Covington, Kentucky

ANNUAL ACTION PLAN

2015 – 2016

Presented to U.S. Department of Housing and Urban Development
Louisville Office of Community Planning and Development

Approved by Covington City Commission:

Approved by the U.S. Department of Housing and Urban Development:

OMB Control No: 2506-0117 (exp. 07/31/2015)

Executive Summary

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

1. Introduction

The City of Covington and the NKY HOME Consortium are considered to be entitlement communities by the U.S. Department of Housing and Urban Development (HUD). As a result, an annual allocation of funding is received in the form of Community Development Block Grants (CDBG) and Home Investment Partnership Program Funds (HOME). This funding is a significant source of revenue for both the City of Covington and the HOME Consortium cities that is used to provide needed public services, housing, economic development, neighborhood improvements, and other critical needs of our low-income residents.

The creation of an Annual Action Plan is required to outline how the funds will be utilized. The number one goal of this plan is to be an informative and useful tool for the residents, organizations and businesses that are committed to Covington and Northern Kentucky's continued growth. This plan will also demonstrate to HUD, Covington's plans to effectively and efficiently utilize the federal resources that are provided. This will also include the data relative to the Northern Kentucky HOME Consortium member cities of Ludlow, Newport, Bellevue and Dayton. The City of Covington is the lead agency responsible for this plan.

2015-16 Budget

Utilizing resident input, data from the 2000 and 2010 Census and other sources, and input from our non-profit and for-profit partners, the City of Covington developed the following: Consolidated Plan – Five Year Strategic Plan for years 2013-2017; and the Annual Action Plan for Program Year July 1, 2015 – June 30, 2016.

The Annual Action Plan includes a budget which encompasses revenue from four sources. These include new formula based entitlements, program income, carry-over, and 108 Loan repayments. The new formula based entitlements are $1,393,330 in Community Development Block Grant (CDBG) funding and $219,666 in Home Investment Partnerships (HOME) funding for Covington and $165,713 for the Northern Kentucky HOME Consortium. The estimated program income is $117,106 in CDBG and $68,148 in HOME for Covington and $1,800 for Northern Kentucky HOME Consortium. Program income is generated through the repayment of loans made through the CDBG and HOME Programs. The carry-over which captures funds that were budgeted but not expended in the prior year's budget is estimated to be $55,000 in CDBG and $78,477 for the NKY HOME Consortium. The budget reflects an estimated $25,000 in payments received from economic development projects that will receive Section 108 loans. The budget also includes income that is received though our non-cash HOME match, which comes to $48,172.

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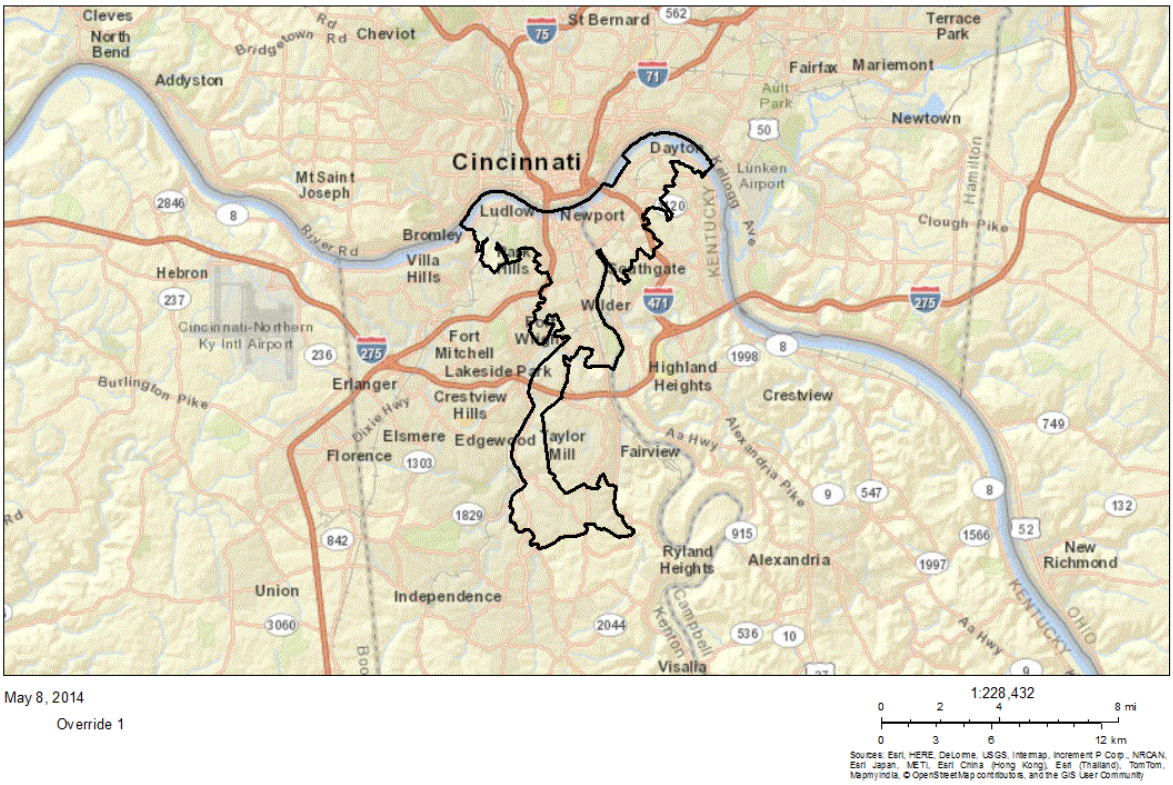
Covington- NKY Consortium - Consolidated Plan and Continuum of Care Planning Tool



May 8, 2014

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Sources: Esri, HERE, DeLorme, USGS, Intermap, increment P Corp., NRCAN, Esri Japan, METI, Esri China (Hong Kong), Esri (Thailand), TomTom, Mapmyindia, © OpenStreetMap contributors, and the GIS User Community

Covington- NKY Consortium - Consolidated Plan and Continuum of Care Planning Tool

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.

Goals and Objectives

The City of Covington and Northern Kentucky HOME Consortium FY 2013-2017 Consolidated Plan provides a framework to identify and prioritize housing and community development needs. Within this 5-year planning window the City of Covington will focus on the following objectives:

- Expand homeownership opportunities and promote self-sufficiency for low, very low, and moderate income families by providing downpayment assistance, administering a Section 8 to Homeownership Program and providing other educational materials and initiatives which assist in purchasing and maintaining a home.

- Provide financial and technical assistance to low and moderate income homeowners in need of home repairs by administering rehabilitation and repair loan programs.
- Continue to work with the Continuum of Care to address homeless concerns.
- Promote homeownership and housing opportunities for persons with special housing needs by increasing awareness and partnering with organizations who work with those households.
- Continue to support the creation and retention of the City's affordable housing stock.
- Support opportunities to enhance local public services and facilities.
- Expand and preserve the supply of safe, decent and affordable rental housing through the professional administration of the Housing Choice Voucher Program in Kenton County.
- Maintain the commitment to Historic Preservation and expand the awareness of the positive impact historic homes have in revitalizing neighborhoods.
- Encourage and strengthen partnerships with financial institutions and intermediaries, religious institutions, nonprofit and for-profit developers, nonprofit organizations, other units of local governments, state and federal agencies and elected officials to facilitate neighborhood revitalization and housing development.
- Support and expand healthy small businesses.
- Maintain a safe and attractive living environment through public improvements and appropriate streetscape.
- Support creation and retention of quality rental opportunities through the funding the production of rental units.

It is likely that within the 5-year term of this Consolidated Plan, other concerns and opportunities will be considered. The City and the Northern Kentucky HOME Consortium will make efforts to position their organizations to take advantage of these opportunities by developing core competencies in community development management and financing.

3. Evaluation of past performance

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

An evaluation of past performance was completed by City staff with input from focus groups, key partner organizations and community members. Feedback was received on areas of program focus, goals achieved, program successes and administration. This input was used to form the projects and goals for the upcoming Program Year.

The City experienced many positive changes during the previous year. We will attempt to build on these positive changes by continuing to implement programs and activities that were successful and impactful in the previous year and by improving programs and activities that were not as impactful. Staff analyzed programs based on a cost benefit analysis to ensure the most effective use of program funds.

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HOME and CDBG activities designed to increase the number of low-moderate income homeowners have been successful with programs that provide homeowner rehabilitation and repair, down payment assistance to first time homebuyers, and financing to developers and CHDO's to complete and sell affordable housing to income eligible homebuyers. CDBG funds to developers for the production and rehabilitation of rental apartments for low and moderate income households has achieved established goals. CDBG funds were also successfully used to implement infrastructure and park improvements, recreation programming and crime prevention efforts.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The purpose of the Citizen Participation Plan is to encourage participation by all sectors of the community, particularly low and very low income persons, in the development of the City of Covington and the HOME Consortium Consolidated Plan and Annual Action Plan. The public hearing notices were published in the Cincinnati Enquirer at least fourteen (14) days prior to the hearing. The notice included instructions for special needs populations, such as hearing, visual or mobility impaired persons to notify the City so necessary arrangements could be made for their participation.

The public hearings were held during the week, after 6:00 P.M. in the architecturally barrier free meeting rooms. For those not able to attend the public hearing, minutes of the public hearing were made available.

Provisions were made to accept written comments from those not able to attend the public hearings and were included in the public hearing records.

Once the Annual Action Plan was completed, a summary was developed. This summary was published and a 30-day comment period was given to persons, groups, or agencies who wished to comment. The published summary also provided an address, contact person and phone number where comments could be directed. Citizens were also provided an opportunity to review the entire Proposed Annual Action Plan, with the summary and public notice attached, which were available for review at the, City of Covington Department of Development, the City Clerk's office of each member consortium city, and were also available on the City of Covington's website. During this 30-day period, a public hearing was held before the City of Covington's Mayor and Board of Commissioners to provide a forum for persons to comment. Comments were accepted verbally at the public hearing or in writing, whichever was most convenient for the commenter.

Any complaint, view or pertinent comment that was received either verbally or in writing, was substantially responded to within a 15 day period. Comments received at the public hearing were responded to within the Plan.

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Copies of the Final Annual Action Plan will be made available for review at the Kenton County Public Library (Covington branch), Campbell County Public Library (Newport branch), Housing Authorities of Covington and Newport, the Campbell County Department of Housing, City of Covington Department of Development , the City Clerk's office of each member consortium city, and was also available on the City of Covington's website. Any amendments to the Plan require a 30 day public comment period and must be adopted by the Covington City Commission.

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.

Please see attached documents showing citizen participation comment and the responses.

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

All comments and views were accepted and responded to appropriately.

7. Summary

As stated in the Introduction, the Consolidated Plan and Annual Action Plan serve as the documents that guide the expenditure of CDBG and HOME funds received by the City of Covington. The City uses funds from these HUD programs to carry out actions, activities, and programs that will address the city's greatest housing and community development needs, especially for low and moderate income households. The City has implemented new staffing structures to manage these programs more effectively and efficiently.

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

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

The following are the agencies/entities 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	COVINGTON	
CDBG Administrator		Department of Development
HOPWA Administrator		
HOME Administrator		Department of Development
HOPWA-C Administrator		

Table 1 – Responsible Agencies

Narrative

The Department of Development of the City of Covington, KY administers the CDBG and HOME Programs.

Consolidated Plan Public Contact Information

Primary Contact:

Natalie Gardner, Programs and Strategic Projects Manager

City of Covington, KY

859-292-2313

NGardner@covingtonky.gov

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AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

The lead agency responsible for administering programs covered by the 2013-17 Consolidated Plan is the City of Covington's Department of Development (DOD).

The City of Covington Department of Development acts as the lead agency in the Northern Kentucky HOME Consortium. Current members of the Consortium include the City of Ludlow, the City of Newport, the City of Bellevue, and the City of Dayton. Members meet to create policy, develop housing strategy and implement activities directed under the HOME program.

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(l)).

As administrators, the City of Covington DOD staff have executed the following:

-Maintain dialogue with the United Way

-Ludlow, Covington, Newport, Bellevue, and Dayton are participating members in Southbank Partners. Southbank Partners represents a collaboration of Northern Kentucky private citizens, business leaders, local government administrators and elected officials serving as a catalyst for economic development.

-Attend meetings of Continuum of Care as needed

-City of Covington was selected as one of three neighborhoods around Greater Cincinnati to participate in the planning phase of a place-based investment project which includes the United Way of Greater Cincinnati, the Greater Cincinnati Foundation, the SC Ministry Foundation and the Local Initiatives Support Corporation. Covington was chosen because it has a record of community building and cooperation and has the ability to manage high-level consensus building.

-Partner with the Northern Kentucky Independent District Health Department on policies, systems and environmental change impacting chronic disease.

-Participate in the OKI Regional Council of Governments planning efforts

-Participate in regional planning efforts of the Vision 2015 to promote local initiatives

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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.

The City of Covington's Mayor, Sherry Carran signed on to HUD's Mayor's Challenge to End Veteran Homelessness in 2014. King's Crossing, opened in the summer of 2011. King's Crossing was a project of Welcome House that received HOME funds from the City of Covington. Welcome House has 3 service areas located at 4 different locations in downtown Covington. Together these programs address the variety of needs of women and children living in poverty or on the verge of homelessness. King's Crossing is on Greenup Street in Covington. It is home to eight individuals/families with disabilities and also provides much needed space for Welcome House's Employment and Social Security Outreach Service teams.

In preparing our Consolidated Plan and Annual Action Plan, a Focus Group was convened representing as many stakeholders as possible. Primary members of the Region III Continuum of Care attended every meeting to assist with review, analysis and development of the Consolidated Plan. These organizations are Welcome House of Northern Kentucky and Northern Kentucky Community Action Commission. These are two of the largest Social Service agencies in Northern Kentucky providing services to our homeless population. All Activities in the 2014-15 Action Plan are a direct result of the Focus Group, Public Input, Demographic analysis, Community Needs and available resources. To enhance coordination, many stakeholders were invited to participate in the Focus Group this year or provide input or feedback. Representatives of Homeless Providers or agencies providing services to homeless persons were invited, such as: Emergency Shelter of Northern Kentucky, Welcome House of Northern Kentucky, Northern Kentucky Community Action Commission, and Covington Schools.

The City of Covington attends meetings and offers assistance to the Continuum of Care as needed. It does not receive ESG funds nor does it administer HMIS. However, the City provided environmental review technical assistance for HUD COC grants for operating expenses.

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 of Covington does not receive ESG funds nor does it administer HMIS.

2. Agencies, groups, organizations and others who participated in the process and consultations

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Table 2 – Agencies, groups, organizations who participated

1	**Agency/Group/Organization**	BOY'S & GIRLS'S CLUB OF NORTHERN KENTUCKY
	Agency/Group/Organization Type	Services-Children Regional organization
	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 of Covington partners with the Boys and Girls Club on establishing recreation programs that serve the youth of our city.
2	**Agency/Group/Organization**	CENTER FOR GREAT NEIGHBORHOODS
	Agency/Group/Organization Type	Housing Services-Education Services-Employment Civic Leaders Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Center for Great Neighoborhoods (CGN) is a CHDO for the City of Covington. They attended the Focus Group meetings. CGN and the City work closely on housing issues. CGN runs the Place Matters Program which leverages funds from the United Way Place based funding and the Local Initiative Support Coalition.

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3	**Agency/Group/Organization**	HOUSING OPPORTUNITY OF NORTHERN KENTUCKY
	Agency/Group/Organization Type	Housing Services-Children Service-Fair Housing Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Housing Opportunities of Northern Kentucky (HONK) is a CHDO for the City of Covington and the Northern Kentucky HOME Consortium. The Executive Director attended the City's Focus Group meetings. HONK and the City work closely involving housing issues.
4	**Agency/Group/Organization**	HOUSING AUTHORITY OF COVINGTON
	Agency/Group/Organization Type	Housing PHA
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Non-Homeless Special Needs Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Housing Authority was asked to be a part of the City's Focus Group meeting to decide how to spend federal funds in Covington. The City works closely with the Housing Authority on the HOPE VI process for the Eastside neighborhood in Covington.

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5	**Agency/Group/Organization**	N KY COMM ACTION COMM
	Agency/Group/Organization Type	Housing Services-Children Services-Education Services-Employment Child Welfare Agency Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City works closely with the Community Action Commission (NKYCAC). NKYCAC is a member of the Region III Continuum of Care for homelessness issues. NKYCAC provides many services to members of our community.
6	**Agency/Group/Organization**	The Catalytic Development Funding Corp. of Northern Kentucky
	Agency/Group/Organization Type	Housing Regional organization Planning organization Civic Leaders Community Development Financial Institution Private Sector Banking / Financing

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	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Catalytic Development Funding Corp. of Northern Kentucky attended the Focus Group meetings. The Catalytic Development Funding Corp. of Northern Kentucky (The Catalytic Fund) is a private sector, not for profit organization providing financing assistance and related services for developers of quality residential and commercial real estate projects in Northern Kentucky's urban cities of Ludlow, Covington, Newport, Bellevue, and Dayton (Target Area Cities). The Catalytic Fund is working toward becoming a Community Development Financial Institution. Its mission is to accelerate Northern Kentucky's urban renaissance though targeted investments in catalytic real estate development and redevelopment projects in urban neighborhoods. The organization was initiated by Vision 2015 to implement its Urban Renaissance initiative, one of the organization's "Power of Six" focus areas critical to regional economic competitiveness. The Catalytic Fund addresses the need for patient capital to support construction and/or rehabilitation of market rate housing and mixed-use real estate projects that are essential to the revitalization and repopulation of our urban communities. These projects and their sponsors are typically outside both private and public financing programs and traditional financial institutions are not flexible enough to provide these projects with sufficient capital. The Catalytic Fund provides capital via a $10,000,000 investment fund to fill gaps between traditionally underwritten loans, developer's equity, and project costs. Although the Catalytic Fund expects its capital to be returned, it can be patient and flexible allowing time for the project to succeed.

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7	**Agency/Group/Organization**	Welcome House of Northern KY
	Agency/Group/Organization Type	Housing Services-Children Services-homeless Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Welcome House attended the City's Focus Group meetings. The City utilized the Welcome House expertise on poverty, housing, and homeless' needs.
8	**Agency/Group/Organization**	Northern Kentucky Commission on Human Rights
	Agency/Group/Organization Type	Service-Fair Housing Other government - State Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City and Northern Kentucky HOME Consortium work closely with the Commission on Human Rights. The Commission Field Office Supervisor attended the Focus Group meetings. Ideas expressed were included in the Action Plan. One example of which is the greenspace.

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9	**Agency/Group/Organization**	ENTRYWAY, INC.
	Agency/Group/Organization Type	Housing Service-Fair Housing Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment 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?	Entryway, Inc. is a CHDO for the Northern Kentucky HOME Consortium. They attend every HOME Consortium meeting and are fully engaged in housing issues.
10	**Agency/Group/Organization**	Northern Kentucky Independent District Health Department
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Health Agency Publicly Funded Institution/System of Care Regional organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Non-Homeless Special Needs Anti-poverty Strategy

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	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Coordinated with the NKY Health Department on Policy, environmental and system changes to identify and track the impact of chronic disease on our residents.

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

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	Northern Kentucky Area Development District	The Ten Year Plan to End Homelessness stresses the need for affordable housing. Through the mix of public housing, Section 8 and HOME and CDBG funds in our communities, this objective is achieved.
Covington Housing Strategy	Center for Great Neighborhoods	The Housing Strategy is currently being developed in conjunction with existing plans as well as this 2013-2017 Consolidated Plan. Both plans stress that housing is a highly important economic development initiative. The 2013-18 Con Plan deals with the creation of affrodable housing, the housing strategy stresses high quality housing that will lead to the revitalization of Covington, making it a place people choose to live. There are many housing needs in the community and these plans cover the proper mix for a balanced approach. The Housing Strategy is not funded by the City of Covington, but rather the Local Initiative Support Corporation.
Management Partners Report	City of Covington	HUD and the Con Plan encourage the efficient use of funds. The Management Partners Report recommended reorganizing the Community Development Department, which includes the CDBG and HOME Programs to more efficiently administer the dwindling federal funds.
Covington Center City Action Plan	City of Covington	The Con Plan and the Center City Action Plan (3CAP) both establish living sustainability, which is making our community a fully viable and attractive place to live for diverse incomes, ages, and socio-cultural characteristics. The 3CAP and Con Plan both stress increasing homeownership and promoting reinvestment of existing housing stock by preserving and rehabilitating existing housing.

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Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Vision 2015	Vision 2015	Vision 2015 is a plan for Northern Kentucky. The City of Covington and the Northern Kentucky HOME Consortium have representation on Vision 2015, a community planning initiative that will define the future of Northern Kentucky by producing a 10-year strategic blueprint. Covington and the HOME Consortium help implement the Vision laid forth on March 31, 2006. One of the main tenets of Vision 2015's plan is to promote regionalism. The NKY HOME Consortium accomplishes this. Also Vision 2015 promotes housing especially in the river cities of which the HOME Consortium encompasses 5 out of 6 of those cities and is focused entirely on affordable housing.
Community Reinvestment Plan	City of Covington	This is a five-year strategic reinvestment into five main categories: infrastructure, parks, facilities, fleet management and community development. This plan will support nearly $72 million of reinvestment into Covington.

Table 3 – Other local / regional / federal planning efforts

Narrative

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AP-12 Participation - 91.401, 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

As administrator, the City of Covington, wanted to ensure a comprehensive citizen participation process to ensure the programs and activities proposed met community needs. Department of Development staff engaged citizens in many modes of communications, i.e. e-blasts, social media, news articles, and traditional public needs hearings, in an effort to reach the broadest audience possible. The process allowed an opportunity to educate citizens on these federal programs and the regulations that govern them.

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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	Internet Outreach	Non-targeted/broad community	The City's response to comments are provided as an attachment to the Action Plan.	Comments are included as an attachment to the Action Plan.	The Northern Kentucky HOME Consortium and the City of Covington responded as appropriate to comments and questions received. Some concerns were raised in the form of opinions, not questions, so it was not appropriate for the Consortium or City to respond.	

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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	Public Hearing	Non-targeted/broad community	15 people in attendance. The City's response to comments are provided as an attachment to the Action Plan.	Comments are included as an attachment to the Action Plan.	The Northern Kentucky HOME Consortium and the City of Covington did not respond to the comments from the general discussion. As you will note, the Northern Kentucky HOME Consortium and the City of Covington responded as appropriate to comments and questions received. Some concerns were raised in the form of opinions, not questions, so it was not appropriate for the Consortium or City to respond.	

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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)
3	Newspaper articles in Kentucky Enquirer and Rivercity News	Non-targeted/broad community		Some articles described the Annual Action Plan process, encouraged citizens to attend the public hearing held on February 10, 2015 and encouraged all people to provide input to the City for the use of CDBG and HOME funds. Others provided information on the draft plans and goals of the funding. Articles are attached.		

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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	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities LGBTQ	The City's response to comments are provided as an attachment to the Action Plan.	Comments are included as an attachment to the Action Plan.	The Northern Kentucky HOME Consortium and the City of Covington responded as appropriate to comments and questions received. Some concerns were raised in the form of opinions, not questions, so it was not appropriate for the Consortium or City to respond.	

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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)
5	Public Meeting	Non-targeted/broad community	Public meeting to review the draft annual action plan and provide comments. Meeting was held as part of a regularly scheduled City Commission meeting. The City's response to comments are provided as an attachment to the Action Plan.	Comments are included as an attachment to the Action Plan.	The Northern Kentucky HOME Consortium and the City of Covington responded as appropriate to comments and questions received. Some concerns were raised in the form of opinions, not questions, so it was not appropriate for the Consortium or City to respond.	

Table 4 – Citizen Participation Outreach

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Expected Resources

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

Introduction

The Annual Action Plan includes a budget which encompasses revenue from four sources. These include new formula based entitlements, program income, carry-over, and 108 Loan repayments. The new formula based entitlements for Program Year 2015-16 are $1,393,330 in Community Development Block Grant (CDBG) funding and $385,379 in Home Investment Partnerships (HOME) funding for Covington/Northern Kentucky HOME Consortium (which includes the River Cities of Ludlow, Newport, Bellevue and Dayton). The estimated program income is $117,106 in CDBG and $69,948 in HOME. Program income is generated through the repayment of loans. The City of Covington and Northern Kentucky HOME Consortium anticipate carry-over of CDBG in the amount of $55,000 and HOME in the amount of $78,477. The City of Covington estimates $25,000 in Section 108 repayments, once individual projects are approved, to be included as Program Income.

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Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder 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	1,393,330	142,106	55,000	1,590,436	2,786,660	CDBG funds are used to benefit low and moderate income families or to eliminate blighted conditions.
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	385,379	69,948	78,477	533,804	770,758	HOME funds are used primarily to increase homeownership opportunities and the preservation and production of affordable rental housing. A required 15% will fund Community Housing Development Organizations(CHDOs)

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

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

Discussion

CDBG Program

- Section 108 Economic Development Loan Repayment – $25,000
- Public Improvements (Streets, Gutters, Curb Ramps) - $270,054
- Public Facilities- $39,000
- Parks- $100,000
- Code Enforcement Hardship Rehab/Repair - $45,000
- Homeowner Repair - $105,000
- Upper Floor Residential Rent Rehab Program - $60,000
- Economic Development Assistance (Xceligent /Salesforce) - $6,000
- Crime Prevention (City Heights) - $50,000
- Crime Prevention Downtown Core - $100,000
- Recreation Programs - $50,000
- Code Enforcement Program Staff - $130,768
- Place Matters - $35,000
- Program Staff - $152,410
- Business Development Staff - $80,015
- Relocation - $30,000
- Interim Assistance - $7,000

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- Administration - $305,189

HOME Program – Covington

- Homebuyer Assistance Program - $189,147
- CHDO Development Projects - $43,172
- Program Staff - $26,532
- Administration - $28,962

HOME Program – Consortium Cities

- Homebuyer Assistance Program - $111,433
- CHDO Development Projects - $54,041
- Non-CHDO Housing Development Activities - $49,563
- Program Staff - $15,161
- Administration - $15,791

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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	Upper Floor Residential Rent Rehab Program	2013	2018	Affordable Housing		All Programs	CDBG: $60,000	Rental units rehabilitated: 3 Household Housing Unit
3	Covington Homebuyer Assistance Program	2013	2018	Affordable Housing		All Programs	HOME: $189,147	Direct Financial Assistance to Homebuyers: 38 Households Assisted
4	NKY HOME Consortium Homebuyer Assistance Program	2013	2018	Affordable Housing		All Programs	HOME: $111,433	Direct Financial Assistance to Homebuyers: 22 Households Assisted
6	Section 108 ED Loan pool	2013	2018	Non-Housing Community Development		All Programs	CDBG: $25,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 0 Persons Assisted Jobs created/retained: 1 Jobs Businesses assisted: 1 Businesses Assisted
7	Streets, Playgrounds, Greenspace	2013	2018	Non-Housing Community Development		All Programs	CDBG: $409,054	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 30000 Persons Assisted

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	CDBG Administration	2013	2018	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development		All Programs	CDBG: $305,189	
10	Code Enforcement Hardship Rehab/Repair	2013	2018	Affordable Housing Non-Homeless Special Needs		All Programs	CDBG: $150,000	Homeowner Housing Rehabilitated: 24 Household Housing Unit
11	Economic Development Technical Assistance	2013	2018	Non-Housing Community Development		All Programs	CDBG: $6,000	Businesses assisted: 10 Businesses Assisted
12	Crime Prevention	2013	2018	Non-Housing Community Development		All Programs	CDBG: $150,000	Public service activities other than Low/Moderate Income Housing Benefit: 6895 Persons Assisted
13	Recreation Programs	2013	2018	Non-Homeless Special Needs Non-Housing Community Development		All Programs	CDBG: $50,000	Public service activities other than Low/Moderate Income Housing Benefit: 29828 Persons Assisted

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
14	Code Enforcement Staff	2013	2018	Affordable Housing Non-Housing Community Development		All Programs	CDBG: $130,768	Housing Code Enforcement/Foreclosed Property Care: 75 Household Housing Unit
15	Place Matters	2013	2018	Affordable Housing Non-Housing Community Development		All Programs	CDBG: $35,000	Homeowner Housing Added: 1 Household Housing Unit
16	CDBG Program Staff	2013	2018	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development Program Staff		All Programs	CDBG: $152,410	Rental units rehabilitated: 3 Household Housing Unit Homeowner Housing Rehabilitated: 21 Household Housing Unit
17	Business Development Staff	2013	2018	Non-Housing Community Development		All Programs	CDBG: $80,015	Businesses assisted: 10 Businesses Assisted
18	Covington CHDO Development Projects	2013	2018	Affordable Housing		All Programs	HOME: $43,172	Homeowner Housing Added: 1 Household Housing Unit
19	HOME Program Staff	2013	2018	Affordable Housing		All Programs	HOME: $26,532	Direct Financial Assistance to Homebuyers: 38 Households Assisted

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OMB Control No: 2506-0117 (exp. 07/31/2015)

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
20	HOME Administration	2013	2018	Affordable Housing		All Programs	HOME: $28,962	
21	NKY HOME Consortium CHDO Development Projects	2013	2018	Affordable Housing		All Programs	HOME: $103,604	Homeowner Housing Added: 1 Household Housing Unit
22	NKY HOME Consortium Program Staff	2013	2018	Affordable Housing		All Programs	HOME: $15,161	Direct Financial Assistance to Homebuyers: 22 Households Assisted
23	NKY HOME Consortium Administration	2013	2018	Affordable Housing		All Programs	HOME: $15,791	
24	Relocation	2013	2018	Affordable Housing		All Programs	CDBG: $30,000	Other: 1 Other
25	Interim Assistance	2013	2018	Affordable Housing Non-Housing Community Development		All Programs	CDBG: $7,000	Other: 5 Other

Table 2 **– Goals Summary**

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Goal Descriptions

1	**Goal Name**	Upper Floor Residential Rent Rehab Program
	Goal Description	This program supports the rehab of residential rental units in the upper floors of our downtown businesses. The goal of this program would be to provide rehab of residential space into rental units. Applicants must match the grant amount. Projects must be located within the NRSA and therefore an aggregate of LMI residents will be calculated for all projects support. The City has many mixed use buildings that are in need of repair. If there is no interest in this program, staff is also looking into possible use of these funds for basic white boxing of a commercial space within the downtown target area.
3	**Goal Name**	Covington Homebuyer Assistance Program
	Goal Description	Provides down payment assistance to homebuyers. Individuals must meet the LMI thresholds.
4	**Goal Name**	NKY HOME Consortium Homebuyer Assistance Program
	Goal Description	Provides down payment assistance to LMI homebuyers.
6	**Goal Name**	Section 108 ED Loan pool
	Goal Description	We will be leveraging our entitlement amount to borrow $4 million to be available for a loan pool for economic development loans to eligible businesses who follow the ED Incentives process for selection. This expenditure will be covered by income from performing loans. The loan pool has been approved by HUD. Individual project applications will be submitted and reviewed for approval.

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7	**Goal Name**	Streets, Playgrounds, Greenspace
	Goal Description	Funding will be used to for LMI area benefit for both infrastructure and leveraged playground and greenspace projects. • Streets, gutters and curb ramps ($270,054) – The next cycle of 3-year street resurface schedule is included and the ADA curb ramps • Parks ($100,000) – This will support improvements made to at least two neighborhood parks. The plan is to rehab two parks every year for the next ten years.
8	**Goal Name**	CDBG Administration
	Goal Description	Administrative costs cover the necessary staffing and resources to handle all monitoring, reporting, required reviews and financial management
10	**Goal Name**	Code Enforcement Hardship Rehab/Repair
	Goal Description	The Code Enforcement Hardship Program will aid owner-occupied residents with assistance to make necessary repairs to remove code violations. The program includes a process for Code Enforcement staff to evaluate hardship cases, and include use restriction based on income eligibility and other factors, it is available citywide. The Hardship Program will be funded at an amount of $45,000. The Homeowner Rehab/Repair Program will also include a Homeowner Repair program at $105,000 for support to residents for furnaces, plumbing repairs (mainly sewer laters) and roof patching. This HO Repair Program will provide a maximum support of $5,000 and should be matched with homeowner funding.

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OMB Control No: 2506-0117 (exp. 07/31/2015)

11	**Goal Name**	Economic Development Technical Assistance
	Goal Description	These services provide access to a database to research business and property information.
12	**Goal Name**	Crime Prevention
	Goal Description	This projects provides crime prevention efforts above and beyond essential police coverage. Funding includes an agreement with the Housing Authority of Covingtn for officers in City Heights - $50,000. Remaining funds will be used for crime prevention activities or tools for the downtown business district, located within the NRSA - $100,000
13	**Goal Name**	Recreation Programs
	Goal Description	Provides for our Summer Youth Program and Aquatic Arts Program.
14	**Goal Name**	Code Enforcement Staff
	Goal Description	Staff will handle the implementation of the Rental Inspection Program within LMI census tracts
15	**Goal Name**	Place Matters
	Goal Description	City's contribution toward the Place Matters Program in partnership with CGN and United Way
16	**Goal Name**	CDBG Program Staff
	Goal Description	
17	**Goal Name**	Business Development Staff
	Goal Description	Staff will handle the Business Retention Program.

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18	**Goal Name**	Covington CHDO Development Projects
	Goal Description	HONK and CGN serve as our Community Housing Development Organizations and these funds will contribute toward a rehab project to provide affordable housing to LMI individuals.
19	**Goal Name**	HOME Program Staff
	Goal Description	Staff will handle the implementation of the Housing Programs and inspection of the Development Projects
20	**Goal Name**	HOME Administration
	Goal Description	Staff will handle all monitoring, reporting, required reviews and financial management
21	**Goal Name**	NKY HOME Consortium CHDO Development Projects
	Goal Description	HONK and Entryway, Inc. serve as our Community Housing Development Organizations and these funds will contribute toward a rehab project that will provide affordable housing to a LMI individual. CHDO Specific Development Projects - $54,041. Non-CHDO Development Projects - $49,563
22	**Goal Name**	NKY HOME Consortium Program Staff
	Goal Description	Staff will handle the implementation of the Housing Programs and inspection of the Development Projects
23	**Goal Name**	NKY HOME Consortium Administration
	Goal Description	Staff will handle all monitoring, reporting, required reviews and financial management
24	**Goal Name**	Relocation
	Goal Description	Relocation funding assists with the expenses incurred while a property is under renovation or where it is necessary to relocate a homeowner during a repair.

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25	**Goal Name**	Interim Assistance
	Goal Description	Interim Assistance is used to cover maintenance and utility costs associated with federally acquired properties.

Table 3 – Goal Descriptions

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AP-35 Projects - 91.420, 91.220(d)

Introduction

The Annual Action Plan includes a budget which encompasses revenue from four sources. These include new formula based entitlements, program income, carry-over, and 108 Loan repayments. The new formula based entitlements are $1,393,330 in Community Development Block Grant (CDBG) funding and $219,666 in Home Investment Partnerships (HOME) funding for Covington and $165,713 for the Northern Kentucky HOME Consortium. The estimated program income is $117,106 in CDBG and $68,148 in HOME for Covington and $1,800 for Northern Kentucky HOME Consortium. Program income is generated through the repayment of loans. The carry-over which captures funds that were budgeted but not expended in the prior year's budget is estimated to be $55,000 in CDBG and $78,477 in HOME for the NKY HOME Consortium. The budget reflects an estimated $25,000 in payments received from economic development projects that receive Section 108 loans, once the projects are approved. This is in essence a pass through. The budget also includes income that is received though our non-cash HOME match, which comes to $48,172.

#	Project Name
1	Section 108 Economic Development Loan Pool
2	Public Improvements
3	Park Improvements
4	Public Facilities
5	Code Enforcement Hardship Program
6	Homeowner Repair Program
7	Covington Homebuyer Assistance Program
8	NKY HOME Consortium Homebuyer Assistance Program
9	Covington CHDO Development Projects
10	NKY HOME Consortium CHDO Development Projects
11	NKY HOME Consortium - Housing Development Activities
12	Upper Floor Residential Rehab Program - Rental
13	Economic Development - Xceligent/Salesforce
14	Police - Anti-Crime Program City Heights
15	Police Anti-Crime Program - Core Area
16	Recreation Programs
17	Code Enforcement Staff
18	Place Matters Program
19	Interim Assistance
20	Relocation
21	Business Development - Retention Program
22	Covington HOME Program Administration
23	NKY HOME Consortium Program Administration

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#	Project Name
24	Administration - CDBG
25	Program Delivery

Table 3 – Project Information

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

Generally speaking, the CDBG and HOME funds will continue to fund the same or similar programs as in 2014. In 2015, much of the CDBG funding was used for housing rehabilitation and infrastructure improvements. These continue to be priority issues for the City. Last year, the City received far more applications for homeowner repair assistance than could be addressed with available funding. The demand for these programs continues to outpace available funding. The city has a large and growing inventory of vacant and abandoned housing units that could be returned to the market if they were rehabilitated. The City will continue to address these types of properties. CDBG funds will also be used to support economic development and public service programs.

There is always a need for affordable housing in the City and a desire by the City and the public to increase homeownership rates. The HOME program will support increasing homeownership opportunities through down payment assistance programs and creating new affordable homeownership and lease to own units.

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AP-38 Project Summary

Project Summary Information

Table 4 – Project Summary

1	**Project Name**	Section 108 Economic Development Loan Pool
	Target Area	
	Goals Supported	Section 108 ED Loan pool
	Needs Addressed	
	Funding	CDBG: $25,000
	Description	In 2014 Covington was approved for a $4million economic development loan pool. Example projects were submitted as part of the original loan application. However, any actual projects will need to be fully vetted and reviewed by HUD before any approvals and draw down of funds.
	Target Date	6/1/2016
	Estimate the number and type of families that will benefit from the proposed activities	This project will benefit families by providing jobs that will be available to LMI individuals. In addition, there is a chance a Section 108 ED Loan Pool project will benefit by transforming a vacant building into new use therefore removing slum and blight. Depending also on the service or goods provided by the business there could be an additional quality of life or access benefit, i.e. grocery store, recreation services, etc.
	Location Description	Location to be determined once formal submission occurs.
	Planned Activities	none at this time.
2	**Project Name**	Public Improvements
	Target Area	
	Goals Supported	Streets, Playgrounds, Greenspace
	Needs Addressed	All Programs
	Funding	CDBG: $270,054
	Description	Funding in this project is dedicated to public improvements, i.e. street resurfacing, ADA sidewalk ramps, etc. This funding will also be used to leverage other funding sources to complete other public improvements projects, i.e. streetscape, etc.
	Target Date	6/30/2016

	Estimate the number and type of families that will benefit from the proposed activities	These projects will have an area benefit to the households surrounding that improvement or to the entire city depending on the users of the improvement.
	Location Description	Varied and will be activity specific. There is a 3-year annual rotation for street resurfacing that will be implemented.
	Planned Activities	Street resurfacing, ADA ramps
3	**Project Name**	Park Improvements
	Target Area	
	Goals Supported	Streets, Playgrounds, Greenspace
	Needs Addressed	All Programs
	Funding	CDBG: $100,000
	Description	A main theme from the public input was for improvements to be made to parks to provide activities for families and children. The funding for this project will fund improvements to the 19 neighborhood parks in the city. Facilities Plan has a goal of contributing $50,000 to 2 parks each year for the next 10 years.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	This project will provide an area benefit to users of the parks in that area. Actual number and type will depend on the demographics of the area surrounding the park. All park improvements will be located in LMI census tracts.
	Location Description	Various
	Planned Activities	General improvements could include, but are no limited to: new playscape, landscape, shelters, etc.
4	**Project Name**	Public Facilities
	Target Area	
	Goals Supported	
	Needs Addressed	All Programs
	Funding	CDBG: $39,000
	Description	This funding will contribute toward public facilities improvements.
	Target Date	6/30/2016

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Estimate the number and type of families that will benefit from the proposed activities	Families to be determined once project is more fully vetted.
	Location Description	Specific addresses not yet identified.
	Planned Activities	rehab of a building for public use.
5	**Project Name**	Code Enforcement Hardship Program
	Target Area	
	Goals Supported	Code Enforcement Hardship Rehab/Repair
	Needs Addressed	All Programs
	Funding	CDBG: $45,000
	Description	This program assists LMI individuals who have been cited by Code Enforcement staff and have gone before the Code Enforcement Board, but do not have the funds to repair necessary items to get into compliance. The program will fund the repairs up to $15,000 in the form of an interest free deferred loan. This program not only assists a LMI homeowner, but it also aids in the removal of slum and blight in the neighborhoods.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	The minimum number of families to be assisted will be 3 LMI households. Depending on cost of repair, the number could be higher.
	Location Description	Will be based on those referred by the Code Enforcement Board to the program available to anyone city-wide who meet the income and program requirements.
	Planned Activities	repairs of homeowner occupied housing
6	**Project Name**	Homeowner Repair Program
	Target Area	
	Goals Supported	Code Enforcement Hardship Rehab/Repair
	Needs Addressed	All Programs
	Funding	CDBG: $105,000

OMB Control No: 2506-0117 (exp. 07/31/2015)

	Description	Funds to assist LMI homeowners with urgent home repair needs, specifically targeted for furnace, roof and sewer lateral repairs.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	This project will be a direct benefit to LMI homeowners with preference given to elderly, disabled and veteran households. The minimum number of households served will be 21 receiving a maximum of $5,000 each. Additional households will be served if funds remain after the initial 21 are complete.
	Location Description	This will be available city-wide to any LMI household who qualifies on a first-come, first-served basis.
	Planned Activities	Home repairs of an urgent need, specifically furnace, roof and sewer lateral repairs.
7	**Project Name**	Covington Homebuyer Assistance Program
	Target Area	
	Goals Supported	Covington Homebuyer Assistance Program
	Needs Addressed	All Programs
	Funding	HOME: $215,679
	Description	Homebuyer Assistance Program for the City of Covington portion of the Northern Kentucky HOME Consortium$189,147 will be allocated for direct homebuyer assistance. $26,532 will be allocated for program delivery costs.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	This project will serve low-income homebuyers purchasing in the City of Covington. Approximately 38 households will benefit from these activities.
	Location Description	This project will be available city-wide to any qualified low-income homebuyer on a first-come, first-served basis.
	Planned Activities	Interest-free, deferred loans to assist homebuyers with lender required down payment and settlement charges associated with purchasing a home.
8	**Project Name**	NKY HOME Consortium Homebuyer Assistance Program
	Target Area	

	Goals Supported	NKY HOME Consortium Homebuyer Assistance Program
	Needs Addressed	All Programs
	Funding	HOME: $126,594
	Description	Homebuyer Assistance Program for the HOME Consortium cities of Ludlow, Newport, Bellevue and Dayton.$111,433 will be allocated to direct homebuyer assistance. $15,161 will be allocated for program delivery costs.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	This project will serve low-income homebuyers purchasing in the Cities of Ludlow, Newport, Bellevue and Dayton. Approximately 22 households will benefit from these activities.
	Location Description	Available to any qualified low-income homebuyer city-wide in the included cities on a first-come, first-served basis.
	Planned Activities	Interest-free, deferred loans to assist homebuyers with lender required down payment and settlement charges related to purchasing a home.
9	**Project Name**	Covington CHDO Development Projects
	Target Area	
	Goals Supported	Covington CHDO Development Projects
	Needs Addressed	All Programs
	Funding	HOME: $43,172
	Description	Set-aside funds for the creation of affordable housing units by qualified local CHDO's.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	This project will benefit one low-income household.
	Location Description	City of Covington. Specific addresses not yet identified.
	Planned Activities	Rehab of a single family home by a local CHDO for a low-income household.

10	**Project Name**	NKY HOME Consortium CHDO Development Projects
	Target Area	
	Goals Supported	NKY HOME Consortium CHDO Development Projects
	Needs Addressed	All Programs
	Funding	HOME: $54,041
	Description	Set-aside funds for the creation of affordable housing by a qualified local CHDO.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	This project will create an affordable housing unit for one low-income family.
	Location Description	Project will be located in one of the Consortium cities of Ludlow, Newport, Bellevue or Dayton. Specific addresses have not yet been identified.
	Planned Activities	Rehab of a single family home by a local CHDO for a low-income household.
11	**Project Name**	NKY HOME Consortium - Housing Development Activities
	Target Area	
	Goals Supported	NKY HOME Consortium Homebuyer Assistance Program
	Needs Addressed	All Programs
	Funding	HOME: $49,563
	Description	Funds for the creation of affordable housing through either rehabilitation or new construction for the HOME Consortium.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	This project will support the creation of an affordable housing unit for one low-income family.
	Location Description	Project will be located in one of the Consortium cities of Ludlow, Newport, Bellevue and Dayton. Specific addresses have yet to be identified.
	Planned Activities	Rehab or new contrsuction of a single-family residence to create an affordable housing unit for a low-income family.

12	**Project Name**	Upper Floor Residential Rehab Program - Rental
	Target Area	
	Goals Supported	Upper Floor Residential Rent Rehab Program
	Needs Addressed	All Programs
	Funding	CDBG: $60,000
	Description	Residential rental rehab of upper floors of our downtown businesses, available within our downtown core area.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	This project will create affordable rental units for low-income households. Approximately 3 low-income families will benefit.
	Location Description	Units will be located in the Covington Downtown Core target area. Specific addresses have yet to be identified. Project will be located in the NRSA.
	Planned Activities	Rehab of previously vacant upper floor spaces into viable rental units.
13	**Project Name**	Economic Development - Xceligent/Salesforce
	Target Area	
	Goals Supported	Economic Development Technical Assistance
	Needs Addressed	All Programs
	Funding	CDBG: $6,000
	Description	Funding to utilize online subscription services to assist with economic development, job creation and job retention (Xceligent and Salesforce). This is a joint effort between the City and The Northern Kentucky Tri-County Economic Development Corporation (Tri-ED), a non-profit organization, blending public and private funds to enhance the business climate and to foster a spirit of regional cooperation among the Northern Kentucky counties of Boone, Kenton, and Campbell. Northern Kentucky Tri-ED assists local companies in expanding their operations and works with the local communities to develop the resources and infrastructure to support their economic development programs.
	Target Date	6/30/2016

	Estimate the number and type of families that will benefit from the proposed activities	This project will aide the business development division to foster the creation and retention of LMI jobs by providing information on available properties and a database of retention visits to businesses who employ LMI individuals.
	Location Description	All qualified census tracts
	Planned Activities	Database of retention visits to businesses who employ LMI individuals and a database of available commercial property to help locate new businesses to the City.
14	**Project Name**	Police - Anti-Crime Program City Heights
	Target Area	
	Goals Supported	Crime Prevention
	Needs Addressed	
	Funding	CDBG: $50,000
	Description	Funding to provide for additional police patrols at public housing site in cooperation with the Housing Authority of Covington.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	There are on average 2000 residents living in City Heights that benefit from the Crime Prevention program. All of these residents are in public housing and therefore are qualified LMI individuals.
	Location Description	City Heights public housing complex
	Planned Activities	This project will support our Crime Prevention efforts by providing for additional police presence at the City Heights public housing complex based on an agreement between the City and the Housing Authority of Covington
15	**Project Name**	Police Anti-Crime Program - Core Area
	Target Area	
	Goals Supported	Crime Prevention
	Needs Addressed	All Programs
	Funding	CDBG: $100,000
	Description	Funding to provide for additional police patrols in the City's Downtown Core target area.

	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	There are approximately 3430 LMI residents living in the downtown core. There is an additional day-time population that benefit from the activity.
	Location Description	Downtown Core target area
	Planned Activities	This project will support our Crime Prevention efforts by providing for additional police presence and crime prevention tools in the City's Downtown Core target area
16	**Project Name**	Recreation Programs
	Target Area	
	Goals Supported	Recreation Programs
	Needs Addressed	All Programs
	Funding	CDBG: $50,000
	Description	Funds provided for recreational programs offered to Covington residents
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	There are 24332 LMI residents within the City that have access to use these recreation programs.
	Location Description	Various locations throughout the city - Goebel Pool, Waterpark, Randolph Pool and the 5 public elementary schools
	Planned Activities	Provides for our Summer Youth Program and Aquatic Arts Program
17	**Project Name**	Code Enforcement Staff
	Target Area	
	Goals Supported	Code Enforcement Staff
	Needs Addressed	All Programs
	Funding	CDBG: $130,768
	Description	Funds provided to pay for Code Enforcement staff to perform targeted code enforcement in low-income census tracts
	Target Date	6/30/2016

	Estimate the number and type of families that will benefit from the proposed activities	There is an estimated number of _____ units that will benefit from the proposed activities. However, compliance of rental units impacts the overall city and therefore all LMI families within the city will benefit.
	Location Description	targeted low-income census tracts
	Planned Activities	Funds provided to pay for Code Enforcement staff to perform targeted code enforcement in low-income census tracts
18	**Project Name**	Place Matters Program
	Target Area	
	Goals Supported	Place Matters
	Needs Addressed	All Programs
	Funding	CDBG: $35,000
	Description	Funds, leveraged with other funds, provided to the Center for Great Neighborhoods for the creation of affordable housing units in Covington through the United Way Place Matters Program.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	Work involved investigates feasibility and funding sources for rehab of specifics homeowner occupied buildings.
	Location Description	
	Planned Activities	Funds provided to the Center for Great Neighborhoods (CGN) for the creation of affordable housing units in Covington. Funds cover CGN staff salary in furtherance of the development of housing. Funds are leveraged with other funds to implement this United Way Place Matters Program.
19	**Project Name**	Interim Assistance
	Target Area	
	Goals Supported	Interim Assistance
	Needs Addressed	All Programs
	Funding	CDBG: $7,000
	Description	Funds provided for temporary maintenance of, or emergency actions on, City-owned properties

	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Funds provided for temporary maintenance of, or emergency actions on, City-owned properties
20	**Project Name**	Relocation
	Target Area	
	Goals Supported	Relocation
	Needs Addressed	
	Funding	CDBG: $30,000
	Description	Funds to provide relocation assistance to units either acquired with federal money or for owner-occupied units undergoing rehab
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Funds to provide relocation assistance to units either acquired with federal money or for owner-occupied units undergoing rehab that requires homeowners to be relocated temporarily
21	**Project Name**	Business Development - Retention Program
	Target Area	
	Goals Supported	Business Development Staff
	Needs Addressed	
	Funding	CDBG: $80,015
	Description	Funds provide salaries for staff person responsible for execution of the business retention program.

	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	This project will provide funds for staff salaries responsible for execution of the business retention program. Businesses in the city create and retain LMI jobs.
22	**Project Name**	Covington HOME Program Administration
	Target Area	
	Goals Supported	HOME Administration
	Needs Addressed	All Programs
	Funding	HOME: $28,962
	Description	Funds used for the administration of the Covington HOME program
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Funds used for the administration of the Covington HOME program, including staff salaries
23	**Project Name**	NKY HOME Consortium Program Administration
	Target Area	
	Goals Supported	NKY HOME Consortium Administration
	Needs Addressed	
	Funding	HOME: $15,791
	Description	Funds used for the administration of the NKY HOME Consortium HOME program
	Target Date	6/30/2016

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Funds used for the administration of the NKY HOME Consortium HOME program, including staff salaries
24	**Project Name**	Administration - CDBG
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	CDBG: $305,189
	Description	CDBG Program Administration costs
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Program administration costs include staff and related costs required for overall program management, coordination, monitoring, reporting, and evaluation
25	**Project Name**	Program Delivery
	Target Area	
	Goals Supported	CDBG Program Staff
	Needs Addressed	All Programs
	Funding	CDBG: $152,410
	Description	Funds to provide for program delivery costs of projects funded through CDBG and HOME
	Target Date	6/30/2016

	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Funds provide for staffing to support program delivery cocts for CDBG and HOME program activities

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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

Every Census Tract in Covington is Low/Mod Income except for Census Tracts 653 and 668. Those Census Tracts are the section of Covington south of Interstate 275. In the HOME Consortium, the entire cities of Ludlow, Newport, Bellevue and Dayton are eligible for Homebuyer Assistance using HOME funds.

Geographic Distribution

Target Area	Percentage of Funds

Table 5 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City of Covington will target the Downtown/Core Target Area for the Upper Floor Residential Rental Rehab Program. The City has determined this target area to make an impact because of the economic benefits and the benefit of having people inhabiting the downtown and patronizing local businesses. The idea is to have a ripple effect that makes Covington as a city more desirable. The Downtown is the face and gateway to the entire city. Public Service dollars will also be spent in the downtown for anti-crime efforts to coincide with these efforts.

The other Anti-Crime funding will fund police presence in the City Heights Public Housing development. The Housing Authority of Covington has requested this funding because of a high crime rate.

Discussion

Affordable Housing

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

Introduction

The City of Covington invests federal funds in the development of rental and homeownership units and the rehabilitation and repair of existing homeowner units. This section shows specific goals for the number of homeless, non-homeless, and special needs households that will be provided affordable housing during the 2015-16 program year. Also shown is the number of affordable housing units that will be provided with CDBG and HOME funds. Programs that will provide these units through CDBG are: the Homeowner Repair Program; the Code Enforcement Hardship Repair Program; and the Upper Floor Residential Rehab Program. Programs that will provide these units through HOME are: the Covington Homebuyer Assistance Program; the Northern Kentucky HOME Consortium Homebuyer Assistance Program; CHDO projects; and non-CHDO Housing Development projects.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	89
Special-Needs	0
Total	89

Table 6 - 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	29
Acquisition of Existing Units	60
Total	89

Table 7 - One Year Goals for Affordable Housing by Support Type

Discussion

The CDBG Code Enforcement Hardship Program will assist the rehab of 3 units.

The CDBG Homeowner Repair Program will assist the rehab of 21 units.

The CDBG Upper Floor Residential Rehab Program will assist the rehab of 3 units.

The Covington and NKY HOME Consortium Homebuyer Assistance Programs will assist in the acquisition of 60 existing units.

Housing Opportunities of Northern Kentucky (HONK), Center for Great Neighborhoods (CGN) and

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Entryway, Inc. serve as CHDOs for Covington and the HOME Consortium. These organizations will utilize our CHDO set-aside funds for projects within the boundaries of the Consortium. CHDO set-aside funds will create 2 new or rehabbed units. They are primarily homeownership but they may be lease-purchase projects.

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

Introduction

The Housing Authority of Covington, a separate government entity, administers public housing new construction, rehabilitation and modernization activities, and home ownership opportunity programs. The Housing Authority manages and maintains over 800 units located in 2 family sites, Latonia Terrace and City Heights; one exclusively elderly building, Golden Towers and various scattered sites (Academy Flats, ESR I, ESR II, ESR III, Emery Drive, and New Site Properties).

The Community Housing Resource Group is a joint effort, formed through a Consortium, between the City of Covington and the Housing Authority of Covington to administer the Section 8 Housing Choice Voucher Program. Section 8 assists very low-income families, the elderly and disabled to afford decent, safe and sanitary housing in the private market.

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

There will be multiple efforts ongoing during the 2015 Program Year to address the needs of public housing. The Housing Authority of Covington and the City of Covington will continue to implement public housing programs and Section 8 assistance programs.

There will be initiatives to provide new public housing opportunities including: Lincoln Grant Scholar House (a $700,000 LIHTC project to provide 45 units of subsidized housing with educational and supportive services); completion of the River's Edge at Eastside Point redevelopment project on the former Jacob Price housing complex site as part of the HOPE VI funding; development of new homeownership units as part of the HOPE VI funding; a joint Housing Authority/Section 8 Housing Fair to promote public housing opportunities, especially to the veteran and elderly population.

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

The Resident Services Department provides leadership and program support for Covington Public Housing programs. The Resident Services Department is funded through both federal and private grants. The mission of the Resident Services Department is to break the cycle of generational poverty and foster economic self-sufficiency among residents living and/or being served by Covington Public Housing programs. The objectives of the Resident Services Department are to provide quality programming, as well as resources, to low income families to address the barriers to economic self-sufficiency.

The Resident Services Department collaborates with many community organizations to serve the public housing resident population.

The Section 8 Department administers a Family Self-Sufficiency Program to assist Section 8 families to work towards economic self-sufficiency. The Section 8 Department also administers a Section 8 to Homeownership Program. This program allows Section 8 families to use their Housing Choice Vouchers towards the purchase of a home rather than rent.

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

The PHA is not designated as troubled.

Discussion

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

Introduction

The Region III Continuum of Care and the Ten Year Plan to End Chronic Homelessness is coordinated by the Commonwealth through the efforts of NKADD and is moving forward on developing a regional approach to addressing homeless issues including chronic homelessness. The City of Covington and Northern Kentucky HOME Consortium understand the detrimental impact that homelessness can have on our residents and are committed to working with our local organizations, the NKADD, the Kentucky Housing Corporation and HUD to develop a comprehensive, coordinated approach to ending chronic homelessness. The Region 3 Continuum of Care developed a local Ten Year Plan to End Chronic Homelessness to address the needs specific to our region, Northern Kentucky. The Region 3 Ten Year Plan to End Chronic Homelessness was completed in 2008.

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

There are a large number of homeless agencies that are active in Campbell and Kenton counties. Through partnerships, there is a drive to locate all services in one central, accessible location. Agencies and City Staff have been researching best practices around our region. Columbus and Indianapolis were both visited to assess how they run award winning programs. The Continuum of Care works with the County and City leadership to make progress in this challenging opportunity. The City of Covington's Mayor, Sherry Carran signed on to HUD's Mayor's Challenge to End Veteran Homelessness in 2014.

Addressing the emergency shelter and transitional housing needs of homeless persons

There are many programs that will be using McKinney-Vento Homeless Assistance. Transitions, Inc. will use McKinney-Vento funds for three programs. Transitions Willow Run Project will use $165,598, Transitions Affordable Housing Project will use $91,168, and the Transitions Homeless Services Project $241,280. The Willow Run Project provides transitional housing to homeless individuals in Covington. The Homeless Services Project is a services-only project based in Covington that provides transitional housing with intensive case management, outreach, employment services, psychiatric nursing services, mental health case management, and life skills assistance.

The NKY Emergency Cold Shelter offers emergency shelter during cold weather months to those in need.

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

The Affordable Housing Project provides permanent supportive housing to 12 homeless individuals in Covington. This is one of only a small number of projects classified as permanent housing for persons with disabilities.

NorthKey Community Care will use $190,652 for its NorthKey Rental Subsidy Program which is a permanent housing program for homeless and disabled. Permanent housing is a top priority for this region. Welcome House of Northern Kentucky, Inc. will use $478,289 for its Gaining Access to Programs and Services which is a collaborative supportive services-only grant which serves homeless individual women and families with children that addresses complex, multiple needs through outreach and assessment, crisis intervention, coordination of services, collaborative effort to stabilize families and addresses factors contributing to homelessness. The funds pay for case management, housing counseling, life skills education, childcare, employment services, substance abuse treatment, transportation and housing assistance.

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 City of Covington's Housing Consortium administers the Section 8 Housing Choice Voucher Program for all of Kenton County which is inclusive of the Covington City limits and the HOME Consortium city of Ludlow. The Program assists low income households with their rent. The Newport Housing Authority (Neighborhood Foundations) administers Housing Choice Vouchers for the City of Newport and Bellevue. The Housing Department of Campbell County administers Housing Choice Vouchers for the rest of Campbell County and Pendleton County.

The Housing Development Department as part of the consortium with the Housing Authority of Covington operates over 800 units including three family sites and two elderly sites. Additionally, the governing board of HAC includes a resident member. All members of the Board are appointed by the Covington's Mayor.

The Newport Housing Authority operates 357 units in 6 sites. The Housing Authority of Dayton operates 45 units at one site.

The City of Covington's Housing Consortium administers a Family Self-Sufficiency Program. The Coordinator for the Program works with households to develop and implement a self-sufficiency plan which includes budget counseling, credit repair, and looking at educational and career opportunities. Adjunct to this Program is the City's Section 8 to Homeownership Program. This initiative builds on the Family Self-Sufficiency Program with the specific intention of helping the participating households purchase a home.

The Newport Housing Authority (Neighborhood Foundations) and Campbell County Department of Housing also run Family Self Sufficiency Programs. Newport Housing Authority also runs a Section 8 to Homeownership Program.

Discussion

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

Introduction

The U.S. Department of Housing and Urban Development (HUD) requires each jurisdiction receiving Community Development Block Grant (CDBG) or HOME Investment Partnerships (HOME) funds to certify that it is in compliance with the Consolidated Plan Final Rule, published in the Federal Register (24 CFR 91.225). The Consolidated Plan is a document prepared by the City of Covington's Department of Development in cooperation with the Northern Kentucky HOME Consortium and serves as:

- A housing and community development planning document;
- A strategy to be followed in carrying out HUD programs;
- An action plan that provides a basis for assessing performance; and
- An application for the City in regards to the Community Development Block Grant (CDBG) program and the Northern Kentucky HOME Consortium for the HOME Investment Partnerships (HOME) program

The Fair Housing Act of 1968 required that all HUD programs be administered in a manner that will *"affirmatively further fair housing."* Although the Analysis of Impediments to Fair Housing Choice (AI) is not directly approved or denied, it is a HUD-mandated document. As such, the Consolidated Plan requires each jurisdiction to show its commitment to affirmatively furthering fair housing choice by . . .

- Conducting an Analysis of Impediments to Fair Housing Choice;
- Identifying policies, programs and practices that address the identified impediments;
- Taking appropriate actions to overcome the effects of impediments identified through that analysis; and
- Maintaining records that reflect the analysis and actions.

According to HUD, impediments to Fair Housing choice are:

- Any actions, omissions, or decisions taken because of race, color, religion, sex, disability, familial status or national origin which restrict housing choices or the availability of housing choices.
- Any actions, omissions, or decisions which have the affect of restricting housing choices or the availability of housing choices on the basis of race, color, religion, sex, disability, familial status or national origin.

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

The HOME Consortium cities promote the placement of new and rehabilitated housing for lower-income households in a wide spectrum of neighborhoods. The zoning ordinances and other land use policies do not appear to significantly impact the provision of lower-income housing. Other than in the southern section of Covington, zoning subdivision, and other requirements do not restrict the level of density required for low- and moderate- income housing, nor the location of facilities for persons with disabilities. Covington has adopted the Kentucky Building Code in its entirety. The Kentucky Building Code is based upon the BOCA National Building Code and incorporates an accessibility provision.

The City will continue to educate the public and city leaders regarding barriers to affordable housing through outreach efforts with its partner organizations.

Discussion

The City of Covington/Northern Kentucky HOME Consortium conducted a new Analysis of Impediments in the 2013-14 Program Year to complement the 2013-17 Consolidated Plan. Below is a list of the impediments discovered and the actions to be taken:

Impediment #1: **Isolation due to affordability issues** - Action 1 – Continue offering Homebuyer Assistance utilizing HOME funds; Action 2 – Work with realtors to market homes in a broader manner; Action 3 – When working with developers, encourage mixed income developments

Impediment #2: Ability of low-income households to purchase housing - Action 1 – Encourage and market credit counseling services offered through other entities through the City's website; Action 2 – Encourage the continuation of the "Bank On Campaign", which helps low income households obtain bank accounts (also helps with rental as well to establish financial banking history); market the program on the City's website

Impediment #3: Foreclosures due to predatory lending in low-income census tracts - Action 1 – Encourage families to participate financial education, financial literacy courses, etc. by providing information on the City's website; Action 2 – Continue to require HUD approved homebuyer counseling for all HOME homebuyer program participants

Impediment #4: Public awareness - Action 1 – Work with the Human Rights Commission; Action 2 – Post information on the city's website, brochures, public events, newsletters; Dedicate funds in PY 2014 CDBG budget to facilitate fair housing education - Action 3 – Inform/educate landlords through outreach efforts including trainings, mailings, information on City's website; Action 4 – Support consumer education programs, such as homebuyer counseling; Action 5 – Participate in Fair Housing education efforts for Consortium Cities employees, and CDBG and HOME recipients; Action 6 – Market units financed through City efforts to groups least likely to apply for assistance by working through entities that work with minority and disabled populations; Action 7 – Promote Fair Housing month

Impediment #5: Physical accessibility - Action 1 – Educate landlords and residents on reasonable

accommodations requirements; Action 2 – Use of CDBG funds to provide handicap ramps for sidewalks

Impediment #6: Discrimination due to race, ethnicity, gender, disability - Action 1 – Continue relationship with local and state Human Rights Commission; Action 2 – Education of City Staff on recognizing discrimination

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

Introduction

Described below are the city's planned actions to carry out the following strategies outlined in the Consolidated Plan.

Actions planned to address obstacles to meeting underserved needs

Obstacles to meeting underserved needs have been identified. These obstacles include: the lack of adequate financial resources, the need for increased supportive services, the increasing cost of housing, the need to expand economic opportunities, the need to coordinate resources, and the need to inform households of available services.

Programs funded with CDBG and HOME will continue to try to address these underserved needs. Additional funding sources will be utilized as available from the public and private sector. Programs will be implemented to provide public services and to increase affordable housing and economic opportunities. There will be additional coordination of resources and outreach will be expanded to ensure that the public is aware of available resources.

Actions planned to foster and maintain affordable housing

HOME funds will be used to foster affordable housing by assisting low-income homebuyers through the Homebuyer Assistance Purchase Program and CHDO development activities. CDBG and HOME funds will be used for Housing Development Activities to develop affordable housing units in Covington and the HOME Consortium cities.

CDBG funds will be used to maintain affordable housing through homeowner rehab and repair programs. The City will partner with local HUD approved homeowner counseling agencies to assist with foreclosure prevention and pre-purchase counseling.

Actions planned to reduce lead-based paint hazards

Lead Based Paint Policy

All homes that were built pre-1978:

Homebuyer Program – A visual assessment is performed to identify any deteriorated paint at or in excess of de-minimis standards and notification of the results are passed to homebuyer. Paint stabilization utilizing safe work practices by a RRP Certified Contractor is required for paint deterioration above de-minimis followed by obtainment of Clearance testing.

Rehabilitation Program – A visual assessment is performed to identify any deteriorated paint at or in

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excess of de-minimis standards and notification of the results are passed to homeowner. Additional steps are outlined below as it pertains to funding amount. (Funding amount is per unit rehabilitation hard costs and do not include costs of lead hazard evaluation and reduction.)

$0.00 - $5,000.00 "Do no harm" approach. Lead safety requirements cover only the surfaces being disturbed. Presume surfaces contain lead-based paint. Work which disturbs painted surfaces presumed to contain lead-based paint is done using lead safe work practices by a RRP Certified Contractor and clearance of the worksite is performed at the end of the job (unless it is a very small "de minimis" scale project) to ensure that no lead dust hazards remain in the work area.

$5,001.00 - $25,000.00 Identify and control lead hazards. Identify all lead hazards by performing a lead-based paint risk assessment. RRP Certified Contractors must control the hazards using interim controls and clearance of the worksite is performed at the end of the job to ensure that no lead dust hazards remain in the work area.

$25,001.00 or more Identify and abate lead hazards. Identify all lead hazards at the property by performing a risk assessment and then abate all the hazards. This approach requires certified abatement contractors perform the abatement part of the job and clearance of the worksite is performed at the end of the job to ensure that no lead dust hazards remain in the work area.

This policy is not applicable to homes that were built in 1978 or after.

Actions planned to reduce the number of poverty-level families

Programs funded with CDBG and HOME provide homeowner rehabilitation and repairs, new construction of rental and homeowner units and down payment assistance for income-eligible homebuyers. These activities, that produce and preserve affordable housing, are important in reducing the number of poverty-level families in the city. Using CDBG funding, city programs also support activities that provide public services and recreational activities.

Section 8 agencies in Kenton and Campbell Counties administer Family Self-Sufficiency Programs and Section 8 to Homeownership Programs to guide Section 8 families on a path of financial stability.

The city implements the federally required Section 3 program, where applicable, to ensure that employment or contracting opportunities generated by HUD funded projects give preference to qualified low and very low income persons or business concerns.

Actions planned to develop institutional structure

CDBG and HOME funds are administered through the Department of Development's Programs and Strategic Projects Division (PSP). The PSP oversees the management and expenditure of these funds with assistance from the City's Finance Department. Functions of the department include planning and policy-making, program administration, management of grants and loans and monitoring. The PSP also manages the implementation of all activities funded by the CDBG and HOME Programs.

The City of Covington is a HOME participation jurisdiction and is the lead entity of the Northern Kentucky HOME Consortium. The Consortium includes Covington and the cities of Ludlow, Newport, Bellevue and Dayton. There is a Governing Board with one representative from each municipality serving as a voting member. This representative is the Mayor or his/her designee. This Board establishes all policies and procedures, determines funding allocations, controls all activities and will instruct Covington during implementation of the program in accordance with the Bylaws. However, Covington, as the lead entity, ultimately approves all funding decisions.

There is also an extensive structure of other agencies, non-profit and for-profit developers, educational institutions, neighborhood and community organizations, non-profit funders, affordable housing developers, business, economic development and workforce development organizations, lenders, private funders and healthcare providers that work towards implementing the goals of the Consolidated Plan.

The City realigned staff to ensure clear roles and responsibilities and will continue to update the procedures to monitor all HOME and CDBG programs and activities internally and externally to ensure program effectiveness and efficiency. All individual activity files will be monitored by the Grants Administrator, with assistance from the PSP Manager, annually to ensure compliance with all program rules and regulations. This includes homeowner rehab programs, homebuyer programs, recreation programs, public facilities and improvements, business retention programs, crime prevention efforts, code enforcement and any other activities funded in whole or in part with HOME or CDBG. An onsite monitoring schedule will be created for all external monitoring requirements i.e. CHDO annual monitoring and past projects funded with CDBG or HOME that require ongoing monitoring. External monitoring will be conducted by the Grants Administrator with assistance from the PSP Manager. No CDBG or HOME funds are released for any project or activity without prior review by the Grants Administrator and PSP Manager.

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

There are a number of ongoing collaborative efforts in the community. The City maintains communications and a cooperative relationship with the following community based organizations: Covington Neighborhood Collaborative, Center for Great Neighborhoods, Housing Opportunities of

Northern Kentucky, Entryway, the United Way, the Catalytic Development Fund of Northern Kentucky, the Life Learning Center, Vision 2015, Catholic Charities of Northern Kentucky, The Brighton Center, The Welcome House, Covington Human Rights Commission, real estate professionals and lenders.

The City will continue to foster and expand these cooperative efforts to further the goals of the Consolidated Plan.

Discussion

Program Specific Requirements

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

Introduction

The following are the program specific requirements for the Annual Action Plan.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(l)(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	117,106
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.	25,000
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:	**142,106**

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.	90.00%

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

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

   Covington/NKY HOME Consortium will only utilize HOME entitlement funds for eligible activities

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within 92.205. Other forms of investments are private lender primary mortgage funds from the buyer.

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 City of Covington provides HOME Program funds to create affordable housing units and assist income eligible families with the purchase of a home. The following Recapture Policy ensures that the city recoups all or a portion of the HOME assistance paid to the homebuyers in the event that the assisted housing does not continue to be the principal residence of the family through the duration of the affordability period. The HOME investment that is subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to purchase the dwelling unit. This includes any HOME assistance that reduced the purchase price from the 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 (the development subsidy). Covington does not use the re-sale provision for HOME homebuyer projects.

   The following minimum affordable periods will be imposed on all HOME funded homebuyer activities based on the level of funding provided:

- Under $15,000 – 5 years
- $15,000-$40,000 – 10 years
- Over $40,000 – 15 years

   To ensure recapture, the City will execute a HOME program agreement, a promissory note and a mortgage. The borrower agrees to remain in the property as the principal place of residence for a period of no less than the minimum required period of affordability from the date of the execution of the agreements. If the property is sold or the borrower does not reside in the premises for the required minimum period of affordability, the outstanding principal balance shall immediately become due and payable (recapture provision) as outlined in the Promissory Note.

   The HOME mortgage is recorded on the property for the term of the agreement. HOME funds are provided to homebuyers in the form of interest-free, deferred-forgivable loans. The loan balance is repaid in a lump sum upon the sale, transfer or vacating of the property.

   When the recapture provision is triggered by a sale (voluntary or involuntary) of the housing unit, and there are no net proceeds or the net proceeds are insufficient to repay the HOME investment due, the City will only recapture the net proceeds, if any. “Net proceeds” is defined as the sales price minus superior loan repayment (other than HOME funds) and any closing costs.

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:

   See above description.

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.

Discussion