

City of Covington



CDBG Program and HOME Program

5-Year Consolidated Plan

2013-2017

Annual Action Plan - Year 2

Public Needs Hearing

Feb 25, 2014

Commission Chambers

Covington as Entitlement City



- City of Covington is an entitlement city for Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME), meaning we get a direct allocation from HUD
- Required to develop effective, place-based market-driven strategic plans to meet community needs
- 5-Year Consolidated Plan
 - Based on needs assessment and market analysis we determine how we will address our needs through a 5 year strategic plan
- Annual Action Plans
 - One year snapshot of Consolidated Plan and these provide opportunities to react to current conditions throughout the 5 year plan

Purpose of the Hearing



- Your purpose: Provide input on needs of the community for Year 2 of our Consolidated Plan 2013-17
- All comments received are addressed and incorporated into the Consolidated Plan
- This Hearing is just the beginning of the planning process, there will be many opportunities to provide input
- Proposed activities and dollar amounts will be provided in a draft plan during public comment period beginning in April or May

Sources of Funds



- Direct funding made available from the U.S. Department of Housing and Urban Development (HUD)
- There are 2 Primary Programs
 - Community Development Block Grants (CDBG)
 - HOME Investment Partnership Program (HOME)

Community Development Block Grant Program (CDBG)



- Wide range of eligible activities but must meet at least 1 of the National Objectives:
 - Benefitting Low/Mod-Income Persons – (LMI)
 - ✦ Low/Mod-Income Persons are those individuals who make 80% of the Area Median Income. For Covington LMI 80% for a 4 person household is \$54,800 and 1 person household is \$38,400
 - ✦ LMI benefit, LMI Area benefit, Job Creation/Retention
 - Addressing Slum/Blight
 - Urgent Community Development Need
- Due to the National Objectives, there are some areas in Covington in which we cannot spend CDBG funds, i.e. Devou Park, South Covington and focused areas in Licking Riverside Neighborhood
- City develops programs and projects around these objectives

HOME Investment Partnerships Program (HOME)



- National Objective is to expand supply of decent, affordable housing for low- and very low-income families
- Fund housing programs that meet local needs and priorities
- Examples of Eligible Activities:
 - Homeowner Rehab
 - Homebuyer Assistance
 - Rental Development
 - Rental Subsidy

Covington's HOME Program



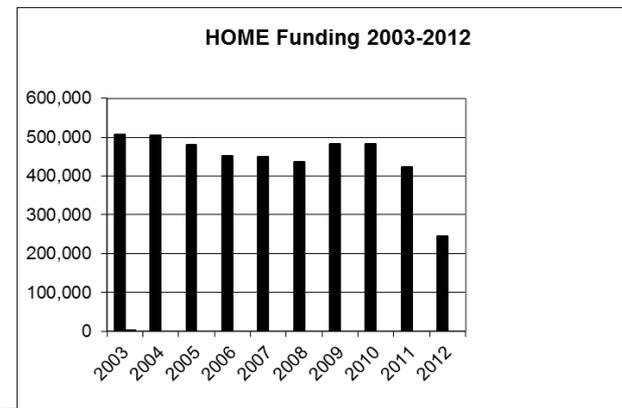
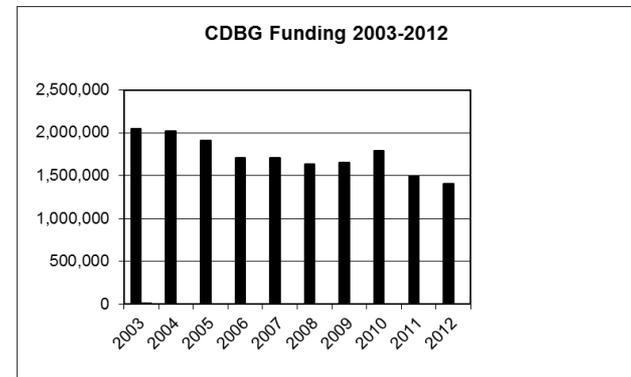
- HOME Program
 - Covington
 - ✦ We receive a direct appropriation out of the HOME budget
 - Northern Kentucky HOME Consortium
 - ✦ Includes Ludlow, Newport, Bellevue and Dayton
 - ✦ Covington serves as the administrator

Previous Allocations



- Annual allocations are on a formula basis and have decreased significantly over the years
- CDBG – 3% increase in 2013
 - 2013 - \$1,444,654
 - 2012 – \$1,406,381
- HOME – 6% decrease in 2013
 - 2013 Covington - \$229,784
 - 2012 Covington - \$244,458

 - 2013 Consortium - \$173,343
 - 2012 Consortium - \$183,517



2014 Allocation Assumption



- Exact funding amounts will not be available until April or May
- CDBG
 - 2014 – \$1,444,654
- HOME
 - 2014 Covington - \$229,784
 - 2014 Consortium - \$173,343

Consolidated plan identified needs



- **Housing Problems**
 - Renters & Owners with cost burden greater than 50% of their income, fall in the 0-50% AMI Category
 - ✦ Aging housing stock, increased cost to maintain
 - ✦ Lack of financial resources
 - Inadequate Fair Housing education
- **Non-Housing Problems**
 - Public Facilities
 - ✦ Need more parks and greenspace
 - Public Improvements
 - ✦ Aging infrastructure
 - Public Services
 - ✦ Recreation services & Crime Prevention

Previous Supported Program/Activities

● CDBG

- Public Facilities – park improvements, infrastructure
- Crime Prevention
- Recreation Programs
- Housing Programs – Code Enforcement Hardship Program, general rehab, upper floor residential rehab, acquisition, demolition
- Economic Development – Business Retention, small business assistance, commercial rent incentive

● HOME

- Homebuyer Assistance
- Homebuyer façade
- Single Family new construction
- Acquisition
- Rental Projects

Planning Calendar

Schedule is subject to change based on need



- Ongoing
 - February 19th
 - February 25th
 - Early March
 - March
 - March 20th
 - April, May or June
 - April, May or June
 - May or June
 - May, June or July
 - May, June or July
 - July 1st
- Internal Staff Meetings
Department Head Meeting
1st Public Needs Hearing
Commission Chambers
Focus Group
Other public needs hearings – Consortia
Finance Committee Meeting
Announcement from HUD on official allocation amounts*
Draft Annual Action Plan/Public Comment Period**
Present Draft to Commission
2nd Public Hearing at Commission Meeting
Commission Meeting – Adopt Plan
Consolidated Plan and first year Annual Action Plan due to HUD
Start of Program Year 2014

*All subsequent meeting dates will be impacted by the announcement date, dates listed below are approximate

**This is when individuals will be able to view the draft plan at city hall or on the website and provide comments

Input and Comments



- We will now accept any input or comments
- Understand that we will record your input and it will be addressed/incorporated within the plan
- Please provide your name and address
- If you represent an organization, please state that as well
- If you would like to provide feedback, but do not want to do so publically, there are sheets at the back of the room
- Input can also be sent to:
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