 1522 Texas Parkway, Missouri City, Texas 77489**, to give all Missouri City residents an opportunity to voice opinions on the City's HUD Community Development Block Grant program, including, but not limited, to the housing and community development needs of low- and moderate-income persons such as homeless individuals and families; persons with special needs (the elderly, frail elderly, severely mentally ill, developmentally disabled, physically disabled, persons with alcohol/other drug addictions, and persons with HIV/AIDS); the housing needs of renters and owners; community needs such as code enforcement, economic development, infrastructure, planning and administration, public facilities, public services, senior programs, youth programs; and other non-housing community development needs; and the draft of the Annual Action Plan for the use of PY 2018 funds.

Please note: The draft Annual Action Plan is based on a presumed level of funding for FY 2018-2019. If the City receives an allocation that is higher or lower than the presumed FY 2018-2019 level of funding, the City will reduce or increase the funding allocated to the City's owner-occupied housing rehabilitation program by an amount equal to the difference between the total FY 2018-2019 funding allocated by HUD and the presumed level of funding for FY 2018-2019.

On or about **Thursday, March 29, 2018**, the City will release a draft of its PY 2018 Annual Action Plan for the HUD Community Development Block Grant Program. Residents will have until **May 15, 2018**, to submit comments to the City before the Plan is submitted to HUD for approval. Written comments may be submitted, to the City of Missouri City's Development Services Department at 1522 Texas Parkway, Missouri City, TX 77489 (Attention: Egima Brown) or by fax at (281) 208-5551.

CDBG Program Background

The national objective of the CDBG program is to develop viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities principally for low and moderate-income persons. At least 71% of CDBG funds must be used for activities that benefit low and moderate-income persons. CDBG goals include:

1. Improving the urban environment in low and moderate income areas;
2. Eliminating blighting influences and the deterioration of property, neighborhoods and public facilities in low and moderate-income areas; and
3. Ensuring decent, safe, sanitary housing for low and moderate-income residents.

Eligible activities include but are not limited to: public facility construction and improvements; handicapped accessibility; operational funding for non-profit agencies servicing primarily low income persons; rehabilitation of owner-occupied housing; housing development assistance, enforcement of City codes; clearance and demolition; infrastructure improvements; business development and job creation activities.

Note: In compliance with the Americans With Disabilities Act, this venue is accessible for persons with physical disabilities. Persons with vision or hearing impairments or other disabilities requiring services may contact the department. Spanish language translators are available at the meeting for persons with Limited English Proficiency. Requests for special accommodations or interpretive services must be made at least 48 hours prior to this meeting. Please contact the Planning Department at 281-403-8541 or by FAX 281-208-5551.

4-1

City of Missouri City

PUBLISHER'S AFFIDAVIT

CDBG

(Spanish)

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

Before me, the undersigned authority, on this day personally appeared Lee Hartman who being by me duly sworn, deposes and says that he is the Publisher of Fort Bend Herald and that said newspaper meets the requirements of Section 2051.044 of the Texas Government Code, to wit:

- 1. it devotes not less than twenty-five percent (25%) of its total column lineage to general interest items;
2. it is published at least once each week;
3. it is entered as second-class postal matter in the county where it is published; and
4. it has been published regularly and continuously since 1959.
5. it is generally circulated within Fort Bend County.

(CLIPPING) (S)
ON BACK

Publisher further deposes and says that the attached notice was published in said newspaper on the following date(s) to wit:

4-1

_____, A.D. 2018

[Signature]

Lee Hartman
Publisher

SUBSCRIBED AND SWORN BEFORE ME by Lee Hartman, who

- X a) is personally known to me, or
b) provided the following evidence to establish his/her identity, _____

on this the 5th day of April, A.D. 2018 to certify which witness my hand and seal of office.

Brittani E. Ramirez
Notary Public, State of Texas



CIUDAD DE MISSOURI CITY
PLAN DE ACCIÓN ANUAL CONSOLIDADO
PLANIFICACIÓN DEL AÑO 2018
AVISO DE AUDIENCIA PÚBLICA
Programa de Subvención en Bloque para el
Desarrollo de la Comunidad del HUD

Con el propósito de construir y fortalecer nuevas alianzas con el gobierno estatal y local, así como con el sector privado, el Departamento de Vivienda y Desarrollo Urbano de EE.UU. (Housing and Urban Development, HUD) requiere una propuesta consolidada única para efectos de planificación y aplicación del Programa de Subvención en Bloque para el Desarrollo de la Comunidad (Community Development Block Grant Program, CDBG). La ciudad de Missouri City se encuentra en proceso de desarrollo de su Plan de Acción Anual Consolidado para la planificación del año 2018. La ciudad está desarrollando un Plan de Acción Anual para informar al HUD y a los residentes la manera en que se tienen planificados los gastos de los fondos de planificaciones del año 2018. Quisiéramos escuchar sus comentarios acerca de cómo considera se deberían invertir los fondos.

La Ciudad de Missouri City llevará a cabo una audiencia pública el **lunes 16 de Abril de 2018 a las 7:00 PM** durante la reunión de la **Cámara del Ayuntamiento**, en el **City Council Chamber (Cámara del Ayuntamiento), 2nd Floor (piso 2), City Hall, 1522 Texas Parkway, Missouri City, Texas, 77489** para darle a todos los residentes de Missouri City una oportunidad para expresar sus opiniones acerca del Programa de Subvención en Bloque para el Desarrollo de la Comunidad del HUD incluyendo, pero no limitado a las necesidades de desarrollo urbano y de viviendas de las personas de ingresos moderados a bajos, tales como: personas sin hogar y familias; personas con necesidades especiales (adulto mayor, adulto mayor en estado vulnerable, personas con discapacidad mental severa, discapacidad del desarrollo, discapacidad física, con problemas de adicción a drogas/alcohol u otras, y personas con VIH/SIDA); las necesidades de vivienda de propietarios y arrendatarios; necesidades urbanas como el cumplimiento de normas, desarrollo económico, infraestructura, planificación y administración, obras públicas, servicios públicos, programas para el adulto mayor y para jóvenes; y otras necesidades de desarrollo urbano no relacionadas con la necesidad de vivienda; y el proyecto de Plan de Acción Anual para el uso de los fondos del Año Fiscal 2018.

Tenga en cuenta: el proyecto de Plan de Acción se basa en un presunto nivel de financiación para el Año Fiscal 2018-2019. Si la Ciudad recibe una asignación más alta o más baja que el presunto nivel de financiación del Año Fiscal 2018-2019, la Ciudad reducirá o incrementará la financiación asignada al programa de la ciudad de rehabilitación viviendas ocupadas por dueños en una cantidad equivalente a la diferencia entre el total de la financiación asignada en el Año Fiscal 2018-2019 por el HUD y el presunto nivel de financiación para el Año Fiscal 2018-2019.

A partir del **jueves 29 de marzo de 2018**, la Ciudad lanzará un proyecto de su Plan de Acción Anual para el Año 2018 para el Programa de Subvención en Bloque para el Desarrollo de la Comunidad del HUD. Los residentes tienen hasta el **15 de Mayo de 2018** para presentar comentarios a la Ciudad antes que el Plan sea sometido al HUD para su aprobación. Se pueden presentar comentarios por escrito a **City of Missouri City Departamento de Development Services, ubicado en 1522 Texas Parkway, Missouri City, TX 77489 (Atención: Eigma Brown)** o por fax al: (281) 298-5551.

Antecedentes del Programa CDBG

El objetivo nacional del programa CDBG es el de desarrollar comunidades urbanas viables al proveer viviendas decentes, ambiente apropiado para vivir y oportunidades de expansión económica principalmente para personas con ingresos bajos o moderados. Al menos 71% de los fondos de CDBG deben usarse para actividades que beneficien a las personas con ingresos bajos o moderados. Las metas de CDBG incluyen:

1. Mejorar el ambiente urbano en áreas de ingresos bajos o moderados;
2. Eliminar la influencia de plagas y el deterioro de la propiedad, vecindarios e instalaciones públicas en áreas de ingresos bajos o moderados; y
3. Asegurar viviendas decentes, seguras y salubres para residentes de ingresos bajos o moderados.

Las actividades elegibles incluyen, pero no se limitan a: la construcción y mejoras de instalaciones públicas; accesibilidad para discapacitados; fondos operacionales para agencias sin fines de lucro que sirvan principalmente a las personas de bajos recursos; rehabilitación de viviendas ocupadas por sus propietarios; asistencia de desarrollo de viviendas, cumplimiento de los códigos de la ciudad; desmonte y demolición; mejoras en infraestructuras; desarrollo de negocios y actividades de creación de empleos.

Nota: En cumplimiento normativo con la Ley de Estadounidenses con Discapacidades (Americans with Disabilities Act, ADA) el lugar del evento cuenta con acceso para personas con discapacidades físicas. Las personas con problemas de

Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>
* 3. Date Received: <input type="text" value="05/10/2018"/>	4. Applicant Identifier: <input type="text" value="4188292001"/>	
5a. Federal Entity Identifier: <input type="text" value="HS Department Housing & Urban Dev"/>	5b. Federal Award Identifier: <input type="text" value="A-18-MC-18-C040"/>	
State Use Only:		
6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>	
8. APPLICANT INFORMATION:		
* a. Legal Name: <input type="text" value="City of Missouri City"/>		
* b. Employer/Taxpayer Identification Number (EIN/TIN): <input type="text" value="74-6029035"/>	* c. Organizational DUNS: <input type="text" value="0835028820000"/>	
d. Address:		
* Street1: <input type="text" value="1422 Texas Parkway"/>	Street2: <input type="text"/>	
* City: <input type="text" value="Missouri City"/>	County/Parish: <input type="text" value="Fort Bend/Harris"/>	
* State: <input type="text" value="TX: Texas"/>	Province: <input type="text"/>	
* Country: <input type="text" value="USA: UNITED STATES"/>	* Zip / Postal Code: <input type="text" value="77489-2170"/>	
e. Organizational Unit:		
Department Name: <input type="text" value="Development Services"/>	Division Name: <input type="text" value="Community Development"/>	
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: <input type="text" value="Ms."/>	* First Name: <input type="text" value="Latoya"/>	
Middle Name: <input type="text" value="G."/>	* Last Name: <input type="text" value="Ricketts"/>	
Suffix: <input type="text"/>	Title: <input type="text" value="Community Development Coordinator"/>	
Organizational Affiliation: <input type="text" value="Local Government"/>		
* Telephone Number: <input type="text" value="281-403-8678"/>	Fax Number: <input type="text" value="281-206-5551"/>	
* Email: <input type="text" value="latoya.ricketts@missouricitytx.gov"/>		

Application for Federal Assistance SF-424	
* 9. Type of Applicant 1: Select Applicant Type: <input type="text" value="City or Township Government"/> Type of Applicant 2: Select Applicant Type <input type="text"/> Type of Applicant 3: Select Applicant Type <input type="text"/> * Other (specify): <input type="text"/>	
* 10. Name of Federal Agency: <input type="text" value="U.S. Department of Housing and Urban Development"/>	
11. Catalog of Federal Domestic Assistance Number: <input type="text" value="14.218"/> CFDA Title: <input type="text" value="Community Development Block Grant"/>	
* 12. Funding Opportunity Number: <input type="text"/> * Title: <input type="text" value="Community Development Block Grant"/>	
13. Competition Identification Number: <input type="text"/> Title: <input type="text"/>	
14. Areas Affected by Project (Cities, Counties, States, etc.): <input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
* 15. Descriptive Title of Applicant's Project: <input type="text" value="FY 2018 CDBG Annual Action Plan"/>	
Attach supporting documents as specified in agency instructions. <input type="button" value="Add Attachments"/> <input type="button" value="Delete Attachments"/> <input type="button" value="View Attachments"/>	

Application for Federal Assistance SF-424	
16. Congressional Districts Of:	
* a. Applicant: TX-9	* b. Program/Project: TX9, 22
Attach an additional list of Program/Project Congressional Districts if needed.	
<input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
17. Proposed Project:	
* a. Start Date: 07/01/2018	* b. End Date: 06/30/2019
18. Estimated Funding (\$):	
* a. Federal	272,007.00
* b. Applicant	
* c. State	
* d. Local	
* e. Other	
* f. Program Income	
* g. TOTAL	272,007.00
* 18. Is Application Subject to Review By State Under Executive Order 12372 Process?	
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review or	
<input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.	
<input checked="" type="checkbox"/> c. Program is not covered by E.O. 12372.	
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes", provide explanation and attach	
<input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
21. *By signing this application, I certify (1) to the statements contained in the list of certifications ^{**} and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances ^{**} and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)	
<input checked="" type="checkbox"/> ** I AGREE	
^{**} The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.	
Authorized Representative:	
Prefix: Mr.	* First Name: Anthony
Middle Name: J.	
* Last Name: Snipes	
Suffix:	
* Title: City Manager	
* Telephone Number: 201-403-8692	Fax Number:
* Email: Anthony.Snipes@missouri-city.tx.gov	
* Signature of Authorized Representative:	* Date Signed: 5/16/18

CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing --The jurisdiction will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

Anti-Lobbying --To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction --The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan --The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction's consolidated plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135.



Signature of Authorized Official

8/22/18

Date

City Manager

Title

*Approved,
Scott R. Elmer, PE
8-22-18*

Specific Community Development Block Grant Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

Following a Plan -- It is following a current consolidated plan that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. Overall Benefit. The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) 2018 [a period specified by the grantee of one, two, or three specific consecutive program years], shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, Subparts A, B, J, K and R.

Compliance with Laws -- It will comply with applicable laws.

Scott R. Elmer, PE for 5-23-18
Signature of Authorized Official Date
Anthony Snipes
City Manager
Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:

Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

City of Missouri City PY 2018 CDBG Activities		
Public Services Activity (15% Cap=\$40,801)		PY 18 Actual Allocated Amount
Post-secondary Scholarships for College or Technical School Students		\$9,975.00
Meals on Wheels Home-delivered Meals for the elderly		\$10,200.00
Child Advocates Forensic Interviewing & Counseling for Abused/Neglected Children		\$10,200.00
Edison Art		\$10,426.00
<i>Total</i>		\$40,801.00
Housing Rehabilitation Program		
Owner Occupied Housing Rehabilitation		\$92,804.60
Renter Occupied Housing Rehabilitation- Fifth Street		\$37,000.00
Public Facilities and Neighborhood Facilities		
		N/A
Code Enforcement Activity		
Code Enforcement		\$47,000.00
Economic Development		
Program Administration (20% Cap= \$54,401.4)		
Salary & Benefits		\$ 40,076.40
Consultant		\$ 8,000.00
Travel & Training		\$ 4,200.00
Dues & Subscription		\$ 1,100.00
Publication & Delivery Cost		\$ 1,000.00
Fair Housing		\$ 25.00
<i>Total</i>		\$54,401.40
Available Resources		
PY 2018 HUD Allocation		\$272,007.00
PY 2016 Fair Housing Plan & Housing Study Plan (* Counted in the Unexpended amount)		\$30,000*
PY 2018 Unobligated Carry-over Funds *(Remaining \$20,000 will be unobligated and can carryover to FY2018; We will have more carry over fund we are just not sure exact amount until June 30th, we are anticipating appx. total \$24,045)		\$20,000.00
Unexpended Carry-over Funds to FY2018 for prior year obligated projects. (PY 15 Projects unexpended: \$83,315 for PY 15 Housing Rehabilitation; \$9,617.57 for PY 15 Housing Rehabilitation ADC; \$113,000 for PY 15 Parks) *(PY 16 Projects unexpended: \$21,374.66 for PY 16 Housing Rehabilitation ADC; \$75,612.00 for PY 16 Housing Rehabilitation; \$72,400.00 for PY 16 Parks)		\$323,845.56
Total		\$615,852.56

CHAPTER 3: NATIONAL OBJECTIVES



CHAPTER PURPOSE & CONTENTS

This chapter provides a summary of the three national objectives of the program, the category for meeting the three national objectives as well as selecting and documenting the appropriate national objective for activities funded by grantees.

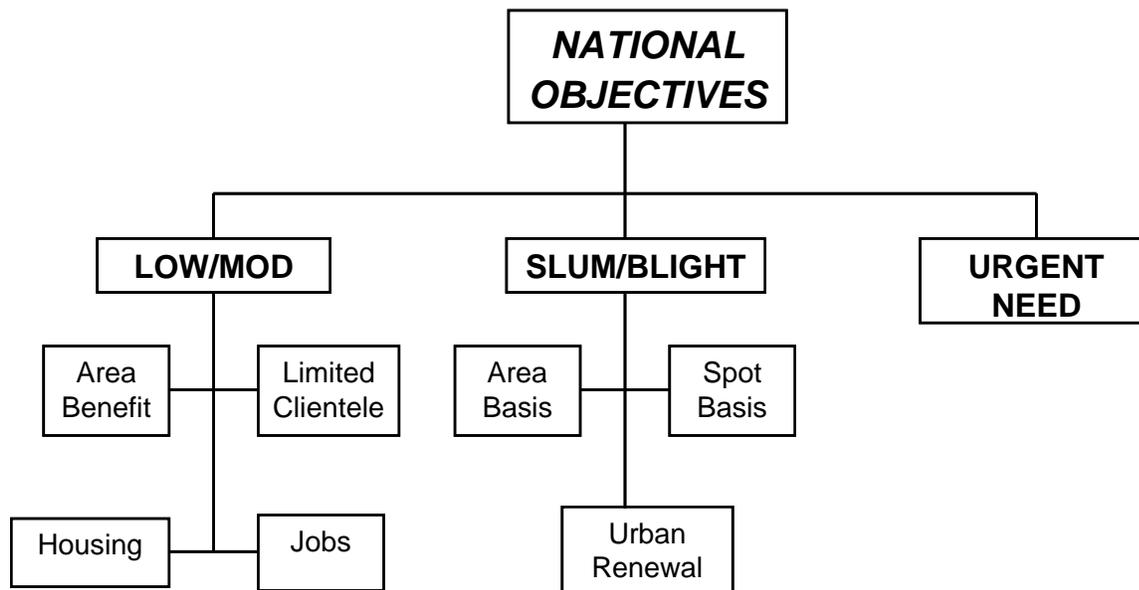
SECTION	TOPIC	PAGE
3.1	Introduction to National Objectives	3-1
3.2	Benefit to LMI Persons	3-2
3.3	Elimination of Slums and Blight	3-12
3.4	Urgent Need	3-14
3.5	LMI Benefit Expenditures	3-15
3.6	Choosing the Right National Objective	3-17
3.7	Documenting National Objectives	3-18

3.1 Introduction to National Objectives

- ✓ This section provides general background on the national objectives and an overview of the possible approaches.

Key Topics in This Section	✓ Overview of the three national objectives
Regulatory/Statutory Citations	Section 101(c), Section 104(b)(3), 105(c) §570.208
Other Reference Materials on This Topic	✓ CDBG Guide to National Objectives and Eligible Activities for Entitlement Communities – Chapter 3: Meeting a National Objective

- ✓ The authorizing statute of the CDBG program requires that each activity funded, except for program administration and planning activities, must meet one of three national objectives. The three national objectives are:
 - Benefit to low- and moderate- income (LMI) persons;
 - Aid in the prevention or elimination of slums or blight; and
 - Meet a need having a particular urgency (referred to as urgent need).
- ✓ An activity that does not meet a national objective is not compliant with CDBG requirements and may be subject to remedial actions.
- ✓ The following exhibit depicts the different categories associated with each of the national objectives.



- ✓ Each national objective and the categories are discussed in further detail in the following sections of this chapter.
- ✓ This chapter will also explore the strategic decisions grantees can make when qualifying an eligible activity under a national objective. It is possible for an activity to qualify under more than one national objective, although only one national objective may be selected for an activity. Additionally, activities can qualify under more than one category. This chapter will discuss considerations for making a decision regarding which category works best for an eligible activity.
- ✓ HUD has developed a matrix of the national objectives, eligible activities and IDIS matrix codes. Grantees may wish to refer to this matrix when selecting national objectives. A copy is attached to the IDIS chapter of this manual.

3.2 Benefit to Low and Moderate Income Persons or Households

- ✓ This section describes each of the possible LMI national objectives.

<p>Key Topics in This Section</p>	<ul style="list-style-type: none"> ✓ Overview of the primary objective and associated expenditure cap ✓ Area benefit activities (LMA) ✓ Limited Clientele Activities (LMC) ✓ Housing Activities (LMH) ✓ Job Creation and Retention Activities (LMJ)
<p>Regulatory/Statutory Citations</p>	<p>Section 101(c), Section 104(b)</p>



	§570.1, §570.200(a)(3), §570.208(a)
Other Reference Materials on This Topic	<ul style="list-style-type: none"> ✓ Guide to National Objectives and Eligible Activities for Entitlement Communities <ul style="list-style-type: none"> – Chapter 3: Meeting a National Objective – Chapter 4: Overall Expenditure Level –Benefit to LMI Persons – Appendix D: Determining Service Areas ✓ CPD Notice 05-06: US HUD Suggested Survey Methodology to Determine the Percentage of LMI Persons in the Service Area of a Community Development Block Grant-Funded Activity

- ✓ The LMI national objective is often referred to as the “primary” national objective because the statute requires that recipients expend 70 percent of their CDBG funds to benefit LMI persons.
- ✓ Additional information on how to meet the 70 percent test and certification to HUD is located later in this chapter.
- ✓ In addition to meeting the 70 percent test, applicants must ensure that the activities proposed, when taken as a whole, will not benefit moderate-income persons to the exclusion of low-income persons. This does not mean that each activity has to include both low- and moderate income beneficiaries, but it further ensures that the CDBG program will primarily benefit low-income persons.
- ✓ This section covers the four categories that can be used to meet the LMI national objective:
 - Area benefit activities;
 - Limited clientele activities;
 - Housing activities; or
 - Job creation or retention activities

3.2.1 Low Mod Area Benefit (LMA)

- ✓ The area benefit category is the most commonly used national objective for activities that benefit a residential neighborhood. An area benefit activity is one that benefits all residents in a particular area, where at least 51 percent of the residents are LMI persons.
- ✓ Examples of area benefit activities may include the following when they are located in a predominately LMI neighborhood:
 - Acquisition of land to be used as a neighborhood park;
 - Construction of a health clinic;
 - Improvements to public infrastructure like the installation of gutters and sidewalks; and
 - Development of a community center.
- ✓ The activities listed above benefit all LMI residents in a service area and thus are the type of activities that may qualify under the LMI area benefit category for the purposes of meeting a national objective.



- ✓ Grantees are responsible for determining the service area of an activity. HUD will generally accept a grantee's determination as long as it complies with CDBG regulations.
 - The factors that should be considered in making a determination regarding the service area include:
 - *The nature of the activity:*

In general the size and the equipment associated with the activity should be taken into consideration. A small park with a limited number of slides and benches would not be expected to a large neighborhood. In the same way, a larger park that can accommodate a considerable number of people would not be expected to serve just the immediately adjacent properties. The same applies to improvements or assistance to an alleyway versus a small two-lane street versus an arterial four-lane street within the same neighborhood. The service area for each of these infrastructure projects will be different in size and population.
 - *The location of the activity:*

In general, the immediate area surrounding a facility or improvement is expected to be included in the service area. Additionally, when a facility is located near the boundary of a particular neighborhood, its service area could likely include portions of the adjacent neighborhood as well as the one in which it is located.
 - *Accessibility issues:*

Geographic barriers can separate and preclude persons residing in a nearby area from taking advantage of a facility or improvement. Other limits to accessibility can include access fees, language barriers, time or duration that an activity is available, access to transportation and parking, etc.
 - *The availability of comparable activities:*

Comparable activities within the service area should be taken into account so that the service area does not overlap with the service area of another comparable activity.
 - *Boundaries for facilities and public services:*

The service area for some public facilities and services are determined based on specified and established boundaries or districts. Examples of such services and facilities are police precincts, fire stations, and schools.
 - If the service area has not already been identified for an activity, the grantee has to determine the service area before CDBG assistance can be provided under the LMI Area Benefit category.
- ✓ An area is considered to meet the test of being LMI if there is a sufficiently large percentage (51 percent) of LMI persons residing in the service area as determined by:
 - The most recently available decennial Census/American Community Survey (ACS) information, together with the Section 8 income limits that would have applied at the time the income information was collected by the Census Bureau; or
 - A current survey of the residents of the service area.
- ✓ With respect to using Census/American Community Survey (ACS) information to document that the service area qualifies, grantees can obtain the following data:



- A listing of all census tracts and block groups in the community’s jurisdiction;
 - The number of persons that resided in each such tract/block group at the time of the last census; and
 - The percentage of such persons who were LMI (based on the CDBG definition) at that time.
- ✓ The above data (low/mod income summary data (LMISD)) is available directly from HUD online at: <http://www.hud.gov/offices/cpd/systems/census/statemap.cfm>.
 - ✓ If the proposed activity’s service area is generally the same as a census tract or block group, then the Census data may be used to justify the income characteristics of the area served.
 - ✓ Additionally, grantees can compute the percentage of LMI persons in multiple census tracts and block groups because the data includes both the total number of persons as well as the number of LMI persons within a tract and block group.
 - ✓ HUD permits an exception to the LMI area benefit requirement that an area contain 51 percent LMI residents. This exception applies to entitlement communities that have few, if any, areas within their jurisdiction that have 51 percent or more LMI residents. These communities are allowed to use a percentage less than 51 percent to qualify activities under the LMI Benefit category.
 - This exception is referred to as the “exception criteria” or the “upper quartile”.
 - A grantee qualifies for this exception when fewer than one quarter of the populated block groups in its jurisdictions contain 51 percent or more LMI persons.
 - In such communities, activities must serve an area which contains a percentage of LMI residents that is within the upper quartile of all Census block groups within its jurisdiction in terms of the degree of concentration of LMI residents.
 - HUD assesses each grantee’s census block groups to determine whether a grantee qualifies to use this exception and identifies the alternative percentage the grantee may use instead of 51 percent for the purpose of qualifying activities under the LMI area benefit category.
 - HUD determines the lowest proportion a grantee may use to qualify an area for this purpose and advises the grantee accordingly.
 - ✓ HUD uses the following steps in computing the upper quartile for a given community:
 - Identifies the total number of block groups in the grantee’s jurisdiction;
 - Subtracts the block groups with zero persons to determine the net number of block groups in the jurisdiction;
 - Arranges the remaining block groups in descending order, based on LMI residents in the block group;
 - Computes the last block group in the upper quartile by multiplying the net number of block groups by 25 percent; and
 - Applies the “exception criteria” if the percentage of LMI persons in the last census block group in the top quartile is less than 51 percent.



- ✓ Grantees which qualify for the exception criteria may use CDBG funds for area benefit activities in any service area, whether or not located in a block group in the highest quartile, if the percentage of LMI persons in the service area is equal to or exceeds the upper quartile percentage.
- ✓ If the grantee will use the exception criteria, the percentage of LMI persons in the service area must be determined by use of the Census data provided by HUD.
 - This is because the “upper quartile” was determined using Census data collected at the point in time of the use of CDBG funds.
- ✓ Income surveys are often used to determine LMI area in one of two instances:
 - If HUD data does not indicate the service area contains at least 51 percent LMI persons or if a grantee decides it would be more appropriate to use a methodologically sound survey. This could be based on a change in either population or income of the area since the Decennial Census.
 - Also, when the service area is not generally the same as a census tract or block group, then the grantee should conduct household surveys to determine the LMI percentage for the service area.
- ✓ The survey instrument and methodology must be approved by HUD for the purpose of establishing the percentage of LMI persons in a service area.
 - A survey must meet standards of statistical reliability that are comparable to that of the Decennial Census/American Community Survey data for areas of similar size.
 - Additional guidance is available in CPD Notice 05-06.
- ✓ Finally, the service area of the activity must be primarily residential and the activity must meet the identified needs of LMI persons.
 - An activity with a service area that is not primarily residential may not qualify under the LMI area benefit category even if the activity provides benefits to all residents in the service area and 51 percent of the residents are LMI persons.
 - This requirement does not apply to the location of the activity itself but rather the service area of the activity. As such it does not mean that activities located in commercial districts cannot be qualified under the LMI area benefit category on the virtue of their geography. The primarily residential test is applied to the service area of the activity.
 - For example, activities that support the infrastructure of a commercial district composed of institutions and firms that serve a national and international clientele will not qualify under LMI area benefit.
 - In contrast, if the commercial district is composed of stores and businesses that serve local customers such that the service area boundaries of the commercial district is around a primarily residential area with the requisite percentage of LMI residents, the activity qualifies under the LMI area benefit category.
- ✓ Activities under Public Facilities and Improvements and some Public Service activities (e.g. police or fire services) tend to provide benefits to all residents in the service area. Additionally, public schools can be qualified under LMI area benefit because of the affect a school may have on the value of the residential property in the area. Public schools are



considered to benefit all the residents of the service area and may qualify under this category.

- ✓ There are activities and facilities that are located in a service area but are designed to meet special needs. These activities cannot be qualified under this category. For example, a senior center would qualify under the LMI limited clientele category and not the LMI area benefit category.
- ✓ With respect to exceptions and special situations, the statute allows two kinds of area benefit activities to meet the national objective of benefit to LMI persons even when the general requirements of the area benefit category cannot be met. The two kinds of area benefit activities are described below:

911 Systems (§ 570.208(a)(1)(iii))

With prior HUD approval, a grantee may develop, establish and operate for up to two years after the establishment, a uniform emergency telephone number system serving an area having less than the percentage of LMI persons otherwise required.

Special Assessments (§ 570.208(a)(1)(iv))

The use of CDBG funds to pay special assessments levied against residential properties that are owned and occupied by LMI persons will qualify under the LMI area benefit category provided that this is the only use of CDBG funds in the financing of a public improvement. The activity will qualify even if the public improvement provides a benefit to all the residents of an area.

- ✓ Finally, there are two special situations that can meet the national objective of benefiting LMI persons under either the area benefit category or the job creation or retention category, at the option of the grantee.
 1. Activities undertaken pursuant to a HUD approved Neighborhood Revitalization Strategy Area (NRSA) for the purpose of creating or retaining jobs, and
 2. Activities carried out for the purpose of creating or retaining jobs by a Community Development Financial Institution (CDFI) whose charter limits its investment area to a primarily residential area consisting of at least 51 percent LMI persons.

3.2.2 Low Mod Limited Clientele (LMC)

- ✓ The limited clientele category is a second way to qualify specific activities under the LMI benefit national objective. Under this category, 51 percent of the beneficiaries of an activity have to be LMI persons.
- ✓ In contrast to the area benefit category, it is not the LMI concentration of the service area of the activity that determines whether the activity will qualify or not, but rather the actual number of LMI persons that benefit from the activity.
- ✓ Activities in this category provide benefits to a specific group of persons rather than everyone in an area. It may benefit particular persons without regard to their residence, or it may be an activity that provides a benefit to only particular persons within a specific area.
- ✓ Examples of activities that qualify under the limited clientele category include:
 - Acquisition of a building to be converted into a shelter for the homeless;



- Rehabilitation of a center for training severely disabled persons to enable them to live independently;
 - Clearance of a structure from the future site of an neighborhood center that will exclusively serve the elderly; and
 - Public service activities like the provision of health services.
- ✓ The listed examples qualify under the limited clientele category because the beneficiaries can be identified as LMI residents.
- ✓ With respect to determining the beneficiaries of activities as LMI and qualifying under the limited clientele category, activities must meet one of the following tests:
- Benefit a clientele that is generally presumed to be principally LMI. This presumption covers abused children, battered spouses, elderly persons, severely disabled adults (see the box below), homeless persons, illiterate adults, persons living with AIDS and migrant farm workers; or
 - Require documentation on family size and income in order to show that at least 51 percent of the clientele are LMI; or
 - Have income eligibility requirements limiting the activity to LMI persons only; or
 - Be of such a nature and in such a location that it can be concluded that clients are primarily LMI. An example is a day care center that is designed to serve residents of a public housing complex.
- ✓ In addition, the following activities may qualify under the limited clientele national objective:
- Removal of architectural barriers to the mobility of elderly persons or the severely disabled will be presumed to qualify under this category if it is restricted, to the extent practicable, to the removal of such barriers by assisting
 - The reconstruction of a public facility or improvement or portion thereof, that does not qualify under the area benefit category;
 - The rehabilitation of a privately owned nonresidential building or improvement that does not qualify under area benefit or job creation or retention category: or
 - The rehabilitation of common areas in a residential structure that contains more than one dwelling unit and that does not qualify under the LMI housing category for meeting national objectives.
 - Microenterprise activities carried out in accordance with the HUD regulations when the person owning or developing the microenterprise is LMI; or
 - Activities that provide training and other employment support services when the percentage of persons assisted is less than 51 percent LMI may qualify if: the proportion of total cost borne by CDBG is no greater than the proportion of LMI persons assisted; and when the service assists businesses, CDBG is only used in the project to pay for the job training and/or supportive services.
- ✓ There are two sets of activities that are precluded from qualifying under this category based on statutory limitations:



- Acquisition, construction, or rehabilitation of property for housing, including homeownership assistance must qualify under the housing national objective which will be discussed below in further detail.
- Creation or retention of jobs generally qualify under the jobs or the area benefit category of the LMI benefit national objective.

Definition of Severely Disabled

Persons are considered severely disabled if they:

- Use a wheelchair or another special aid for 6 months or longer;
- Are unable to perform one or more functional activities (seeing, hearing, having one's speech understood, lifting and carrying, walking up a flight of stairs and walking);
- Need assistance with activities of daily living (getting around inside the home, getting in or out of bed or a chair, bathing, dressing, eating and toileting) or instrumental activities of daily living (going outside the home, keeping track of money or bills, preparing meals, doing light housework and using the telephone);
- Are prevented from working at a job or doing housework;
- Have a selected condition including autism, cerebral palsy, Alzheimer's disease, senility or dementia or mental retardation; or
- Are under 65 years of age and are covered by Medicare or receive Supplemental Security Income (SSI).

3.2.3 Low Mod Housing Activities (LMH)

- ✓ The housing category of LMI benefit national objective qualifies activities that are undertaken for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by LMI households.
- ✓ Examples of eligible activities include, but are not limited to:
 - Acquisition of an apartment house to provide dwelling units to LMI households at affordable rents, where at least 51 percent of the units will be occupied by LMI households;
 - Site improvements on publicly-owned land to serve a new apartment structure to be rented to LMI households at affordable rents;
 - Housing rehabilitation for single family units;
 - Conversion of an abandoned warehouse to be reconfigured into new apartments, where at least 51 percent of the units will be occupied by LMI households at affordable rents.
- ✓ In order to meet the housing LMI national objective, structures with one unit must be occupied by a LMI household. If the structure contains two units, at least one unit must be LMI occupied. Structures with three or more units must have at least 51 percent occupied by LMI households.
 - Rental buildings under common ownership and management that are located on the same or contiguous properties may be considered as a single structure.
 - For rental housing, occupancy by LMI households must be at affordable rents, consistent with standards adopted and publicized by the grantee.



- ✓ Under the following limited circumstances, structures with less than 51 percent LMI occupants may be assisted:
 - Assistance is for an eligible activity that reduces the development cost of new construction of non-elderly, multi-family rental housing; and
 - At least 20 percent of the units will be occupied by LMI households at an affordable rent; and
 - The proportion of cost borne by CDBG funds is no greater than the proportion to be occupied by LMI households.
- ✓ When housing activities are conducted by a Community Development Financial Institution (CDFI) or as part of an approved NRSA, multiple units (e.g. scattered site housing) may be aggregated for the purposes of meeting the LMI housing national objective.
 - NOTE: This flexibility does not apply to activities under the Direct Homeownership Assistance eligibility category (570.201(n)).
 - Please refer to the chapter on Revitalization Areas for more information.
- ✓ There are a number of activities that generally do not qualify under the LMI Housing national objective. These include code enforcement, interim assistance, microenterprise assistance, public services, and special economic development activities.

3.2.4 Low Mod Job Creation or Retention Activities (LMJ)

- ✓ The job creation and retention LMI benefit national objective addresses activities designed to create or retain permanent jobs, at least 51 percent of which (computed on a full-time equivalent basis) will be made available to or held by LMI persons.
- ✓ Some examples of activities that qualify when at least 51 percent of jobs created/retained will be for LMI persons include:
 - Clearance activities on a site slated for a new business;
 - Rehabilitation activity that will correct code violations and enable a business to survive and retain jobs;
 - Financial assistance to a manufacturer for the expansion of its facilities that is expected to create permanent jobs; and
 - Assistance to expand a small house cleaning service with four employees that agrees to hire three additional LMI employees.
- ✓ The following requirements must be met for jobs to be considered created or retained.
 - If grantees fund activities that *create* jobs, there must be documentation indicating that at least 51 percent of the jobs will be held by, or made available to, LMI persons.
 - For funded activities that *retain* jobs, there must be sufficient information documenting that the jobs would have been lost without the CDBG assistance and that one or both of the following applies to at least 51 percent of the jobs:
 - The job is held by a LMI person; or



- The job can reasonably be expected to turn over within the following two years and steps will be taken to ensure that the job will be filled by, or made available to, a LMI person.
- ✓ The following requirements apply for jobs to be considered available to or held by LMI persons.
 - Created or retained jobs are only considered to be *available to* LMI persons when:
 - Special skills that can only be acquired with substantial training or work experience or education beyond high school are **not** a prerequisite to fill such jobs, or the business agrees to hire unqualified persons and provide training; and
 - The grantee and the assisted business take actions to ensure that LMI persons receive first consideration for filling such jobs.
 - Created or retained jobs are only considered to be *held by* LMI persons when the job is actually held by a LMI person.
- ✓ For the purpose of determining if the preceding requirements are met, a person may be presumed to be LMI if:
 - He/she resides in a Census tract/block numbering area that has a 20 percent poverty rate (30 percent poverty rate if the area includes the central business district); and the area evidences pervasive poverty and general distress; or
 - He/she resides in a Census tract/block numbering area where at least 70 percent of the residents are LMI.
- ✓ Jobs created or retained by assisted businesses may also be presumed to be LMI if the job and business are located in an area that:
 - Has a 20 percent poverty rate (30 percent poverty rate if the area includes the central business district) **and** the area evidences pervasive poverty and general distress
- ✓ To determine if an area evidences pervasive poverty and general distress, the following standards are applicable
 - All block groups in the census tract have poverty rates of at least 20 percent;
 - The specific activity being undertaken is located in a block group that has a poverty rate of at least 20 percent; or
 - Upon the written request of the grantee, HUD determines that the census tract exhibits other objectively determinable signs of general distress such as high incidence of crime, narcotics use, homelessness, abandoned housing, and deteriorated infrastructure or substantial population decline.
- ✓ As a general rule, each assisted business shall be considered to be a separate activity for purposes of determining whether the activity qualifies under the job creation and retention category for meeting a national objective.
- ✓ However, in certain cases, such as where CDBG funds are used to acquire, develop or improve a real property (e.g., a business incubator or an industrial park), the requirement may be met by measuring jobs in the aggregate for all the businesses that locate on the property, provided such businesses are not otherwise assisted by CDBG funds.



- ✓ Additionally, where CDBG funds are used to pay for the staff and overhead costs of an entity making loans to businesses from non-CDBG funds, this requirement may be met by aggregating the jobs created by all of the businesses receiving loans during the program year.
- ✓ As mentioned under the area benefit category, certain job creation or retention activities carried out by a CDFI or under a Neighborhood Revitalization Strategy can meet the national objective of benefiting LMI persons under either category. In these instances, the grantee will decide which category it will use to qualify the activity and record the decision in program files so that HUD will know which category is being applied.

3.3 Elimination of Slums and Blight

- ✓ This section highlights the national objectives related to the elimination of slums and blight.

Key Topics in This Section	<ul style="list-style-type: none"> ✓ Overview of elimination of slums and blight <ul style="list-style-type: none"> - Area basis (SBA) - Spot basis (SBS) - Urban renewal (SBR)
Regulatory/Statutory Citations	Section 101(c), Section 104(b)(3), Section 105(c) §570.208(b)
Other Reference Materials on This Topic	<ul style="list-style-type: none"> ✓ Guide to National Objectives and Eligible Activities for Entitlement Communities <ul style="list-style-type: none"> - Chapter 3: Meeting a National Objective

- ✓ The focus of activities under this national objective is a change in the physical environment of a deteriorating area. This contrasts with the LMI benefit national objective where the goal is to ensure that funded activities benefit LMI persons.
- ✓ This difference in focus has an impact on the information that is required to assess the qualifications of an activity. Under the LMI benefit national objective, determining the number of LMI persons that actually or could potentially benefit from an activity is central to qualifying the activity. Under the elimination of slums and blight national objective, determining the extent of and physical conditions that contribute to blight is central to qualifying an activity.



- ✓ There are three categories that can be used to qualify activities under this national objective:
 - Prevent or eliminate slums and blight on an area basis;
 - Prevent or eliminate slum and blight on a spot basis; or
 - Be in an urban renewal area.

3.3.1 Slum Blight Area Basis (SBA)

- ✓ This category covers activities that aid in the prevention or elimination of slums or blight in a designated area. Examples of activities that qualify when they are located within the slum or blighted area include
 - Rehabilitation of substandard housing located in a designated blighted area when the housing is brought to standard condition;
 - Infrastructure improvements in a deteriorated area; and
 - Economic development assistance in the form of a low-interest loan to a business as an inducement to locate a branch store in a redeveloping blighted area.
- ✓ To qualify under this category, the area in which the activity occurs must be designated as slum or blighted. The following tests apply:
 - The designated area in which the activity occurs must meet the definition of a slum, blighted, deteriorated or deteriorating area under state or local law;
 - Additionally, the area must meet either one of the two conditions specified below:
 - Public improvements throughout the area are in a general state of deterioration; or
 - At least 25 percent of the properties throughout the area exhibit one or more of the following:
 - Physical deterioration of buildings/improvements;
 - Abandonment of properties;
 - Chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings;
 - Significant declines in property values or abnormally low property values relative to other areas in the community; or
 - Known or suspected environmental contamination.
 - Documentation must be maintained by the grantee on the boundaries of the area and the conditions that qualified the area at the time of its designation. The designation of an area as slum or blighted must be re-determined every 10 years for continued qualifications.
- ✓ Finally, eligible activities must address one or more of the identified conditions that contributed to the deterioration of the area.
- ✓ NOTE: When undertaking residential rehab in a slum/blight area, the building must be considered substandard under local definition and all deficiencies making the building substandard must be eliminated before less critical work is undertaken.



3.3.2 Slum Blight Spot Basis (SBS)

- ✓ These are activities that eliminate specific conditions of blight or physical decay on a spot basis and are not located in a slum or blighted area. Examples include:
 - Acquisition and demolition of a dilapidated property;
 - Rehabilitation of a decayed community center that eliminates code violations that are detrimental to the health and safety of potential occupants like faulty wiring, falling plaster, or other similar conditions;
 - Preservation of a deteriorated building of historic significance; and
 - Financial assistance to a business to demolish a decayed structure
- ✓ Activities under this category are limited to acquisition, clearance, relocation, historic preservation, remediation of environmentally contaminated properties, and building rehabilitation activities.
- ✓ Furthermore, rehabilitation is limited to the extent necessary to eliminate a specific condition detrimental to public health and safety.

3.3.3 Slum Blight Urban Renewal Area (SBR)

- ✓ These are activities located within an Urban Renewal project area or Neighborhood Development Program (NDP) action area that are necessary to complete an Urban Renewal Plan.
- ✓ A copy of the Urban Renewal Plan in effect at the time the CDBG activity is carried out, including maps and supporting documentation, must be maintained for record keeping purposes.
- ✓ This national objective category is rarely used as there are only a handful of communities with open Urban Renewal Plans.

3.4 Urgent Need (URG)

- ✓ This section describes the urgent need national objective.

Key Topics in This Section	✓ Overview of urgent need
Regulatory/Statutory Citations	Section 101(c), 104(b)(3), 105(c) §570.208(c)
Other Reference Materials on This Topic	✓ Guide to National Objectives and Eligible Activities for Entitlement Communities - Chapter 3: Meeting a National Objective

- ✓ Use of the urgent need national objective category is rare. It is designed only for activities that alleviate emergency conditions. Examples include:
 - Acquisition of property located in a flood plain that was severely damaged by a recent flood;



- Public facility improvements like the reconstruction of a publicly-owned hospital that was severely damaged by a tornado;
 - Demolition of structures that are severely damaged by a major earthquake;
 - Public services like additional police protection to prevent looting in an area damaged by a recent hurricane;
 - Interim assistance such as emergency treatment of health problems caused by a flood; and
 - Special economic development assistance to a grocery store that was damaged by an earthquake.
- ✓ Urgent need qualified activities must meet the following criteria:
- The existing conditions must pose a serious and immediate threat to the health or welfare of the community;
 - The existing conditions are of recent origin or recently became urgent (generally, within the past 18 months);
 - The grantee is unable to finance the activity on its own; and
 - Other sources of funding are **not** available.

3.5 LMI Benefit Expenditures

- ✓ Grantees are required to expend a substantial portion of their funds in order to benefit LMI persons. This section describes the calculation of LMI benefit.

Key Topics in This Section	<ul style="list-style-type: none"> ✓ Expenditure requirement ✓ Meeting the requirement <ul style="list-style-type: none"> - Excluded expenditures - Activities that meet the requirement ✓ Examples: <ul style="list-style-type: none"> - Excluded housing activity expenditures - LMI calculation
Regulatory/Statutory Citations	Section 101(c), Section 104(b), 105(c) §570.200(a)(3)
Other Reference Materials on This Topic	<ul style="list-style-type: none"> ✓ Guide to National Objectives and Eligible Activities for Entitlement Communities <ul style="list-style-type: none"> - Chapter 4: Overall Expenditures Level – Benefit to L/M Income Persons

- ✓ The primary national objective of the CDBG Program is the development of viable urban communities principally for LMI persons.
- ✓ To meet the primary national objective, the CDBG regulations require that grantees expend not less than 70 percent of CDBG funds for activities that benefit LMI persons.



- Planning and administrative costs are excluded from the LMI benefit calculation.
- Activities meeting this requirement are those which qualify under one of the four LMI benefit national objective category:
 - Area basis;
 - Limited clientele;
 - Housing activities; or
 - Job creation or retention.
- The percentage calculation is based on aggregate CDBG expenditures over a period specified by the grantee (up to three years) in a certification to HUD. The certification must be included in grantee's annual Consolidated Plan action plan submission.

LMI Calculation Example	
Total entitlement grant amount	\$1,000,000
<i>Less actual planning and admin (up to 20 percent)</i>	<u>(200,000)</u>
Equals amount subject to LMI calculation	\$800,000
<i>Multiplied by 70 percent</i>	<u>x 0.70</u>
<i>Equals minimum to benefit LMI</i>	\$560,000
Amount subject to LMI calculation	\$800,000
<i>Less LMI minimum</i>	<u>(560,000)</u>
<i>Equals maximum allowable for slum/blight and urgent needs activities</i>	\$240,000
* NOTE: This example is for illustrative purposes only. It does not demonstrate the calculation for grantees on a multi-year certification cycle, and does not take into account program income.	

- ✓ Due to the 70 percent LMI benefit standard, grantees **must** limit expenditures under the Slum/Blight and Urgent Need national objectives in order to meet the LMI expenditure requirement.
- ✓ Under housing activities, the expended funds that count towards the 70 percent requirement may be limited depending on number of LMI units in the housing structure and the amount of the CDBG funds expended on the structure.
 - To determine the amount expended under housing activities that counts towards the 70 percent requirement, grantees should take the following steps:
 - Divide the number of units in an assisted structure that is occupied by LMI households by the total number of units to determine the percentage of units that are or must be occupied by LMI households;
 - Multiply the total costs of the assisted activity (including those paid for with CDBG and non-CDBG funds) by the percentage of units that are occupied by LMI households; and



- Exclude the amount of CDBG funds expended for the assisted structure that is in excess of the amount calculated in the above step.

Excluded Housing Activity Expenditures Example	
Number of units occupied by LMI households	4
Total number of units in assisted structure	6
<i>Divide</i> number of units occupied by LMI households by total number of units in assisted structure and multiple by 100	(4/6) * 100
<i>Equals percent of LMI units in structure</i>	67%
Total cost of the housing activity (all sources of funds)	\$300,000
Multiplied by percent of LMI units in structure (i.e. proportion of housing costs attributed to LMI units)	\$200,000
CDBG assistance to the structure	\$250,000
<i>Excess CDBG funds that have to be excluded from LM expenditures</i>	\$50,000
* NOTE: This example is for illustrative purposes only.	

3.6 Choosing the Right National Objective

- ✓ Grantees may have options regarding which national objective is used for a particular activity. This section provides tips on selecting the right national objective.

Key Topics in This Section	<ul style="list-style-type: none"> ✓ Activities that meet more than one national objective ✓ Selecting the most appropriate national objective
Regulatory/Statutory Citations	§570.200(a)(3), §570.208
Other Reference Materials on This Topic	<ul style="list-style-type: none"> ✓ Guide to National Objectives and Eligible Activities for Entitlement Communities <ul style="list-style-type: none"> – Chapter 3: National Objectives

- ✓ Activities may qualify for more than one national objective category. If an activity meets the LMI benefit national objective, then the best decision for most grantees will be to use the LMI benefit national objective because of the 70 percent requirement associated with that national objective.
- ✓ For the activities that meet more than one national objective, grantees may find it useful to document compliance with all the applicable national objectives, especially if there is some uncertainty regarding the ability of an activity to meet the chosen national objective upon completion.
- ✓ For example, grantees may have concern that an activity qualifying on the basis of creating jobs may not meet the test that at least 51 percent of the jobs created will benefit LMI persons. If the activity could also qualify under the slum/blight area category, the grantee may be best served by documenting compliance with both national objectives. This way, if



the activity does not meet the LMI job creation criteria the grantee can switch the activity to the slum/blight area national objective rather than have the activity in non-compliance with CDBG rules. Note that switching the activity from LMI benefit to slum/blight area may affect the grantees certification that 70 percent of expenditures are associated with the LMI benefit national objective, so grantees should proceed with precaution.

3.7 Documenting National Objectives

- ✓ It is critical that grantees document the results of their activities and the related national objective. This section highlights required national objective documentation.

Key Topics in This Section	<ul style="list-style-type: none"> ✓ Timing of documentation activities ✓ Documenting LMI Benefit national objective ✓ Documenting Prevention/Elimination of Slums or Blight ✓ Documenting Urgent Need
Regulatory/Statutory Citations	§570.208, §570.506(b)
Other Reference Materials on This Topic	<ul style="list-style-type: none"> ✓ Guide to National Objectives and Eligible Activities for Entitlement Communities - Chapter 3: National Objectives

- ✓ Grantees must maintain records that funded activities meet one of the national objectives. The records depend on the national objective category.
- ✓ The Performance Measurement, Reporting, Record Keeping and Monitoring chapter in this manual, Chapter 13, has more details regarding records that must be maintained to document compliance with CDBG regulations, including records on meeting national objectives.
- ✓ The timing of documentation for activities is an important consideration. Compliance with national objectives can be documented upfront for a number of the categories. For example, compliance documentation for the following national objectives can be established upfront:
 - Under the national objective of benefit to LMI persons, the LMI area benefit;
 - Under the national objective of elimination of slums or blight, all three categories (area basis, spot basis, and urban renewal); and
 - The urgent need national objective.
- ✓ Some national objectives have to be documented over time. For example, it is likely that the future occupants of a rental rehabilitation activity cannot be identified up-front. Compliance with the LMI Housing requirement that 51 percent of the occupants have to be LMI households, will require collecting documentation demonstrating compliance during the lease-up period and until the national objective is met.
- ✓ In the same way, future hires of created jobs cannot be identified and documentation of compliance cannot be obtained upfront. Rather, hires by the assisted business have to be monitored over a period of time.



3.7.1 Benefit to LMI Persons

LMI Area Benefit

- ✓ The following records will demonstrate compliance under this national objective category:
 - Boundaries of service area;
 - Percentage of LMI persons that reside in the service area; and
 - The data used for determining percentage of LMI persons.

LMI Limited Clientele

- ✓ One of the following five types of records must be kept:
 1. Documentation showing that the activity is designed for exclusive use by a segment of the population presumed by HUD to be LMI persons; or
 2. Documentation describing how the nature and the location of the activity establishes that it will be used predominantly by LMI persons; or
 3. Data showing the family size and annual income of each person receiving the benefit; or
 4. Data showing that barriers to mobility or accessibility have been removed and how the barrier removal was restricted to the extent feasible to one of the particular cases authorized under this category; or
 5. Documentation showing that the activity qualifies under the special conditions regarding job services where less than 51 percent of the persons benefiting are LMI persons.

LMI Housing

- ✓ The following records must be maintained:
 - A written agreement with each landlord or developer receiving CDBG assistance. The agreement must specify
 - The total number of dwelling units in each multi-unit structure, and
 - The number of those units which will be occupied by LMI households after assistance.
 - Total cost of the activity, including both CDBG and non CDBG funds
 - The household size and income eligibility for each of the LMI households occupying assisted units
 - For rental housing
 - The rent charged (or to be charged) after assistance for each dwelling unit in each assisted structure; and
 - Documentation of compliance with the locally established standards for housing that is “affordable to LMI households”.
 - When assisting structures with less than 51 percent LMI occupants, documentation of qualification under the special conditions:
 - Number of units to be occupied by LMI households at an affordable rent;



- Total development cost of new construction; and
- Amount of CDBG funds expended for activity.
- When aggregating scattered sites, documentation of the basis for aggregating scattered sites and considering them as a single structure.
- When assisting with the delivery costs of HOME assisted projects and assistance, evidence that housing projects and/or tenant based rental assistance achieves HOME income targeting requirements.
- ✓ While compliance with the housing national objective is based on the initial occupancy of the housing following completion of the CDBG-assisted activity, grantees are urged to establish their own requirements for replacing such households with other LMI households whenever the assisted unit becomes vacant within a period of time following completion that is commensurate with the amount of CDBG financial assistance that was provided to the developer.
- ✓ Another consideration when documenting compliance is that occupancy of the unit may not be for some time after the completion of the activity. For example, there may be a time lag between the acquisition or land clearing activity subsidized by CDBG funds and the development of the housing units. It is not sufficient to document the intention to comply. The grantee is responsible for documenting that the housing units are constructed and that the appropriate number of units are initially occupied by LMI households.

LMI Job Creation and Retention

- ✓ Record keeping requirements in this category relate to both the status of the business, the jobs created or retained, and the LMI persons benefiting from the activity. The following is an outline of the documents that have to be maintained by grantees:
 - Written agreement with the business in which the following is specified:
 - A commitment from the assisted business to hire or retain LMI persons; A list by job title of jobs to be created and/or retained and which will be full- or part-time; and
 - The actions that the business will take to ensure that at least 51 percent of the hires or retainees will be LMI persons, including providing training for any jobs requiring special skills or education
 - Compliance with the written agreement must be documented as follows:
 - A list of jobs that were actually created and/or retained;
 - Whether each such job was held by or made available to a LMI person, and
 - The full-time equivalency status of the jobs.
 - For created jobs that will be held by LMI persons, the records must demonstrate:
 - Listing by job title of the jobs created and which were initially held by LMI persons;
 - Listing by job title of the jobs filled;
 - The family size and income of the person who filled each position; and
 - The full-time equivalency status of the jobs.



- For created jobs that will be made available to LMI persons but are not taken by LMI persons:
 - The title and description of the jobs made available;
 - The full-time equivalency status of the jobs;
 - The prerequisites for the job; special skills or education required for the job, if any; and the business' commitment to provide needed training for such jobs; and
 - How first consideration was given to LMI persons. This can include:
 - The name(s) of person(s) interviewed for the job and the date of the interview(s), and
 - The family size and income of the person(s) interviewed.
- For retained jobs that would otherwise be lost:
 - Specific evidence that the jobs would be lost without the CDBG assistance.
 - If the retained job is held by a LMI person:
 - A listing by job title of permanent jobs retained;
 - The jobs that are known to be held by LMI persons at the time of assistance;
 - The full time equivalency status of each job; and
 - Family size and annual income of each LMI person.
- For retained jobs that are projected to turnover to LMI persons:
 - A listing of the retained jobs that are projected to become available within two years of assistance;
 - The basis of the determination that the job is likely to turnover within two years of assistance;
 - The actual turnover date;
 - The name and income status of the person who filled the vacancy;
 - If the person who took the job was not a LMI person, records to demonstrate that the job was made available to LMI persons:
 - The name(s) of person(s) interviewed for the job and the date of the interview(s) and
 - The income status of the person(s) interviewed
 - Information on the family size and annual income of each LMI person hired.
- ✓ There are five options for documenting the LMI status of an applicant or employee:
 1. Referrals from an agency that has agreed to refer individuals who are determined to be LMI based on HUD's category. These agencies must maintain records, which must be available to the grantee or federal inspection, showing the basis upon which they determined that the person was LMI; or
 2. A written self certification by the employee or applicant of his/her family size and total income that is signed and dated. Certification can either include actual size and income



of family or can contain a statement that the annual family income is below the Section 8 low-income limit for the applicable family size; or

3. Qualification of employee or application for assistance under another program with income qualification that are as restrictive as those used by the CDBG program. Examples include referrals from Public Housing, Welfare Agency, or the Workforce Investment Area (WIA), with the exception of the WIA Title III program for dislocated workers; or
 4. Evidence that the individual is homeless; or
 5. Evidence that the individual may be presumed to be LMI by way of residence address and poverty rates of applicable census tract
- ✓ The grantee can use any combination of documenting income status for the persons benefiting from a job creation or retention activity.
 - ✓ When documenting income, the income status of an individual is made at the time the CDBG assistance is provided. This may have an affect on the retention of high-paying unskilled jobs counting as eligible except for turnover purposes. This is because a person who occupies a high-paying but low-skilled job may not qualify as a LMI person. Whereas a LMI person may fill the job at a lower pay rate if it were created or if it became available through turnover.

3.7.2 Prevention/Elimination of Slums or Blight

- ✓ Under the categories of Area Basis and Spot Blight, the presence of blight has to be evidenced in record keeping. In documenting the presence of blight, the use of pictures is encouraged.

Area Basis

- ✓ Records to be maintained include:
 - Area designated (i.e., boundaries) and date of designation
 - Documentation and description of blighted conditions that meet the criteria identified at 570.208(b)(1)(ii)(A) or (B) (e.g., photographs, structural surveys, or development plans)
 - For residential rehabilitation:
 - Local definition of substandard,
 - Pre-rehabilitation inspection report qualifying the building as substandard and work plan describing deficiencies,
 - Scope of work performed, by structure, with documentation that substandard elements were addressed first; and
 - Evidence that the activities undertaken address one or more of the conditions that contributed to the deterioration of the area.

Spot Blight

- ✓ Grantee files should include the following:
 - Description of condition addressed by activity,



- Documentation of eligibility of activity under this category, and
- For rehabilitation, a description, by structure, of specific conditions detrimental to public health and safety identified and those addressed by the rehabilitation.”

Urban Renewal Area

- ✓ Records must contain:
 - A copy of the Urban Renewal Plan, and
 - Documentation that activity was required to meet the goals outlined in the renewal plan.

3.7.3 Urgent Need

- ✓ Files should include:
 - Documentation of urgency of need and timing and that the activity was designed to address the urgent need;
 - Evidence the recipient certified that the CDBG activity was designed to address the urgent need; and
 - Evidence confirming that other financial resources were unavailable and CDBG had to be used.

CHAPTER 8: ECONOMIC DEVELOPMENT & SECTION 108



CHAPTER PURPOSE & CONTENTS

This chapter covers economic development activities that are eligible for assistance under the CDBG Program. The chapter provides information on and the economic development underwriting guidelines and the public benefit standards requirements applicable to certain economic development projects. The Section 108 loan guarantee program is also reviewed.

SECTION	TOPIC	PAGE
8.1	Eligible and Ineligible Activities	8-1
8.2	Meeting and Documenting a National Objective	8-5
8.3	Underwriting Guidelines and Public Benefit Standards	8-9
8.4	Section 108 Loan Guarantee Program	8-12

8.1 Eligible and Ineligible Activities

- ✓ Creating economic opportunities and jobs are among the key CDBG activities funded by many grantees. This section highlights the ways that economic development projects can be funded under CDBG.

Key Topics in This Section	<ul style="list-style-type: none"> ✓ Eligible Activities <ul style="list-style-type: none"> – Key ways to undertake economic development activities ✓ Ineligible Activities
Regulatory/Statutory Citations	Section 105(a)(2), Section 105(a)(4), Section 105(a)(14), Section 105(a)(15), Section 105(a)(17), Section 105(a)(19) §570.201(c), §570.201(o), §570.202, §570.203 (a), (b) and (c), §570.204
Other Reference Materials on This Topic	<ul style="list-style-type: none"> ✓ Guide to National Objectives and Eligible Activities for Entitlement Communities <ul style="list-style-type: none"> – Chapter 2

8.1.1 Eligible Activities

- ✓ The CDBG program recognizes several key ways that economic development may be undertaken.
- ✓ **Special economic development.** CDBG funds may be used to undertake certain economic development activities. These activities include:
 - Acquiring, constructing, reconstructing, rehabilitating, or installing commercial or industrial buildings, structures, and other real property equipment and improvements, including



railroad spurs or similar extensions. These are economic development projects undertaken by nonprofit entities and grantees (public entities).

- Assisting a private, for-profit business. Assistance may include grants, loans, loan guarantees, and technical assistance; and
 - Providing economic development services in connection with otherwise eligible CDBG economic development activities.
- ✓ **Economic development undertaken by community based development organizations (CBDOs).** These are activities designed to assist in neighborhood revitalization or community economic development and are carried out by an organization that qualifies as a CBDO under the regulations at 24 CFR Part 570.204. See chapter 2 for more information about CBDOs.
- In addition to meeting one of the organizational types listed above, the entity must be carrying out neighborhood revitalization, community economic development or energy conservation projects.
- ✓ **Technical assistance to businesses.** This activity involves providing technical assistance and training directly to businesses on topics such as business planning or accounting. This activity may be undertaken under several different eligibility categories, assuming that the activity will meet a national objective:
- As a part of a special economic development project;
 - To the owner of a microenterprise;
 - As a public service; and
 - By a CBDO as a part of an eligible project.
- ✓ **Microenterprise development.** These are activities designed to foster the development, support, and expansion of microenterprise businesses.
- A microenterprise is defined as a commercial enterprise that has five or fewer employees, one or more of whom owns the enterprise.
 - A “person developing a microenterprise” refers to a person who has expressed an interest and who is, or after an initial screening process is expected to be, actively working toward developing a business that will be a microenterprise at the time it is formed.
 - Eligible microenterprise activities include the provision of:
 - Grants, loans, loan guarantees and other forms of financial support, for the establishment, stabilization, and expansion of microenterprises;
 - Technical assistance, advice, and business services to owners of microenterprises and persons developing microenterprises;
 - General support to owners of microenterprises and persons developing microenterprises including child care, transportation, counseling and peer support groups; and
 - Training and technical assistance or other support services to increase capacity of grantees or subrecipients to carry out microenterprise activities.



- ✓ **Commercial rehabilitation.** These are activities that are designed to bring commercial structures up to code or improve their facades.
 - If the commercial structure is owned by a private, for-profit entity, the following limitations apply:
 - Rehabilitation is limited to the exterior of the building and the correction of code violations; and
 - Any other improvements are carried out under the special economic development activities category discussed above.
- ✓ **Public facilities and improvements.** These are public works that support economic development endeavors. Public works facilities and improvements include infrastructure projects such as off-site water, sewer, roads, drainage, railroad spurs and other types of public facilities or improvements.
- ✓ **Job training.** Job training involves providing skill building classes to employees or potential employees and can be an important part of an economic program. This activity can be undertaken:
 - As a part of a special economic development project;
 - As a public service;
 - By a CBDO as a part of an eligible project; or
 - As a part of microenterprise assistance package to the owner of a micro business for his or her employees.

8.1.2 Ineligible Activities

- ✓ Activities not described above are generally ineligible; however, Community Based Development Organizations (CBDOs) can undertake many otherwise ineligible activities when they retain direct and controlling involvement in a qualified project.
- ✓ The following restrictions apply when a CBDO undertakes an activity:
 - CBDOs may not carry out otherwise ineligible activities (i.e., general government buildings or expenses, or political activities); and
 - CBDOs cannot carry out special economic development activities that do **not** meet the grantee's underwriting guidelines for such projects **and** HUD's mandatory public benefit standards.
- ✓ CBDOs are authorized to carry out public services that exceed the 15 percent public services cap when the services are specifically designed to increase economic opportunities through employment support services such as counseling, child care, transportation, and similar services, and job training that is linked to job placement.

NOTE: *There has been much confusion with regard to job-training and job-placement services under the provision at § 570.204(b)(2)(i). Job training is an eligible CBDO activity under community economic development at § 570.204(a)(2), which requires job training associated with a permanent job. Therefore, job training must be linked to a permanent job - a job, which upon completion of the training, will be filled by the trainee. For this reason, job training linked to permanent jobs is more appropriately carried out under the provisions of*



§ 570.203(c), which is also not subject to the public service cap. HUD did not intend for CBDOs to train and generate a “pool” of trained applicants standing by and ready to fill unidentified jobs. Nonetheless, job-training services not linked to permanent jobs are eligible under the provisions of § 570.204(b)(2)(ii), which concerns services of any kind carried out within a HUD approved NSRA.

- ✓ CBDOs may also provide public services of any type outside of the public services cap if the services are undertaken as part of a HUD-approved Neighborhood Revitalization Strategy Area (NRSA).
- ✓ CBDOs may not carry out program administration or planning activities that would result in the grantee exceeding the 20 percent limit on such expenditures.
- ✓ Job pirating is prohibited under Section 588 of the Quality Housing and Work Responsibility Act of 1998. Job pirating refers to the use of federal funds to lure or attract a business and its jobs from one labor market to another.
- ✓ CDBG funds may not be used to assist for-profit businesses, including expansions, as well as infrastructure improvement projects or business incubator projects designed to facilitate business relocation IF:
 - The funding will be used to assist directly in the *relocation* of a plant, facility or operation; and
 - The relocation is likely to result in a significant loss of jobs in the labor market area from which the relocation occurs.
- ✓ The following are definitions to assist in determining if a business location falls under these provisions:
 - Labor Market Area (LMA): An LMA is an economically integrated geographic area where individuals can live and work within a reasonable distance or can readily change employment without changing their place of residence.
 - Operation: A business operation includes, but is not limited to, any equipment, production capacity or product line of the business.
 - Significant Loss of Jobs:
 - A loss of jobs is significant if:
 - The number of jobs to be lost in the LMA in which the affected business is currently located is equal to or greater than one-tenth of one percent of the total number of persons in the labor force of that LMA ;
 - OR in all cases
 - A loss of 500 or more jobs.
 - A job is considered to be lost due to the provision of CDBG assistance if the job is relocated within three years of the provision of assistance to the business.
 - Notwithstanding the above definition, a loss of 25 jobs or fewer does not constitute a significant loss of jobs.
- ✓ Before directly assisting a business with CDBG funds the grantee shall include appropriate language in the written agreement with the assisted business to ensure that no pirating has occurred. In addition to other programmatic clauses, the written agreement shall include:



- A statement from the assisted business as to whether the assisted activity will result in the relocation of any industrial or commercial plant, facility, or operation from one LMA to another, and, if so, the number of jobs that will be relocated from each LMA.
- If the assistance will not result in a relocation covered by this section, a written certification from the assisted business that neither it, nor any of its subsidiaries, have plans to relocate jobs at the time the agreement is signed that would result in a significant job loss as defined in this rule; and
- The agreement shall provide for reimbursement of any assistance provided to, or expanded on behalf of, the business in the event that assistance results in a relocation prohibited under this section.

8.2 Meeting and Documenting a National Objective

- ✓ This section describes the national objectives that may be used for economic development activities.

Key Topics in This Section	<ul style="list-style-type: none"> ✓ LMI Benefit <ul style="list-style-type: none"> - LMI Area Benefit - LMI Limited Clientele - Job Creation/Retention ✓ Slum/Blight
Regulatory/Statutory Citations	Section 101(c), Section 104(b), Section 105(c) §570.208, §570.506
Other Reference Materials on This Topic	<ul style="list-style-type: none"> ✓ Guide to National Objectives and Eligible Activities for Entitlement Communities <ul style="list-style-type: none"> - Chapter 3

8.2.1 National Objective Summary Chart

- ✓ The following chart summarizes the national objective options related to economic development. The text below provides additional details. For a complete copy of the matrix codes and national objectives chart, please see the IDIS chapter of this manual.

National Objective Codes (N = Not Allowed)									
<u>HUD Matrix Code</u>	<u>Activity</u>	<u>LMA</u>	<u>LMC</u>	<u>LMH</u>	<u>LMJ</u>	<u>SBA</u>	<u>SBS</u>	<u>SBR</u>	<u>URG</u>
14E	Rehab; Publicly or Privately-Owned Commercial/Industrial			N					
17A	CI Land Acquisition/Disposition			N					
17B	CI Infrastructure Development			N			N		
17C	CI Building Acquisition,			N					



	Construction, Rehabilitation								
17D	Other Commercial/Industrial Improvements			N					
18A	ED Direct Financial Assistance to For-Profits		N	N			N		
18B	ED Technical Assistance		N	N			N		
18C	Micro-Enterprise Assistance			N			N		

8.2.2 LMI Benefit National Objective

- ✓ Economic activities that benefit an LMI area may qualify under the Area Benefit category of the LMI benefit national objective. For example if the grantee is funding a grocery store in a neighborhood that is at least 51 percent LMI, the activity may qualify as an area benefit.
 - If this criterion is used to qualify the activity, the grantee must document the service area of the business and then demonstrate through Census/American Community Survey or survey data that 51 percent of the residents are LMI.
- ✓ Additionally, the LMI Limited Clientele category may be used to qualify certain economic development activities under the LMI Benefit national objective.
 - For example, microenterprise activities may be undertaken under the LMI Limited Clientele category if the owner of the business is LMI. If this criterion is used, then the grantee must document the income of the business owner.
 - Also, job training and placement or other employment support services such as peer counseling, child care and transportation may qualify under the LMI Limited Clientele category if at least 51 percent of the persons benefiting from the activity are LMI.
- ✓ Finally, economic activities designed to create or retain permanent jobs, at least 51 percent of which (computed on a full-time equivalent basis) will be made available to or held by LMI persons may qualify under the Job Creation or Retention category of the LMI Benefit national objective.
 - The following requirements must be met for jobs to be considered created or retained.
 - If grantees fund activities that **create** jobs, there must be documentation indicating that at least 51 percent of the jobs will be held by, or made available to, LMI persons.
 - For funded activities which **retain** jobs, there must be sufficient information documenting that the jobs would have been lost without the CDBG assistance and that one or both of the following applies to at least 51 percent of the jobs:
 - The job is held by a LMI person; or
 - The job can reasonably be expected to turn over within the following two years and steps will be taken to ensure that the job will be filled by, or made available to, a LMI person.
 - The following requirements apply for jobs to be considered available to or held by LMI persons.



- Created or retained jobs are only considered to be **available** to LMI persons when:
 - (a) Special skills that can only be acquired with substantial training or work experience or education beyond high school are **not** a prerequisite to fill such jobs, or the business agrees to hire unqualified persons and provide training; and
 - (b) The grantee and the assisted business take actions to ensure that LMI persons receive first consideration for filling such jobs.
- Created or retained jobs are only considered to be **held by** LMI persons when the job is actually held by a LMI person.
- In determining whether a job is made available to or held by a LMI person, grantees may presume that a person is LMI if:
 - He/she resides in a Census tract that meets certain requirements (see below); or
 - He/she resides in a Census tract with at least 70 percent LMI persons; or
 - The assisted business is located in an eligible Census tract (see below) **and** the job will be located within that same Census tract.
- An eligible Census tract is one that is located within a Federally-designated Empowerment Zone or Enterprise Community **or** a Census tract that:
 - (a) Has a poverty rate of at least 20 percent;
 - (b) Does not include part of a central business district (unless the Census tract has a poverty rate of at least 30 percent); and
 - (c) Evidences pervasive poverty and general distress by meeting at least one of the following criteria:
 - (i) All block groups in the Census tract have 20 percent or greater poverty rates;
 - (ii) The activity is undertaken in a block group with a 20 percent or greater poverty rate; or
 - (iii) HUD determines that the tract shows other signs of distress (e.g., crime, homelessness, deteriorated housing, etc.)
- For job training, job placement and other employment support services, the CDBG regulations provide certain circumstances in which these activities can be considered to meet the LMI limited clientele national objective **even** when the percentage of persons assisted is **less** than the 51 percent threshold. The special circumstances under which this is allowed are:
 - Where job training or the provision of supportive services is used to assist businesses, the only use of CDBG funds in the activity is for the job training and/or supportive services; **and**
 - The proportion of the total cost of the job training or supportive services to be paid with CDBG funds is not greater than the proportion of the total number of assisted LMI persons.



- As a general rule, each assisted business shall be considered to be a separate activity for purposes of determining whether the activity qualifies.
- However, in certain cases, such as where CDBG funds are used to acquire, develop or improve a real property (e.g., a business incubator or an industrial park), the requirement may be met by measuring jobs in the aggregate for all the businesses, that locate on the property, provided such businesses are not otherwise assisted by CDBG funds.
- Additionally, where CDBG funds are used to pay for the staff and overhead costs of an entity making loans to businesses from non-CDBG funds, this requirement may be met by aggregating the jobs created by all of the businesses receiving loans during any one-year period.

8.2.3 Slum/Blight National Objective

- ✓ Economic development activities, such as commercial rehabilitation, which aid in the prevention or elimination of slums or blight in a designated area may qualify under the Area Slum/Blight national objective.
 - In order to qualify under this national objective category, the economic development activity must take place in an area that:
 - The designated area in which the activity occurs must meet the definition of a slum, blighted, deteriorated or deteriorating area under state or local law;
 - Additionally, the area must meet either one of the two conditions specified below:
 - Public improvements throughout the area are in a general state of deterioration; or
 - At least 25 percent of the properties throughout the area exhibit one or more of the following:
 - (a) Physical deterioration of buildings/improvements;
 - (b) Abandonment of properties;
 - (c) Chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings;
 - (d) Significant declines in property values or abnormally low property values relative to other areas in the community; or
 - (e) Known or suspected environmental contamination.
 - Documentation must be maintained by the grantee on the boundaries of the area and the conditions that qualified the area at the time of its designation. The designation of an area as slum or blighted must be re-determined every 10 years for continued qualifications.
 - As stated above, qualified activities must address the identified conditions that contributed to the slum and blight.
- ✓ Under the Spot Basis category of the Slum/Blight national objective, activities such as acquisition, clearance and building rehabilitation may be undertaken.
 - When rehabilitation is categorized under the Spot Basis category, it must meet the following requirements:



- The rehabilitation must eliminate specific conditions of blight or physical decay on a spot basis, i.e., not be located in a designated slum and blight area; and
- The rehabilitation must be limited to only those conditions that are detrimental to public health and safety.

8.3 Underwriting Guidelines and Public Benefit Standards

- ✓ Economic development project must demonstrate a sufficient benefit in return for the CDBG investment. This section highlights these requirements, as well as the voluntary underwriting standards.

Key Topics in This Section	<ul style="list-style-type: none"> ✓ Guidelines and Objectives for Evaluating Project Costs and Financial Requirements ✓ Public Benefit Standards <ul style="list-style-type: none"> - Individual standards - Aggregate standards
Regulatory/Statutory Citations	Section 105 (a)(14) – (17) §570.209
Other Reference Materials on This Topic	<ul style="list-style-type: none"> ✓ Guide to National Objectives and Eligible Activities for Entitlement Communities <ul style="list-style-type: none"> - Chapter 2: Categories of Eligible Activities - Appendix B: Public Benefit Standards

8.3.1 Voluntary Project Guidelines

- ✓ HUD has established guidelines for selecting special economic development projects. The guidelines have two parts:
 - 570.209 (a) - Guidelines and Objectives for Evaluating Project Costs and Financial Requirements, and
 - 570.209 (b) - Standards for Evaluating Public Benefit.
- ✓ **Guidelines and Objectives for Evaluating Project Costs and Financial Requirements.** These underwriting guidelines are designed to assist grantees to select economic development projects that are financially viable and will result in the most effective use of CDBG funds.
 - The use of these guidelines is **voluntary**; however, grantees electing not to use the following guidelines are expected to conduct basic financial underwriting of projects funded under this eligibility category.
 - There are six criteria that have to be evaluated
 - Project costs are reasonable;
 - All sources of project financing are committed;



- To the extent practicable, CDBG funds are not substituted for non-federal financial support;
 - Project is financially feasible;
 - To the extent practicable, the return of the owner's equity investment will not be unreasonably high; and
 - To the extent practicable, CDBG funds are disbursed on a pro-rata basis with other finances committed to the project.
- These guidelines do not apply to public facilities or microenterprise activities.

8.3.2 Aggregate and Individual Public Benefit Standards

- ✓ **Standards for Evaluating Public Benefit.** The use of these standards is *mandatory*. Grantees are responsible for ensuring that a minimum level of public benefit is obtained when CDBG funds are used for special economic development projects and when used for public facilities and improvements projects undertaken for economic development purposes. The standards have two levels: standards for individual activities and aggregate standards.
- **Standards for Individual Activities**—An activity is considered by HUD to provide *insufficient* public benefit and cannot be assisted with CDBG funds if:
 - The amount of CDBG assistance exceeds \$50,000 per full-time equivalent (FTE), permanent job (created or retained) **or** \$1,000 per LMI person to which goods and services are provided by the activity;
 - In addition, an activity would be considered to have an insufficient benefit if it consists of or includes:
 - General promotion of the community (as a whole);
 - Assistance to professional sports teams;
 - Assistance to privately-owned recreational facilities that serve a predominantly higher income clientele where the benefit to users clearly outweighs the benefit of jobs created or retained;
 - Acquisition of land for which a specific use has not been identified (i.e., land banking); or
 - Assistance to a for-profit business owner that is the subject of unresolved findings of noncompliance related to previous CDBG assistance.
 - **Aggregate Standards**—Activities, in the aggregate, must either:
 - Create or retain at least one FTE, permanent job per \$35,000 of CDBG funds used; or
 - Provide goods and services to an area where the number of LMI persons served by the assisted business amounts to at least one LMI person per \$350 of CDBG funds used.
 - Certain activities can be excluded from the aggregate standards (as discussed below and in 570.209(b)(2)(v)).

8.3.3 Applying the Public Benefit Standards

- ✓ As discussed previously, when CDBG funds are used for special economic development projects and/or public facilities and improvements projects undertaken for economic



development purposes, grantees must ensure that a minimum level of public benefit is obtained.

- ✓ Note: the public benefit standards do not apply to microenterprise assistance provided under 570.201(o).
- ✓ The individual **and** aggregate activity standards must be used as follows in order to make this determination.
- ✓ Applying the standards for **individual** activities:
 - If an activity both creates/retains jobs and provides goods/services to LMI residents of an area, the activity is ineligible only if it fails both standards (i.e. it must meet one);
 - The standards are applied to the number of jobs projected or LMI area residents at the time funds are obligated; and
 - If the activity is limited to job training/placement or employment services, the jobs assisted with CDBG are considered jobs created/retained for the purpose of applying the individual activity standards.
- ✓ Applying the **aggregate** standards:
 - Entitlement communities must apply the aggregate standards to all activities for which funds were first obligated during any given program year;
 - Grantees may elect to apply the standards to the creation/retention of jobs or to the provision of goods and services to LMI residents, but cannot count an activity under both standards;
 - If the activity is limited to job training/placement or other employment services, the jobs assisted with CDBG are considered as jobs created or retained when applying the aggregate standards;
 - The following activities may be excluded from the aggregate standards:
 - Jobs are provided exclusively for unemployed persons or participants of JTPA, JOBS or AFDC programs;
 - Jobs are provided predominantly for residents of public or Indian housing units;
 - Jobs are provided predominantly for homeless persons;
 - Jobs are provided predominantly for low-skilled, LMI persons and the business agrees to provide clear opportunities for promotion and economic advancement (e.g., provision of training);
 - Jobs are provided predominantly for persons residing in a Census tract with at least 20 percent of the residents in poverty;
 - Assistance is provided to businesses that operate in a Census tract with at least 20 percent of the residents in poverty;
 - The activity stabilizes or revitalizes a neighborhood that has at least 70 percent low- and moderate-income residents;
 - Assistance is provided to a CDFI that serves a predominantly LMI area;



- Assistance is provided to a CBDO that serves a neighborhood that has at least 70 percent LMI residents;
- Provides services or creates/retains jobs in a HUD-approved Neighborhood Revitalization Strategy Area; or
- With prior HUD approval, represents some other innovative approach with substantial benefits to LMI residents.

8.4 Section 108 Loan Guarantee Program

- ✓ Section 108 is a significant resource that can be used to create community and economic development projects. This section summarizes the Section 108 Program.

Key Topics in This Section	<ul style="list-style-type: none"> ✓ Program Parameters ✓ The Loan Process ✓ Players and Their Roles ✓ Typical Uses of Section 108 ✓ Advantages of Using Section 108
Regulatory/Statutory Citations	24 CFR 570, Subpart M –Loan Guarantees
Other Reference Materials on This Topic	<ul style="list-style-type: none"> ✓ Guide to National Objectives and Eligible Activities for Entitlement Communities <ul style="list-style-type: none"> – Chapter 2: Categories of Eligible Activities – Appendix F: Making the Most of your CDBG Resources – Appendix G: Selling or Securitizing CDBG-funded Loans Using the Section 108 Program and Other Secondary Markets ✓ CPD Notice 01-10

- ✓ The Section 108 Program is a loan guarantee program, which enables CDBG grantees to borrow up to five times their annual entitlement grant.
 - Entitlement communities pledge current and future CDBG funds as security for the loan. Non-entitlement communities may participate if their State is willing to provide the pledge of current and future CDBG funds.
 - HUD acts as the guarantor of a 108 loan made from private market funds, promising investors that the loan will be repaid.
- ✓ Being able to borrow large sums of money helps grantees undertake large scale, capital-intensive projects and provides a mechanism for grantees to extend the impact of their CDBG Program.
- ✓ The section below provides an overview of Section 108 basics and its advantages.

8.4.1 Advantages to Using Section 108

- ✓ Grantees take on the risks of borrowing Section 108 funds because the program provides the following significant advantages:



- **Potential leverage**—A community has access to funds totaling up to five times its annual CDBG entitlement while retaining the use of its entitlement.
 - **Avoid referendum**—Since Section 108 borrowing is not ordinarily a general obligation, the community can avoid a referendum and the Section 108 indebtedness does not affect the debt limit of the community.
 - **Accelerate CDBG activities**—Instead of “paying as you go,” communities can complete needed projects now by utilizing Section 108.
 - **Spread costs over time**—The costs for projects can be spread out over long periods of time—the maximum loan term is 20 years. Long-term repayment schedules lessen the yearly debt burden.
 - **Avoid private benefit restrictions**—Most state constitutions prohibit the use of tax-generated funds to benefit private interests. Since Section 108 generally encumbers federal entitlements and not tax revenue, communities can avoid this restriction.
 - **Access funds at an AAA rate**—Despite the premium over Treasuries associated with Section 108 debt; the rate is approximately equal to what AAA-rated publicly held companies pay for its debt. Consequently, a third party borrower, who is typically non-rated and privately held, can access financing at significantly lower rates than would be otherwise be available to small businesses.
 - **Access long-term funds at a fixed rate**—The fixed rate eliminates the risk of future rate changes to the community. Thus, the community is able to make long-term plans with certainty about its future obligations.
- ✓ These advantages are substantial enough that many communities have accepted the risks of Section 108 borrowing and successfully expanded their economic opportunities.

8.4.2 Program Parameters

- ✓ The following basic parameters apply to the Section 108 program:
- **Maximum loan amount**—Up to five times a community’s annual CDBG entitlement.
 - **Loan Terms**—Interest rates and repayment schedules can vary on a case-by-case basis, but the maximum loan term is 20 years.
 - **Eligible Applicants**—Entitlement communities, non-entitlement communities that are assisted by State grantees, and non-entitlement communities eligible under the Small Cities Program.
 - **Eligible Activities**—Eligible Section 108 activities are different than those under the regular CDBG program. Section 108 can fund the following activities (NOTE: consult the regulations for a more complete description of these requirements):
 - Acquisition;
 - Rehabilitation of publicly-owned property;
 - Clearance, demolition, removal and site preparation related to acquisition or rehabilitation;
 - Economic development activities;
 - Housing rehabilitation;



- Payment of issuance and finance costs associated with 108 loans;
- Relocation assistance necessitated by a 108 project;
- Acquisition, construction, reconstruction, rehabilitation or installation of public facilities;
- Site preparation, including construction, reconstruction, and installation of public and other site improvements, facilities and utilities (see the regulations for additional requirements).
- **Program Requirements**—With its origin derived from CDBG legislation, Section 108 is subject to CDBG requirements. The following criteria are the same for both CDBG and Section 108:
 - Compliance with national objectives;
 - Davis-Bacon labor standards;
 - Environmental review requirements;
 - Underwriting guidelines;
 - Compliance with the primary objective (i.e., 70 percent of expenditures benefit LMI persons);
 - Public benefit standards; and
 - CDBG certifications.
- **Ineligible Activities**—Several activities that are eligible under CDBG are not eligible under Section 108, including public services, payment of the non-Federal share of other Federal grant programs, and long-term planning.

8.4.3 Typical Uses of Section 108

- ✓ Although CDBG is more inclusive, the activities that are eligible under Section 108 are quite broad. Communities can finance: operating costs for businesses and developers; micro loan funds and Fortune 500 companies; machinery, equipment and working capital; and leasehold improvements, furniture and fixtures. While some of these categories may carry burdens relating to additional security, all are eligible.
- ✓ Examples of completed Section 108 projects include:
 - Industrial expansion;
 - Capitalization of a revolving loan fund;
 - Construction of a neighborhood shopping center;
 - Expansion of an accounting practice;
 - Construction of a warehouse facility and industrial park;
 - Funding a business incubator;
 - Creation of a retail business;
 - Constructing an office building; and
 - Housing rehabilitation carried out by a nonprofit organization.



8.4.4 Players and Their Roles

- ✓ The typical Section 108 transaction has the following players:
 - **Eligible Community**—The borrowing community incurs the ultimate risk of the Section 108 debt. If the community manages risk prudently and transfers the risk and cost to the third parties, the community can accelerate CDBG activities and achieve tremendous leverage. To secure Section 108 debt, the community must pledge future CDBG entitlements, program income, and provide additional security as HUD deems necessary.
 - **HUD**—HUD reviews the community's application to see if the proposed activities comply with Section 108 regulations and are underwritten in a prudent manner. If the application is approved, HUD provides a 100 percent full faith and credit guarantee, which is the cornerstone of the program.
 - **Underwriter**—The underwriter is a consortium of national brokerages, which sell the Section 108 notes to private investors. The underwriters receive a fee for their services. HUD competitively procures the underwriting services on a periodic basis.
 - **Fiscal Agent**—The Fiscal Agent manages Level #1 transactions. It acts as a trustee for the investors and manages disbursements to communities and repayments from the project that are conveyed back to the investors.
 - **Private Investors**—Private investors fall into two major groups: (1) individuals; or (2) institutions. The investors are buying paper, which has fixed rates and has nominal credit risk (due to the full faith and credit guarantee). The Section 108 notes are roughly equivalent to Treasury issues but carry a slight premium to Treasuries, ranging from one eighth of a percent in the shorter maturities to six tenths of a percent in the longer terms. To date, no investor has ever incurred a loss from buying a Section 108 note.
 - **Third Party Borrowers**—If the community chooses, it can re-loan Section 108 proceeds to third party borrowers. The third party borrowers accept some portion of the risk and cost from the community. Section 108 can provide such borrowers with fixed-rate, long-term and reasonably priced financing that may be difficult to obtain conventionally.

8.4.5 The Loan Process

- ✓ The basic steps of a typical Section 108 transaction work as follows:
 - The grantee applies to HUD for a Section 108 Loan Guarantee.
 - The grantee pledges a portion of its current and future CDBG entitlement grants plus any needed additional security to ensure that the notes will be repaid in the event of a project default.
 - Notes are sold to investors in a public offering to raise funds for the grantee's approved project.
 - The community uses the funds raised by the sale of the notes to undertake the approved project directly or through a third party.
 - The loan repayments are used to repay investors. Funds to repay the note can come from future CDBG funds, program income generated by the project, or other revenue sources that the grantee has available.



- Depending on the type of project that is financed, grantees may have from one to 20 years to repay the Section 108 notes.
- ✓ In summary, Section 108 consists of two levels:
 - **Level # 1**—Eligible communities borrow money from private investors (which the financial underwriters find) and carry out the activity directly.
 - **Level # 2**—Eligible communities borrow money from private investors (which the financial underwriters find) and re-loan the funds to third parties (entrepreneurs, developers, nonprofits, etc.) who undertake eligible activities.
- ✓ The community assumes the ultimate risk of paying back the Section 108 notes.
 - The notes may be repaid with future CDBG grants; or
 - The community may transfer the risk and cost (interest) by lending Section 108 proceeds to third party borrowers. If the third party repays this loan the community may never have to dip into its CDBG funds to repay the notes. However, if the third party defaults, the community must repay the loan.
- ✓ To ensure the marketability of Section 108 notes, HUD provides a 100 percent full faith and credit guarantee to the private investors who purchase the notes at the public offering.
- ✓ To comply with the Credit Reform Act of 1992, HUD cannot rely solely on the pledge of future CDBG entitlement funds to repay the Section 108 loan. Accordingly, the community must prove to HUD that either:
 - The project being financed with Section 108 funds has sufficient collateral and satisfies sound underwriting; or
 - The community pledges other assets that provide additional security beyond CDBG funds to bridge any repayment shortfalls such as parking or tax increment financing (TIF) district revenues.



**CITY COUNCIL
AGENDA ITEM COVER MEMO**

July 2, 2018

To: Mayor and City Council
Agenda Item: 2(c) Draft contracts for Presiding and Associate Municipal Court Judges
Submitted by: Bill Atkinson, Assistant City Manager

SYNOPSIS

This item relates to the draft contracts between the City of Missouri City (the "City") and the City's municipal court judges.

STRATEGIC PLAN 2019 GOALS ADDRESSED

- Develop a high performing City team.

BACKGROUND

During the May 7, 2018 Special Meeting, the City Council determined that the Council would require contracts for municipal court judges moving forward. The City Charter provides for the appointment of a presiding judge and associate municipal court judges for the City's Municipal Court. Additionally, the Charter provides for two-year term appointments. The City's current judges were appointed on April 3, 2017, without contracts. Contracts were previously executed in 2013. The current term for the City's judges expires on April 3, 2019. The execution of a contract will not change the current term of the City's judges.

As part of the City's ongoing effort to bring efficiency and formality to the procurement process, draft contracts between the City and the persons appointed as judges are presented for Council's review. If Council decides to use these contracts, staff requests that Council approve the language of the contracts. The formal appointment and execution of the contracts would then be presented at an upcoming meeting.

SUPPORTING MATERIALS

1. Draft presiding judge contract

STAFF'S RECOMMENDATION

Consider draft contract.

**Assistant City Manager/
City Manager Approval:**

Bill Atkinson, Assistant City Manager

**AGREEMENT BETWEEN
THE CITY OF MISSOURI CITY AND DEBRA ~~CHAMPAGNESINCLAIR~~
FOR THE POSITION OF PRESIDING MUNICIPAL COURT JUDGE**

STATE OF TEXAS §
 §
COUNTY OF FORT BEND §
 §
CITY OF MISSOURI CITY §

KNOW ALL PERSONS BY THESE PRESENTS

THIS AGREEMENT made and entered into this _____, by and between the City of Missouri City Texas, a municipal corporation, hereinafter called "City," and Debra ~~ChampagneSinclair~~ both of whom understand as follows:

Formatted: Justified

WITNESSETH:

WHEREAS, City desires to contract with Debra ~~ChampagneSinclair~~ as one of several municipal court judges for the City of Missouri City Municipal Court, and, to the degree permitted pursuant to Section 4.03 and of the City Charter and other pertinent sections of the City Charter, ordinances and policies, desires to enter into this Agreement; and

Formatted: Justified, Indent: First line: 0.5"

WHEREAS, ~~it is the desire of~~ the governing body, hereinafter called "City Council" ~~to appoint~~ appointed Debra ~~ChampagneSinclair~~ as presiding municipal court judge on April 3, 2017, and hereby desires to establish certain conditions of work and payment of said Judge; and

Formatted: Justified

Formatted: Justified, Indent: First line: 0.5"

WHEREAS, Debra ~~ChampagneSinclair~~ hereinafter called "Municipal Court Judge," desires to accept ~~appointment as presiding municipal court judge of City of Missouri City~~ such conditions;

Formatted: Justified

Formatted: Justified, Indent: First line: 0.5"

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

Formatted: Justified

Formatted: Justified, Indent: First line: 0.5"

Section 1: ~~Appointment and Term~~

~~A. Municipal Court Judge is appointed for a two (2) year term of office to commence April 1, 2013, and conclude March 31, 2015.~~

A. On April 3, 2017, Municipal Court Judge was appointed for a two (2)-year term of office commencing on April 3, 2017, and concluding on April 2, 2019. This

Contract is effective on July 16, 2018, through April 2, 2019. Pursuant to section 29.005 of the Texas Government Code, the Municipal Court Judge will continue to serve for another term of office beginning on the date a previous term of office expires if the City Council does not take any action by the 91st day following the expiration of such term of office.

- B. Municipal Court Judge is an appointee of City Council from whom broad, general guidance is received, and such guidance shall be communicated through the City Manager Council in annual meetings, which will be scheduled by the City Manager's office in collaboration with the City Secretary.
- ~~C. Municipal Court Judge may be removed by vote of the majority of the entire council for breach of this contract. Additionally, in C. In~~ accordance with the City Charter, Municipal Court Judge may be removed or replaced, at any time, at the discretion of the council, by vote of the majority of the entire council.

Formatted: Justified

Section 2: Requirements and Standards

- A. Municipal Court Judge shall be an attorney licensed and practicing in the State of Texas and must remain in good standing with the State Bar of Texas at all times during the term of this agreement. Municipal Court Judge is required to keep abreast of federal and state law and local ordinances, including State-mandated fees, as applicable to the City of Missouri City Municipal Court, as well as laws applicable to magistration duties, issuance of warrants and other judicial functions. Municipal Court Judge agrees to adjudicate consistently and within all applicable legal standards. ~~Municipal Court Judge must attend the minimum required continuing education requirements for municipal court judges, including, but not limited to, the annual judge training provided by the Texas Municipal Courts Education Center.~~
- B. Municipal Court Judge shall comply with the Code of Judicial Conduct of the State of Texas.
- C. Municipal Court Judge shall convey a sense of fairness and shall exhibit respect toward all persons.
- D. For the duration of the Agreement, Municipal Court Judge shall provide his/her best efforts to respond physically, verbally or electronically to a request for service by City within a reasonable time.

Formatted: Justified

Section 3: Independent Contractor; Other Work and Benefits

Municipal Court Judge will perform the duties of this Agreement as an independent contractor of the City and not as an employee. Municipal Court Judge will be free to contract ~~for to perform~~ other municipal court services ~~to be performed~~ for other cities or entities while Municipal Court Judge is under contract with City. Municipal Court Judge is not entitled to participate in any leave accrual, pension plans, insurance programs or other similar benefits that City provides its full-time employees, except that Municipal Court Judge may participate in retirement programs (457-type accounts) which are paid for or contributed to by Municipal Court Judge alone with no financial contribution by City.

Formatted: Justified

DRAFT

Section 4: Duties

City Council ~~hereby agrees to appoint~~has appointed Municipal Court Judge to perform the functions and duties specified in Section 4.03 of the City Charter and applicable provisions of the City Code and state laws and to perform such other legally permissible and proper duties and functions of Texas municipal court judges as City Council shall from time to time assign and as set forth in a **Description of Municipal Court Judge Duties** to be maintained by the City, which in no way shall be inconsistent with state law. Likewise, Municipal Court Judge agrees to dutifully perform to the best of his⁴ ~~or her~~ ability, the functions and duties specified in Section 4.03 of the City Charter and applicable provisions of the City Code and state laws; to perform other legally permissible and proper duties and functions of Texas municipal court judges as directed from time to time by the City Council as set forth in a **Description of Municipal Court Judge Duties** to be maintained by the City, which in no way shall be inconsistent with state law.

Formatted: Justified

Additionally, Municipal Court Judge shall to the best of his or her ability:

- A. Attend ~~monthly~~ Municipal Court Coordination Meetings, as scheduled, in order to foster communication and the efficient operation of Court.
- B. Work with the City Manager on matters relating to day-to-day operations to improve operations and/or to address concerns.
- C. Meet with City Council at City Council's pleasure.

Formatted: Justified

Formatted: Justified

Section 5: Insurance

Municipal Court Judge shall furnish a completed insurance certificate to the City by August 1, 2018, which shall be completed by an agent authorized to bind the named underwriter(s) for coverage, limits, and termination provisions shown thereon, and which shall contain the following:

(a) Professional Liability (Errors and Omissions): Coverage Amount \$1,000,000 per occurrence and \$1,000,000 annual aggregate.

The City shall be entitled, upon request and without expense, to receive copies of the certificate of insurance and the required policies and endorsements.

Municipal Court Judge agrees, with respect to the above required insurance, that all insurance contracts and certificate(s) of insurance will contain and state, in writing, on the certificate or its attachment, the following required provisions:

(a) The Municipal Court Judge shall notify the City of any change in the required coverage or cancellation, and shall give such notices not less than 30 days prior to the change or cancellation. The Municipal Court Judge shall provide a replacement certificate of insurance prior to such change or cancellation;

(b) Provide for an endorsement that the “other insurance” clause or provision shall not apply to the City where the City is shown as an additional insured on the policy;

(c) Provide for notice to the City at the address shown in this Agreement;

(d) Municipal Court Judge agrees to waive all the Municipal Court Judge’s rights of subrogation against the City, its officers, employees, and elected representatives for injuries, death, property damage, or other loss covered by insurance and the Municipal Court Judge will provide a waiver of subrogation endorsement against the City. The City must be named or listed on the endorsement; and

(e) The City, its elected and appointed officials, employees and agents shall be listed as additional insured to the required coverage. All coverage specified shall remain in effect during the term of this Agreement. Any termination of coverage without replacement may result in termination of this Agreement.

COVERAGES SHALL BE WITH A COMPANY (WITH AT LEAST AN A- BEST RATING) ACCEPTABLE TO THE CITY PURCHASING AND RISK MANAGEMENT DEPARTMENT AND A COPY OF THE CERTIFICATE OF COVERAGE SHALL BE DELIVERED TO THE CITY ON OR BEFORE THE DATE OF THIS AGREEMENT.

Section 6: Court Hours

It is recognized that City values the time of the defendants, witnesses and attorneys who attend Municipal Court proceedings. Municipal Court Judge recognizes that court dockets will be scheduled with such priority in mind, and that City has the prerogative to determine which days of the week and times of the day Court may be scheduled. Municipal Court Judge specifically recognizes City may schedule evening dockets. Currently, Court is scheduled on certain Mondays, Tuesdays, Wednesdays and Thursdays at 8:30 a.m. and certain Wednesday afternoons/evenings beginning at 4:00 p.m.

Formatted: Justified

Section 67: Outside Activities

Municipal Court Judge’s outside activities shall not interfere, conflict or curtail any obligations or responsibilities required under this Agreement. Municipal Court Judge shall not represent clients whose interests may be adverse to City.

Formatted: Justified

Section 78: Compensation

As compensation for all required services, as outlined herein, City agrees to pay Municipal Court Judge \$95 per hour. City shall deposit such amounts of Municipal Court Judge’s gross income to any retirement accounts (457-type accounts) as Municipal Court Judge may direct. City shall reimburse Municipal Court Judge for the costs of registration, hotel, travel and reasonable meals upon presentation of documentation of such expense for the

Formatted: Justified

annual attorney-judge training provided by the Texas Municipal Courts Education Center. Such reimbursement shall not exceed \$250 per year.

Section 89: Assessment

~~The City Manager will prepare an assessment of the performance of Municipal Court Judge and shall report and make recommendations to City Council regarding such assessment. Such report and recommendations shall be provided to Municipal Court Judge.~~ Municipal Court Judge shall meet in reference to an assessment with City Council at City Council's pleasure, but not less than three days after such report has been delivered to Municipal Court Judge.

Formatted: Justified

Section 910: Resignation

In the event Municipal Court Judge voluntarily resigns from his/ or her appointment during the term of the appointment, then Municipal Court Judge shall give City 30 days notice in advance, unless the parties agree otherwise in writing.

Formatted: Justified

Section 1011: Notices

Notices pursuant to this Agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

Formatted: Justified

City: Mayor
City of Missouri City
1522 Texas Parkway
Missouri City, Texas 77489

Municipal Court Judge: Debra ~~Champagne~~ Sinclair

Either party must give the other 10 days advance notice of a change in address.

Section 1112: General Provisions

- A. The text herein shall constitute the entire Agreement between the parties with respect to the subject matter hereof. Any previous agreements, whether such be written or verbal, are hereby rescinded.
- B. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

Formatted: Justified

- C. This Agreement may not be assigned in whole or in part without the other party's prior written approval.
- D. Any failure by either party to insist upon strict performance by the other party shall not be deemed a waiver thereof or of any other provision hereof, and such party shall have the right at any time thereafter to insist upon strict performance of any and all of the provisions of this Agreement.
- E. To the extent not inconsistent with this Agreement, each party reserves all rights, privileges, and immunities under applicable laws.
- F. The construction and validity of this Agreement shall be governed by the laws of the State of Texas without regard to conflicts of law principles. Venue shall be in Fort Bend County, Texas.

G. If Municipal Court Judge files or prosecutes a lawsuit relating to this Agreement, Municipal Court Judge will not be entitled to the award of attorney's fees.

H. Pursuant to section 2270.002, Texas Government Code, by executing this Agreement, Municipal Court Judge hereby represents, warrants, and verifies that Municipal Court Judge: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract.

I. Pursuant to section 2252.152, Texas Government Code, Municipal Court Judge warrants, represents, and agrees that Municipal Court Judge is not identified on a list prepared and maintained by the Texas Comptroller of Public Accounts as a company that engages in business with Sudan, Iran or a foreign terrorist organization.

IN WITNESS WHEREOF, the City of Missouri City, Texas, has caused this Agreement to be signed and executed in its behalf by its Mayor, Allen Owen, and duly attested to by its City Secretary, and Municipal Court Judge has signed and executed this Agreement, both in duplicate, the day and year first written below.

CITY:

MUNICIPAL COURT JUDGE:

Allen Owen
Mayor

Debra ~~Champagne~~ Sinclair

Date

Date

Formatted: VE Body Text FLI,BTFL, Indent: Left: 0.25", Hanging: 0.25"

Formatted: Justified

ATTEST:

Maria ~~Gonzalez~~Jackson
City Secretary

Date

DRAFT

Formatted: Tab stops: 1.1", Right



**CITY COUNCIL
AGENDA ITEM COVER MEMO**

July 2, 2018

To: Mayor and City Council
Agenda Item: 2(d) Solicitation Ordinance
Submitted by: E. Joyce Iyamu, City Attorney

SYNOPSIS

Councilmember Maroulis and Mayor Pro Tem Ford requested that the Missouri City Code be amended to address solicitors who enter residential properties when “no solicitation” signs are posted on such properties. Mayor Owen requested that the Missouri City Code be amended to limit solicitation on Sundays. This item presents the requested amendments for consideration at a future meeting of the City Council of the City of Missouri City.

STRATEGIC PLAN 2019 GOALS ADDRESSED

- Create a great place to live.

BACKGROUND

The purpose of the proposed ordinance is to enforce a resident’s desire not to be bothered by unwelcome solicitation and to secure his or her property and privacy. Enforcement will depend on the property owner’s willingness to file a complaint.

Article IV of Chapter 18 of the Missouri City Code provides regulations that are applicable to peddlers, solicitors, canvassers and itinerant vendors. The first part of the proposed amendment tracks language contained in the City of Plano’s solicitation ordinance. Such language provides a definition for the term, “handbill,” and makes it unlawful to distribute, deposit, place, throw, scatter, or cast a handbill on residential property on which a “no solicitation” (or a sign with similar language) is posted. The proposed amendment also makes it unlawful for a person to enter onto property on which such a sign is posted. The City of Dallas and the City of Pearland have similar ordinances. An affirmative defense to prosecution is also provided for individuals who are expressly invited onto residential property.

The second part of the proposed amendment restricts the hours during which solicitors, canvassers, and similar individuals are allowed to conduct business on Sundays. The proposed amendment would set that timeframe from noon to 9:00 p.m. on Sundays. Solicitors, canvassers, and similar individuals are currently allowed to conduct business from 9:00 a.m. to 9:00 p.m. every day.

SUPPORTING MATERIALS

1. Document showing proposed changes to solicitation ordinance

STAFF’S RECOMMENDATION

Consider proposed changes to the Missouri City Code.
Director Approval: E. Joyce Iyamu

CHAPTER 18 - BUSINESSES

.....

ARTICLE IV. PEDDLERS, SOLICITORS, CANVASSERS AND ITINERANT VENDORS

DIVISION 1. GENERALLY

Sec. 18-331. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

.....

Handbill means and includes any printed or written matter, any sample or device, dodger, circular, leaflet, pamphlet, paper, booklet, or any other printed or otherwise reproduced original or copies of any matter or literature.

.....

Sec. 18-332. Exemptions.

.....

- (c) Minors conducting fundraising activities who represent a youth organization, including, but not limited to, Boy Scouts, Girl Scouts, Little League groups and school groups, are exempt from the coverage of this article, except such fundraising activities may not be conducted in violation of sections 18-333(a)(12) and (13), 18-333(b), and 18-334.

.....

Sec. 18-333. Unlawful conduct.

(a) It shall be unlawful for any peddler, solicitor, canvasser or itinerant vendor to:

- (1) Conduct a business or related activities in the city without a valid registration certificate as provided in this article.
- (2) Conduct a business or related activities in the city without a valid identification card as provided in this article.
- (3) Conduct a business or related activities without visibly displaying the identification card issued to that individual.
- (4) Alter a registration certificate or identification card issued by the city.
- (5) Conduct a business or related activities within the city after the expiration of the registration certificate issued by the city.

- (6) Conduct a business or related activities within the city different than described in the registration statement required by section 18-351.
- (7) Provide false, inaccurate or misleading information in the registration statement.
- (8) Use a vehicle in the conduct of a business or related activities not identified in the registration statement.
- (9) Conduct a business from a location within the city not listed in the registration statement.
- (10) Conduct a business selling, offering for sale, exhibiting for sale, or taking orders for delivery of any commodities, goods, merchandise or services not listed and described in the registration statement.
- (11) Sell, assign or transfer, or attempt any sale, assignment or transfer, of a registration certificate or identification card.
- (12) Conduct a business on any public roadway, public roadway median, public sidewalk, public street right-of-way, or other public property within the city without written authorization from the city.
- (13) Conduct a business during hours other than those permitted by this article.

(b) It shall be unlawful for any person to:

- (1) Distribute or cause to be distributed, deposited, placed, thrown, scattered or cast any handbill upon any residential property if there is placed on such property, in a conspicuous place, a weatherproof sign with a maximum area of four (4) square feet bearing the words "no solicitation" or similar language indicating that the occupants of such property do not desire to have any such handbills left upon their property; or
- (2) Enter or remain upon any residential property if there is placed on such property, in a conspicuous place, a weatherproof sign with a maximum area of four (4) square feet bearing the words, "no solicitation" or similar language.

(c) It is an affirmative defense to prosecution under subsection 18-333(b) that the person received an express prior invitation from an owner or occupant of the residential property.

Sec. 18-334. - Hours of operation.

Business conducted in accordance with this article shall be carried out on Monday through Saturday, from 9:00 a.m. to 9:00 p.m., Central Standard Time, and on Sunday, from noon to 9:00 p.m., Central Standard Time.

Document comparison by Workshare 9.5 on Wednesday, June 27, 2018 3:26:11 PM

Input:	
Document 1 ID	file://W:\Legal Department\Ordinance\No Solicitation\Current Ordinance.docx
Description	Current Ordinance
Document 2 ID	file://W:\Legal Department\Ordinance\No Solicitation\2018.06.26 Solicitation Text.docx
Description	2018.06.26 Solicitation Text
Rendering set	Standard

Legend:	
Insertion	
Deletion	
Moved from	
Moved to	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	24
Deletions	13
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	37