

Draft: June 25, 2019

The City of Rocky Mount & The Down East HOME Consortium

FY 2019-2020

Annual Action Plan

For Housing and Community Development

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Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

The following table outlines the federal resources available in Program Year 2019-2020 to address housing and non-housing community development needs in Rocky Mount and DEHC. Currently, the Rocky Mount and the DEHC utilizes CDBG and HOME funds for owner-occupied rehabilitation/replacement, housing repair, housing development, urgent housing repair, public services, blight removal and other eligible activities. These funding sources are expected to be available over the next five years.

The CDBG and program income resources are applicable to Rocky Mount only. The City expects to receive \$560,957 in CDBG funds and the entire DEHC expects to receive \$537,505 in HOME funds in Fiscal Year 2019-2020.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 2				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	\$560,957	0	\$948,842	\$1,509,799	\$550,950	CDBG funds for non-housing community development.

HOME	Public - Federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$537,505	0	\$855,417	\$1,392,922	\$1,296,050	HOME funds for housing activities.
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Table 1 - 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

In 2018, the City of Rocky Mount received \$100,000 from the North Carolina Housing Finance Agency and \$500,000 in City general funds for housing and community development.

In addition to federal CDBG allocations, State CDBG funds are disbursed on a competitive basis to non-entitlement communities. Historically, the Towns of Middlesex, Nashville, Spring Hope, Bailey, Sharpsburg, Tarboro and Whitakers, and Nash and Edgecombe Counties have received CDBG Community Revitalization (Concentrated Needs) and Scattered Site Housing funds from the North Carolina Division of Community Assistance to assist with some of their local housing and community development needs. At the time of publication of this document, State CDBG funds were not available for housing rehabilitation, which significantly impacts small municipalities’ ability to address critical housing needs.

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

The Redevelopment Commission for the City of Rocky Mount purchases land to facilitate housing and commercial development. In addition, the City owns donated vacant lots through-out the City that may be available for future development of affordable housing.

For example, the Beal Street Redevelopment in the Happy Hill neighborhood was originally purchased by the Redevelopment Commission for the purpose of developing affordable housing.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Prepare cost-benefit analysis of revitalization strategies that create, rehabilitate, preserve and/or fund affordable housing opportunities—the city will conduct a cost-benefit analysis of the following community revitalization strategies and share the conclusions with the public: general obligation bond, housing rehabilitation, construction, and homeownership assistance, inclusionary zoning, affordable housing set-asides, multi-family tax abatements and equitable code enforcement.	2018	2019	Affordable Housing	City of Rocky Mount	Affordable Housing	CDBG/HOME Admin	Completion of cost benefit analysis for revitalization strategies and the development of implementation plans for approved strategies.

2	Plan for the development of affordable housing options in areas throughout the City of Rocky Mount- Plan for and use a balanced approach to addressing current racial segregation in the targeted areas of opportunity, while providing for affordable housing options in higher opportunity areas throughout the city.	2019	2020	Affordable Housing	City of Rocky Mount	Affordable Housing	CDBG/ HOME Admin	Other
3	Establish guiding principles for equitable code enforcement.	2019	2020	Affordable Housing	City of Rocky Mount	Affordable Housing	General Funds	Other
4	Expand housing choice and access to opportunity	2019	2020	Affordable Housing	Nash and Edgecombe Counties, City of Rocky Mount	Affordable Housing – Scattered site housing rehabilitation, New Housing Development; Rental Housing	HOME:	4 Units rehabilitated and developed

5	Increase homeownership among low-income households and members of the protected classes	2019	2020	Affordable Housing	City of Rocky Mount	Affordable Housing – Housing Rehabilitation	CDBG: \$185,622	11 Units rehabilitated & 10 Residential Emergency Repairs Assisted
6	Increase Affordable Housing	2019	2020	Affordable Housing	Nash and Edgecombe Counties, City of Rocky Mount	CHDO	HOME: \$80,626	Units rehabilitated
7	Economic Development: Section 108 Loan Repayment	2019	2020	Non-Housing Community Development	Citywide	Economic Development	CDBG: \$104,000	Businesses Assisted: 10 Businesses
8	Provide public services:	2019	2020	Homeless Non-Homeless Special Needs	Citywide	Public Services Fair Housing/Services for the Homeless	CDBG: \$84,144	Public service activities other than Low/Moderate Income Housing Benefit: 500 Persons Assisted

9	Economic Development Activities	2019	2020	Non-Housing Community Development	Citywide	Economic Development	CDBG: \$25,000	Per Council resolution, adopted September 10, 2018, to develop a municipal food system plan aimed at increasing access to fresh foods in underserved communities. The City will Design, certification, and development of community garden as phase I of a municipal model food system, and human development program and public space serving more than 300 residents; Continue economic development training for target audiences (i.e. the Opportunity Zone convention held at the Rocky Mount Event Center in January 2019)
10	Administration of CDBG and HOME programs; Strengthen fair housing enforcement, operations, and education.	2019	2020	Administration	City of Rocky Mount	Planning and Administration; Fair Housing Education and Enforcement	CDBG: \$112,191 HOME: \$53,751	Other

Table 2 – Goals Summary

The City of Rocky Mount received a Section 108 Loan in the amount of \$3,598,248.36 for the redevelopment of the Douglas Block area. Douglas Block is a public-private redevelopment project that has resulted in a thriving commercial center in Downtown Rocky Mount.

Goal Descriptions

Goal/Objective	Activities/Outcomes
<p>Prepare cost-benefit analysis of revitalization strategies that create, rehabilitate, preserve and/or fund affordable housing opportunities— the city will conduct a cost-benefit analysis of the following community revitalization strategies and share the conclusions with the public: general obligation bond, housing rehabilitation, construction, and homeownership assistance, inclusionary zoning, affordable housing setasides, multi-family tax abatements and equitable code enforcement.</p> <p>Plan for the development of affordable housing options in areas throughout the City of Rocky Mount- Plan for and use a balanced approach to addressing current racial segregation in the targeted areas of opportunity, while providing for affordable housing options in higher opportunity areas throughout the city.</p> <p>Establish guiding principles for equitable code enforcement.</p> <p>Leverage HOME and CDBG funding with other resources to support CHDO projects in Target Areas of Opportunity.</p> <p>Increase public outreach, engagement and awareness opportunities concerning housing issues.</p>	<ul style="list-style-type: none"> • Capacity building • Technical Assistance • Policy recommendations • Housing rehabilitation • Urgent Repairs • Rental housing development • Public services • Small Business Development – Economic Opportunities • Public Infrastructure Improvements • Owner-occupied housing development • Work with the Rocky Mount Metropolitan Planning Organization to identify neighborhoods/employers underserved by public transit
<p>Increase homeownership among low-income households and members of the protected classes.</p> <p>Improve the utilization of public transit for low income and disabled persons</p>	<ul style="list-style-type: none"> • Phase II Beal Street developing 22 single family homes • Additional bus stops along public transit routes
<p>Administration of CDBG and HOME programs</p> <p>Strengthen fair housing enforcement, operations, and education</p>	<ul style="list-style-type: none"> • Administration • Fair Housing Education and • Enforcement

The following are the Year One goals from the AFH:

- A social and economic impact analysis of current, proposed, and known future development in and around Downtown on neighborhood identified by the Housing Study as Targeted Areas of Opportunity
- Conduct a cost-benefit analysis of the following community revitalization strategies and share the conclusions with the public: general obligation bond for affordable housing rehabilitation, construction, and homeownership assistance; inclusionary zoning and affordable housing set-asides; multi-family tax abatements; rental and vacant property registry; and equitable code enforcement
- Plan for and use a balanced approach to addressing current racial segregation in the targeted areas of opportunity, while providing for affordable housing options in higher opportunity areas throughout the city.
- Identify key community assets and major employers currently underserved by transit service and determine feasibility of extending routes to these locations.

In addition, the following goals will be implemented (no cost to implement):

- Identify additional leaders in the local Hispanic community and work with them to identify locations and publications to disseminate information about community development programs, fair housing, tenant rights, and affordable housing options to reach people with limited English proficiency. Update the City's Language Access Plan to reflect these new initiatives.
- Continue to provide CDBG funding to non-profits who provide career readiness, job training, and other educational programs targeted towards low-income individuals and members of the protected classes.
- Continue to provide HOME and CDBG assistance for housing rehabilitation and new construction, including the facilitation of contractor workshops. Give priority to projects that improve fair housing choice and access to opportunity for members of the protected classes, such as LIHTC developments and supportive housing in higher opportunity areas. This includes mixed income developments that will increase the tax base, benefitting school districts and stimulating private development.
- Continue providing CDBG assistance for public facility and infrastructure accessibility improvements, giving priority to projects in R/ECAPs.
- Work with the housing authorities and other affordable housing providers to develop an Affordable Housing Directory and update on an annual basis.

- Using the Rocky Mount Citizens’ Workforce Housing Advisory Commission proposal as a framework, the explore the creation of an advisory group of citizens that monitors real estate activities and helps form policies to prevent displacement while encouraging equitable economic development in neighborhoods.
- Continue the provision of funding to organizations who provide homebuyer and foreclosure counseling services.
- Continue to support the City of Rocky Mount Human Relations Commission’s and Edgecombe County’s fair housing activities.

AP-35 Projects - 91.420, 91.220(d)

Introduction

In late 1996, ten local communities in Nash and Edgecombe Counties in eastern North Carolina, formed the Down East HOME Consortium (DEHC). With the City of Rocky Mount, already a Community Development Block Grant (CDBG) Entitlement City, as the Lead Entity, the Consortium began receiving Home Investment Partnerships Program funds (HOME) in 1997.

Currently, the following jurisdictions comprise the DEHC:

Bailey	Pinetops
Conetoe	Princeville
Dortches	Rocky Mount
Edgecombe County	Sharpsburg
Middlesex	Spring Hope
Nash County	Tarboro
Nashville	Whitakers

Edgecombe and Nash Counties’ membership in the DEHC does not include the governments of the municipalities in both Counties who chose not to join the Consortium.

CDBG assistance will be directed to the qualified low- and moderate-income areas in the City of Rocky Mount, while HOME funds will be allocated to the participating members of the Consortium in percentages relative to the population of each within the Consortium.

When the Consortium was established, the member jurisdictions, with Rocky Mount as the lead entity, agreed upon an allocation formula based on the “percent of total Consortium population” for each member. Subsequently, the DEHC agreed to disburse funds on a County basis,

excluding Rocky Mount. This agreement was implemented beginning with FY 2006-2007 and will continue with this FY 2019-2020 Annual Action Plan.

Currently, the DEHC has a match balance sufficient to meet the match requirement. There is no match requirement for FY 2019-2020*. The chart below provides a summary of anticipated HOME resources for the Consortium in FY 2019-2020.

HOME Funds: Consortium - 2019-2020

Total Allocation	\$537,505
Minus 10% HOME Admin	\$53,751
Balance	\$483,754
Match Base	\$483,754
Minus 15% CHDO Activity	\$80,626
Home Participating Jurisdiction Funds	\$403,128
*Required Match	\$ -
HOME Activities	\$403,128

Based on the allocation formula the funds for each jurisdiction are as follows:

Participating Jurisdiction	% Multiplier	Match	HOME Allocations
Edgecombe County	16.33%	\$0.00	\$65,831
Nash County	27.04%	\$0.00	\$109,006
Bailey	0.47%	\$0.00	\$1,895
Conetoe	0.26%	\$0.00	\$1,048
Dortches	0.57%	\$0.00	\$2,298
Middlesex	0.59%	\$0.00	\$2,378
Nashville	3.02%	\$0.00	\$12,174
Pinetops	0.99%	\$0.00	\$3,991
Princeville	0.66%	\$0.00	\$2,661
Rocky Mount	39.14%	\$0.00	\$157,784
Sharpsburg	1.70%	\$0.00	\$6,853
Spring Hope	0.86%	\$0.00	\$3,467
Tarboro	7.80%	\$0.00	\$31,444
Whitakers	0.57%	\$0.00	\$2,298
TOTAL	100.00%		\$403,128
Nash County jurisdictions have total of:	34.82%		\$140,369
Edgecombe County jurisdictions have total of:	26.04%		\$104,975
Rocky Mount	39.14%		\$157,784
		TOTAL	\$403,128

The following project information for FY 2019 provides a comprehensive overview of HOME activities and budgeted amounts for the City of Rocky Mount and the DEHC Consortium.

HOME Funds	Amount
Administration	\$53,751
Rocky Mount (Reserve for Repayment)	\$157,784
CHDO Activity	\$80,626
Edgecombe County Scattered Site	\$104,975
Nash County Scattered Site	\$140,369
TOTAL	\$537,505

The following CDBG funds are specific to the City of Rocky Mount, and do not include the DEHC.

Anticipated CDBG Funds: 2019-2020

Total Allocation	\$560,957
Minus 15% Public Service	\$84,144
Balance	\$476,813
Minus 20% CDBG Admin	\$112,191
Balance	\$364,622
Minus Section 108 Loan	\$104,000
Programmable CDBG Funds	\$260,622
Minus Allowable Activities	\$260,622
Anticipated CDBG Balance	\$0

The following project information for FY 2019-2020 provides a comprehensive overview of CDBG activities for the City of Rocky Mount.

CDBG Funds	Amount
Administration	\$112,191
Section 108 Loans	\$104,000
Public Services (Fair Housing, Housing Counseling, etc.)	\$84,144
Redevelopment Project	\$185,622
Rehab Delivery Costs	\$50,000
Economic Development Activity	\$25,000
TOTAL	\$560,957

Projects

The following are the proposed projects and activities that will be undertaken in FY 2019-2020 with CDBG and HOME funds:

Work will continue in the areas of Holly Street, Central City, and South Rocky Mount. It is anticipated that there will be projects in the Down East, Beal Street, and Southeast Rocky Mount/Around the Y areas as redevelopment planning is currently underway.

Please note that specific strategies will be developed and proposed to city management and city council as part of the implementation processes for both the Consolidated Plan and the annual action plan. With continued communication involving community work sessions, a proposed housing advisory group, and other activities, the City will shape and implement strategies that address the goals and activities identified in the Assessment of Fair Housing report, the Three-Year Consolidated Plan and this Annual Action Plan.

CDBG

- Continuation of Beal Street Redevelopment/Economic Development—Per Council resolution, adopted September 10, 2018, to develop a municipal food system plan aimed at increasing access to fresh foods in underserved communities. The City will design, certification, and development of community garden as phase I of a municipal model food system, and human development program and public space serving more than 300 residents; (\$25,000)
- Redevelopment Projects (\$135,622)
 - Housing rehabilitation costs— Rehab 11 units to serve 11 households
 - Holly Street — Rehab 3 units with potential to serve 3 households
 - Down East — Rehab 2 units with potential to serve 2 households
 - Southeast Rocky Mount — Rehab 3 units with potential to serve 3 households
 - Central City — Rehab 3 units with potential to serve 3 households
 - Residential Emergency Repair Grant (*new program*) — Provide grants up to \$5,000 for basic emergency home repairs to low-to-moderate income homeowners (\$50,000)
- Rehab Delivery Costs/Inspections and Write Ups for Housing Repair--Support repairs and rehab of 25 units (\$50,000)
- Public Service--Assist 500 residents by rewarding funding to nonprofits through an RFP process (\$84,144)

HOME

- Edgcombe/Nash County Scattered Sites--Rehab 4 units or acquire 8 lots with potential to serve 4-8 households (\$200,000)

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

The City of Rocky Mount and the DEHC jurisdictions have developed a strategic plan to address the key issues raised in the course of this analysis, and which met the HUD requirements for elements to be addresses by this plan.

The four overarching goals, intended to benefit low-, very low- and extremely low-income persons are:

1. To increase affordable housing opportunities through-out the City,
2. To increase public outreach, engagement and awareness opportunities concerning housing options and opportunities,
3. To provide decent housing,
4. To provide a suitable living environment, and
5. To provide expanded economic opportunities.

Several areas of specific need emerge from this analysis and documentation. Each of these needs fits within the three goals noted above. These needs, translated into tangible goals include:

- Provide affordable housing to extremely low-, very low-, and low-income households of all types in order to prevent homelessness;
- Reduce reports of problems with housing, focusing on low-income renters and owners, and especially the elderly in this category;
- Create affordable housing opportunities for both renters and owners; Increase antipoverty programs that integrate job training and placement, welfare to work initiatives, and other programs aimed at improving opportunities for economic self-sufficiency;
- Promote economic development initiatives in coordination with state and federal programs;
- Provide quality public services to low- and moderate-income residents;
- Provide quality public facilities for the needs of low-and moderate-income households.

The system for establishing the priority for these goals and strategies is predicated upon the following criteria in descending order of importance:

The City and the DEHC have observed a number of significant obstacles to meeting underserved needs. These include:

- A lack of affordable housing;
- Low vacancy rates in public housing;
- A lack of private developer funding;
- The increasing costs of development and construction
- A need for increased coordination and collaboration among service providers.

AP-38 Project Summary

Project Summary Information

See above.

AP-50 Geographic Distribution - 91.420, 91.220(f)

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

The City of Rocky Mount will target CDBG funding to neighborhood revitalization activities in order to maximize outcomes and meet performance measures. The majority of funds will be used for urgent housing repair, blight abatement, and rehabilitation of existing rental and multi-family housing in center-city neighborhoods identified as Target Areas of Opportunity (TAOs). These allocations serve the low- and moderate-income areas of the City and provide multiple benefits with respect to maintaining neighborhoods, providing affordable housing, and creating economic opportunity.

Other activities will continue to be implemented on a scattered site basis. These projects serve to keep low- and moderate-income families and individuals in their homes, thus addressing issues of affordability and sustainability.

Within the rest of the DEHC, housing rehabilitation project activities will occur in Edgecombe and Nash Counties on a scattered site basis. This effort keeps low- and moderate-income, often elderly, families and individuals in their homes.

Affordable Housing

AP-55 Affordable Housing - 91.420, 91.220(g)

Introduction

The City and DEHC focus their housing efforts on providing affordable housing for residents of the two counties. These efforts include housing rehabilitation programs as well as redevelopment projects involving the acquisition and rehabilitation of existing units, as described below. Neither the City nor DEHC provide rental assistance, but they do support the efforts of area CHDOs in the development of new housing.

The affordable housing programs and goals are described below:

One Year Goals for the Number of Households to be Supported	
Homeless	100
Non-Homeless	25
Special-Needs	20
Total	145

One Year Goals for the Number of Households Supported Through	
Rental Assistance	
The Production of New Units	22
Rehab of Existing Units	36
Acquisition of Existing Units	4
Total	62

AP-60 Public Housing - 91.420, 91.220(h)

Introduction

Public housing units are located in the larger Consortium jurisdictions of Rocky Mount, Tarboro, and Princeville. Each of these programs is described below. A more complete description of each is found in the Needs of Public Housing section of this plan.

Rocky Mount Housing Authority

The Rocky Mount Housing Authority (RMHA) was formed in 1951 to provide affordable housing to low and very low-income citizens.

RMHA has 754 units of public housing. The City of Rocky Mount and the RMHA partnered to implement the Beal Street Redevelopment Plan and the Neighborhood Stabilization Program in the City. The City acquired a 24-unit townhouse complex, which it rehabbed and sold to RMHA at a considerable discount in order to increase the supply of affordable rental units.

RMHA opened its public housing waiting list in February 2019 to help 50 victims of Hurricane Matthew due to the expiration of FEMA housing assistance.

Rocky Mount Section 8 Inventory

The RMHA has 265 vouchers in the Housing Choice Voucher (HCV) Program. The Waiting List for this program is closed until further notice because the number of applicants far exceeds the expected turnover rate. No HCV units are expected to be lost.

Tarboro Housing Authority

In the Town of Tarboro, public housing is managed by the Town of Tarboro Redevelopment Commission. The Commission manages and operates three public housing developments, one Section 8 housing complex, and 82 units of scattered site public housing.

Princeville Housing Authority

Hurricane Matthew resulted in the displacement of hundreds of families. The entirety of the Town of Princeville's public housing stock was lost due to flooding. The Housing Authority has appealed HUD's decision to not rebuild the units and is still awaiting this approval.

To help achieve excellent quality of life and living environment for its public housing tenants, the Rocky Mount Housing Authority (RMHA) and the housing authorities in Tarboro provide funds in support of programs and activities to enhance the lives of these households. Physical

improvements such as modernization of kitchens and baths, upgrading heating systems, exterior renovations, and site work (sidewalks, landscaping, paving) represent on-going efforts in that direction.

The City also supports the Rocky Mount Housing Authority's efforts to develop senior assisted housing in response to the increasing number of elderly residents in the City. The City also recognizes the need for additional handicapped units and supports the Rocky Mount Housing Authority's renovation program to create more non-senior handicapped units.

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

Rocky Mount and DEHC support the efforts of the public housing agencies to improve the lives of residents through rehabilitation efforts.

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

Rocky Mount Housing Authority actively encourages public housing residents to become involved in management through participation in the Resident Advisory Board and consultations with resident advisory representatives concerning specific needs, issues, or problems.

The City and Rocky Mount Housing Authority also encourage residents to become homeowners through participation in the First-Time Home Buyers program and other resident education and outreach efforts.

The Tarboro Redevelopment Commission has a Resident Advisory Board which provides input into the operations and maintenance of THA.

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

A "troubled housing authority or agency" is one that is in its third year of not having met targets for improved performance. Both the Rocky Mount Housing Authority and Tarboro Housing Authority are designated "high performing" agencies.

AP-65 Homeless and Other Special Needs Activities - 91.420, 91.220(i)

Introduction

The City of Rocky Mount and the Consortium communities continue to face significant problems associated with homelessness and the prevention of homelessness. The City and the DEHC, working with the counties, local churches, agencies, and not-for-profit organizations, attempt to monitor the situation and to provide services to meet the needs the homeless and to prevent homelessness.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

The City of Rocky Mount and the Consortium communities will continue to support agencies working to address homelessness.

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

With the resources available, the City attempts to prevent homelessness, address special needs populations, assist the homeless, and eliminate chronic homelessness, through increasing the availability of affordable housing and providing financial support to United Community Ministries (UCM). Given the extent of need and the limited resources available, the City and the DEHC allocates resources to meet these homeless and special needs through the following programs:

- Scattered Site Housing Rehabilitation and Substantial Housing Rehab/Housing Replacement
- Ensuring rehabbed and newly constructed properties are brought up to Energy Star standards.
- The Beal Street Redevelopment in Rocky Mount is focused on property acquisition and demolition in the targeted Happy Hill community. Dilapidated housing will be replaced with approximately 80 newly constructed single and multifamily housing units,
- The Harambee Square Apartment Renovations in Rocky Mount is providing modern affordable and handicapped accessible units to the senior citizen community.

In addition, the City will continue to assist programs that provide a range of supportive services to persons at risk of becoming homeless. The City works with UCM to develop and implement programs to address the issue of public institutions that may discharge persons into homelessness.

Addressing the emergency shelter and transitional housing needs of homeless persons

Emergency Shelter activities will continue through programs at the Bassett Center, the Salvation Army, My Sister's House, Tarboro Community Outreach and the United Communities Ministries' Emergency Shelter.

The City has worked diligently with Rocky Mount Housing Authority on the creation of affordable housing units for transitional housing.

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

There has been an increased need for transitional housing and support services for persons with substance-abuse patients and the mentally ill over the past five years. At this time there is only one transitional housing facility for the mentally ill and it can house only five men. The Edgecombe-Nash County Mental Health Department offers 40 units of permanent supportive housing to men, women and children.

Homeless veterans are identified by outreach teams asking about military service, coordinated assessment staff asking veteran status on assessment, Supportive Services for Veteran Families (SSVF) grantees outreaching to unsheltered veterans and calling referral sources in the community, in addition to veterans calling into the State's veteran hotline. To increase access, CoC staff provide maps and contact information for the CoC and SSVF programs to the NC Department of Military & Veterans Affairs for a resource guide that is distributed to veterans and agencies serving veterans, including Veteran Service Officers. CoC staff ensure that Regional Committees, VA grantees and VA staff are connected, and each region's coordinated assessment system has a specific process for referring identified veterans to VA programs. SSVF grantees are very active in Regional Committees and complete the majority of screening for VA eligibility. Some Regional Committees currently have by-name lists of homeless veterans and the CoC is working on creating a CoC-wide by-name list.

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 Twin Counties Housing Initiative (TCHI) is a coalition of service providers, faith community representatives, and homeless persons. The City and counties participate in the State of North Carolina's Balance of State Continuum of Care Plan, and the TCHI has submitted a Rapid ReHousing Grant application to meet the growing demand for homeless housing.

TCHI is partnering with the local Social Security office to aid in discharge policy and program eligibility for the homeless.

The City of Rocky Mount has addressed the priorities established by TCHI in the past and will continue to look to this body for direction in developing homeless assistance strategies.

AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

The major barrier to affordable housing in the City of Rocky Mount and the DEHC in general is the high cost of housing created by rising land, infrastructure, and construction costs.

A review of local ordinances, zoning, fees and building codes notes that the City's zoning code permits a wide range of housing construction in a range of areas across the City. The building codes, while contributing in some measure to increased construction costs, are necessary for the health and safety of residents; the same applies to the development standards and subdivision regulations.

The City continues to work to provide more housing opportunities for its residents. There is a lack of incentives for developers to include affordable housing in their proposed developments. These observations are true for the jurisdictions participating in the DEHC.

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

Rocky Mount and the DEHC recently completed (December 2017) an Analysis of Impediments to Fair Housing in advance of the development of this Consolidated Plan.

The following contributing factors of disparities in access to opportunity were identified, some of which are barriers to affordable housing:

- The availability, type, frequency, and reliability of public transportation
- Impediments to mobility/inaccessible public or private infrastructure
- Location and type of affordable housing
- Location of employers
- Land use and zoning laws
- Location of proficient schools and school assignment policies

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

The following information illustrates other actions that Rocky Mount and the DEHC will take to address its priority needs.

Actions planned to address obstacles to meeting underserved needs

The primary impediment to the Rocky Mount and the DEHC ability to meet underserved needs is the limited amount of funding to address identified priorities. The Consortium will continue to seek public and private resources to leverage its entitlement funds in assisting with implementation of policies and programs.

Actions planned to foster and maintain affordable housing

The City has been implementing focused community development/revitalization in an effort to provide affordable housing and at the same time maintain good neighborhoods, stop the deterioration of tipping point neighborhoods and turnaround deteriorating neighborhoods. These projects include Beal Street Redevelopment, Genesis Estates, Holly Street Revitalization, Starling Way Apartments, M.S. Hayworth Court, and Ravenwood Crossing, which will be completed in 2019.

In both Edgecombe and Nash Counties, DEHC will continue to utilize HOME funds to rehabilitate dilapidated housing units to help prevent homelessness for families who own their homes but cannot afford extensive repairs.

Actions planned to reduce lead-based paint hazards

The DEHC communities have concentrations of older housing that have a very high chance of containing lead paint as well as concentrations of children in the most susceptible age range. Many of these concentrations of older homes in Rocky Mount are located in the CDBG eligible Census Tracts which have significant low/mod populations.

It should be noted, however, that the lead-based paint hazard remains a significant problem for all households living in units with lead-based paint.

All contractors are required by the City to have lead Renovation, Repair and Painting (RRP) certification before working on any housing rehabilitation projects.

Actions planned to reduce the number of poverty-level families

Rocky Mount and the DEHC will collaborate with human service, social service, and economic development agencies and organizations to facilitate their efforts and maximize their resources to provide quality services to low-income residents to help them improve their incomes.

Actions planned to develop institutional structure

Investigation of housing partnership tools in other cities, including projects with national housing foundations, is an important first step in establishing new partnerships. The City and the DEHC will research the organization of housing partnerships in other cities of similar size in the southeast to determine what models or techniques might be successfully employed in the Consortium communities.

New and existing public-private partnerships are critical, and must be fostered, expanded, and strengthened. In particular, new methods need to be developed of involving churches, financial institutions, educational institutions, corporations, and foundations.

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

See above.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

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. Not borrowing any additional funds.
 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: Not applicable.
- Total Program Income: 0.

Other CDBG Requirements

1. The amount of urgent need activities: 0.

HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

Not applicable.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The Down East HOME Consortium working with recognized CHDO's will provide decent, safe affordable housing for area residents. The period of affordability will be based on the minimum period for Homebuyer, Affordable Rental Housing Development and Rental Assistance programs as described under the HOME Investment Program 24 CFR Part 92 Final Rule September 16, 1996 (92.254).

The original owner shall recapture the full amount of the HOME subsidy from any subsequent sale within the period of affordability. To insure a fair return to the homeowner in the event of a subsequent sale, the amount targeted for recapture shall be reduced by any lump sum payments with adjustments to be made on an annual basis. Subsequent to the determination of the amount to be recaptured, the period of affordability will be set. The amount to be recaptured will be divided by the number of years of affordability, which will yield the subsidy to be forgiven for each year during the period of affordability. Each year the house remains unsold, the recapture amount will be reduced by the forgiven subsidy. Such reductions will take effect in arrears on the anniversary date of the loan on an annual basis. The recapture amount for the new year shall be set after deducting the amount to be forgiven and any lump sum payments. Additional information, in detail, covering the Consortium's Resale and Recapture Policies are presented below (#3).

2. Recapture

To ensure affordability, the Consortium will impose recapture requirements. The primary policy of the Consortium is to rely on "Recapture" provisions as a tool to insure affordability to potential low and very low-income buyers. The "Recapture" provisions are set forth as follows:

1. These provisions will ensure that the City and DEHC recoup all or a portion of the HOME assistance to the homebuyers if the housing does not continue to be the principal residence of a qualifying family for the duration of the period of affordability. The period of affordability will be based upon the total amount of HOME funds subject to recapture described in Paragraph 1 of this section.
2. Based on the circumstances of each occurrence, the City and the DEHC will impose either of the following options for recapture requirements:
 - a. Recapture entire amount. The City of Rocky Mount and the DEHC may opt to recapture the entire amount of the HOME investment from the homeowners, or,
 - b. Reduction during Affordability Period. The City of Rocky Mount and DEHC jurisdiction may reduce the HOME investment amount to be recaptured, on a prorated basis for the time the homeowner has owned and occupied the housing, measured against the required affordability period.
3. The City of Rocky Mount and DEHC may permit the homebuyer to recover the homebuyer's entire investment (down payment and capital improvements made by the owner since purchase) before recapturing the HOME investment.

4. Amount subject to recapture. The HOME investment that will be subject to recapture will be based on the amount of HOME assistance that enabled the homebuyer to buy the dwelling unit. This includes any HOME assistance that reduced the purchase price from fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value of the property (i.e., the development subsidy). The recaptured funds must be used to carry out HOME-eligible activities. If the HOME assistance is only used for the development subsidy and therefore not subject to recapture, the resale option must be used.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Periods of Affordability

The Down East Home Consortium understands that any HOME-assisted Housing must meet the affordability requirements for not less than the applicable period specified in the following chart, beginning after project completion. The per unit amount of HOME funds and the affordability period that they trigger are described below:

Under \$15,000:	5 year affordability
\$15,000 - \$40,000:	10 year affordability
Over \$40,000:	15 year affordability

In the case of foreclosure or transfer of title by deed in lieu on the Homebuyer, the requirement of affordability will terminate. However, the termination will cease to be in effect if the owner of record before the aforementioned action obtains an ownership interest through family or business ties.

The proceeds from the sale of the dwelling acquired and constructed and/or rehabilitated will be used to create additional affordable housing for homebuyers.

The Homebuyer will execute the Declaration of Deed Restrictions. The City of Rocky Mount will monitor each sale initiated. Along with the Declaration being executed at the loan closing, a request for notice will be executed thereby providing notice to the City in the event of foreclosure or such similar actions or transfer of title through a legitimate sale.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

Not applicable.

Appendix A

Written Comments

Legal Aid of North Carolina, Inc.

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June 14, 2019

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Director of Community and Business Development
City of Rocky Mount
331 S. Franklin Street
PO Box 1180
Rocky Mount, NC 27802-1180

RE: Written Comments to Rocky Mount's Draft 2019-2020 Annual Action Plan

Dear City of Rocky Mount:

The following comments on the City of Rocky Mount (the "City") Annual Action Plan for the Down East HOME Consortium (DEHC) are offered by Legal Aid of North Carolina, Inc. on behalf of our client, the Steering Committee of the Community Academy. The Steering Committee of the Community Academy is a leadership body comprised of residents of the City's most blighted, racially segregated, and impoverished neighborhoods. Our clients are encouraged that the draft 2019-2020 Annual Action Plan contains strategies that would promote equitable economic development and affirmatively further fair housing throughout the city. Our clients are appreciative of the ongoing dialogue between them and the City and are thankful for the opportunity to offer their comments on the City's 2019-2020 goals. Our clients have identified a few areas for improvement in the Annual Action Plan that we would like to address on their behalf.

1. The City should employ all efforts in 2019 to complete the Cost Benefit Analysis for the revitalization strategies that are aimed to mitigate gentrification.

The City of Rocky Mount has identified revitalization strategies in 2018 that could mitigate the effects of gentrification, preserve and/or fund affordable housing opportunities. The City committed to conduct a cost-benefit analysis of the following community revitalization strategies: general obligation bond, housing rehabilitation, construction, and homeownership assistance, inclusionary zoning, affordable housing set-asides, multi-family tax abatements and equitable code enforcement. The City has had some preliminary reporting on the cost benefit analysis but has yet to actually complete this task. Our clients would like to see the completion of the Cost Benefit Analysis with a finalize report revealed in 2019. The Annual Action Plan lists objectives intended to meet the City's housing needs, such as "increas[ing] affordable housing opportunities" and "provid[ing] expanded economic opportunities." It's imperative for our



LSC

clients and the City to understand the feasibility and actual cost, of implementing the proposed strategies in order to be proactive in warding off the harmful effects of revitalizing an area that was once underserved. This revitalization could negatively affect the surrounding neighborhoods if affordable housing and anti-gentrification strategies are not implemented at the beginning stages of development.

Several multi-million dollar development projects are in progress, and newly created jobs and commercial developments will attract new, higher-income residents. The influx of new residents anticipated by the City's revitalization efforts will trigger gentrification unless there are safeguards in place, particularly for residents in the City's most vulnerable, low-income communities. Gentrification is a process that moves quickly, and our clients would like to see what feasible actions can be taken now. They understand that certain revitalization strategies, like a general housing bond, may take some time to implement. However, there are some strategies like housing rehabilitation, homeownership assistance, equitable code enforcement, affordable housing set asides, inclusionary zoning and inclusionary upzoning, which can be explored and implemented now.

Further, though there are specific strategies mentioned in the Plan, the City should continue to research and be open to new and unlisted strategies that could mitigate the negative impacts of gentrification.

2. The City should implement efforts that concern the 9/10 19 resolution to develop a municipal model food system.

On September 10, 2018, the Rocky Mount City Council accepted a resolution approving the development of a municipal model food system plan aimed at increasing access to fresh foods in underserved communities. The City should adopt specific strategies to increase the neighborhood's access to healthy foods. Lack of access to healthy foods disproportionately affects low-income neighborhoods and communities of color.¹ As the City Council's September 10 resolution points out, "the City of Rocky Mount has limited access to fresh, healthy foods within reasonable distance" in its underserved neighborhoods. Limited access to healthy food contributes to obesity, diabetes, and other diet-related health concerns. This is reflected in the CDC's statistics: "adult obesity rates are 51 percent higher for African Americans than Whites, and 21 percent higher for Latinos."² Black and Latino children are also more likely to struggle with obesity.

The City should focus on the development of new grocery stores that offer options for fresh, healthy, and affordable food. The City can offer incentives to attract new grocery stores such as waiving fees, offering flexibility with zoning and development requirements, and advertising financial benefits that may be available to the grocery stores, such as local CDBG funds or tax credits. One program, the Fresh Food Financing Initiative (FFFI), provides one-time loans to incentivize fresh food grocery stores to develop in underserved communities. Development of new grocery stores should be targeted in the neighborhoods that lack access to healthy foods. Not only will grocery stores provide food access, but they can also create local job opportunities and

¹ PolicyLink and The Food Trust, The Grocery Gap: Who Has Access to Healthy Food and Why It Matters, http://thefoodtrust.org/uploads/media_items/grocerygap.original.pdf.

² The Grocery Gap: Who Has Access to Healthy Food and Why It Matters, page 5.

contribute to the economic development of the community. The City can also explore the creation of more farmer's markets and community gardens by using vacant public spaces as venues.

Access to healthy food has been linked to better health outcomes, spurred economic development, and ultimately stronger and healthier neighborhoods.³ It is important for the City to adopt strategies that promote food security as part of a holistic approach.

While our clients support the notion of funding allocated for community gardening activities within the City of Rocky Mount, more specific information about the City's plans with the proposal is requested. There are a myriad of models that can be employed, specifically what's being done in Austin, Texas. The City of Austin Texas, established procedures for its Sustainable Urban Agriculture and Community Garden Program (SUACG), where some select City land was made available for qualifying community gardens. Our client group wants more information about the City's intent to create a program that governs, endorses and permits community gardens within in the City.

3. The City should provide basic economic development training for the Redevelopment Commission (RDC) and City Council members , within its 2019-2020 Annual Action Plan.

The Annual Action Plan mentions that the" RDC purchases land to facilitate housing and commercial development."³ These plots of land would be pivotal in providing affordable housing for the City of Rocky Mount, which encompasses many of the City's goals for 2019-2020. With such significant subject matter, it's suggested that the RDC undergo basic equitable development training to understand key concepts (such as fair housing and various gentrification mitigation strategies mentioned in the Annual Action Plan) to ensure that key concepts and strategies are understood and implemented. The RDC has a hefty responsibility, it's important when acquiring property and purchasing land, that the RDC has a working knowledge of various strategies and concepts mentioned by the citizens and within the Annual Action Plan.

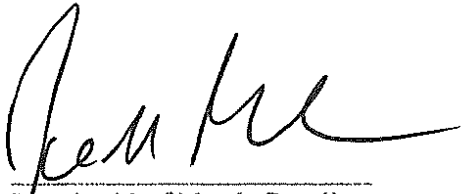
Further, it's expected that the representatives, of the constituents of Rocky Mount, are familiar with the various terms associated with equitable development. The Annual Action Plan mentions various strategies identified in the Assessment of Fair Housing (later redrafted into the Analysis of Impediment) document. It's imperative that the council has a working understanding of these strategies that are mentioned, specifically as they are representative of the community's input. It's also suggested that basic training, related to key concepts, strategies in tools that are related to equitable development, is provided to the City Council.

Our clients appreciate the continued opportunity to engage in constructive dialogue with the City on ways to promote equitable growth or equitable development of Rocky Mount. We look forward to the inclusion of these comments into the final 2019-2020 Annual Action Plan.

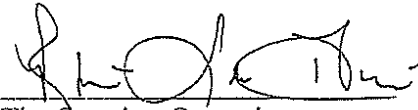
Sincerely,

³ PolicyLink, Equitable Development Toolkit: Access to Healthy Food, http://edtk.policylink.org/sites/default/files/access-to-healthy-food_0.pdf.





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The Steering Committee
of the Community Academy
Robert Davis, Chair

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