

2013-2017 Consolidated Plan

Covington, KY

Revitalization Strategy Area

This portion of the plan is to specifically address HUD NRSA Review
Requirements for the 2013-2014 Annual Action Plan

October 2013

NRSA Goals:

1. Build strong neighborhoods.
2. Make neighborhoods attractive for investment.
3. Encourage and maintain neighborhood participation for long-term stability of the neighborhood.
4. Encourage mutual participation from citizens, financial institutions, churches, non-profit developers and the Department of Development Office
5. Encourage neighborhood advisory boards to be involved in the process of identifying needs within the neighborhood.
6. Attack the problems associated with declining neighborhoods with a multi-pronged coordinated approach.
7. Economic empowerment of low to moderate-income residents within the most distressed neighborhood of our community.

NRSA Job Creation/ retention as Low/ Moderate Income Area Benefit

Eliminates the needs to track income of persons hired for jobs created with federal funds.

NRSA Aggregate of Housing Units

Allows for greater flexibility to carry out housing programs that revitalize neighborhoods. All housing created or maintained in the area will be assumed to assist low to moderate-income families and persons.

NRSA Aggregate Public Benefits Standard Exemption

Increase flexibility for economic development activities by reducing record keeping requirements.

NRSA Boundaries

The Covington Neighborhood Revitalization Strategy Area (COV-NRSA) shall be bounded on the North by the Ohio River, West by the I-71/75 Expressway, East by the Licking River and on the South by 13th Street on the West of the rail line and 15th Street on the East of the rail line (See Map #1). The Center City NRSA is located within Census Tract #603, 607, 670, 671, which consists of an aggregate of 72% low to moderate income households. The Revitalization Area is a primarily residential area and includes some areas of commercial and industrial property, but it contains ____% residential. In Conjunction with the Consolidated Plan process, consultations with stakeholders interested in center city redevelopment have been held. The area includes older residential housing that is blighted and in need of quality investment. The Economic Empowerment of the Strategy Area rests in the revitalization of this older residential housing stock. Increasing home ownership and quality rental units within this area will stimulate economic development within the area.

NRSA Demographic Criteria

All of the Census and Block Groups have low to moderate-income households in excess of 51% (see exhibit table # 1) The Revitalization Area is primarily residential and includes some business areas.

Table 1: Covington Center City 2010 Estimated Census Tract

Census Tract	Population	Housing Units	Low Mod Income	% White	% African American	% Other Minority
603	1577	1000	79	84	7.9	8.1
607	1587	959	79	72.4	16.8	10.8
670	3464	2099	58	79.6	13.5	6.9
671	1970	1101	77	39.3	51.2	9.5
Cov	40,640	20,053	63	82	11.9	6.1

Sources: Census.gov; ffiec.gov

NRSA Consultation

Numerous meetings were held with all stakeholders involved over the past year. These stakeholders include the following:

1. Citizens
2. Business owners
3. Financial Institutions
4. Non-profit organizations
5. Neighborhood advisory boards
6. City Staff

Discussions were held during the Consolidated Plan process. The City was awarded a HUD Community Challenge Grant in 2010 and have had extensive community input to develop a Center City Action Plan. In addition, a public hearing had been held to specifically discuss the NRSA and was adopted by Commission on _____.

NRSA Assessment

The economic conditions of the Strategy Area are as follows:

1. High amount of unemployment
2. Number of businesses
3. Large percentage of service providers
4. Access to capital can be difficult
5. Housing needs include issues like need for quality housing and affordable prices
6. Targeted funding is currently being used.
7. Deterioration is prominent in the area and development activities are little to non-existent.
8. The area has a tremendous amount of potential economic improvement that could have major impacts on other adjacent residential and business areas.

The following economic development opportunities have been identified within the area:

1. The continued rehabilitation of single-family homes will re-establish the neighborhood as a strong community.
2. Rehabilitation of store fronts of mixed-use buildings will remove barriers for small businesses to fill spaces creating increases in activity and jobs in center city.
3. Rehabilitation of the upper floors of mixed-used buildings into residential units.
4. A \$40 million Hope VI investment transforming a block of public housing into a mix of market-rate and subsidized housing.

Possible problems that have been identified that could deter economic development within the area are:

1. Cost prohibitive to rehabilitate existing structures to meet necessary code and historic compliance.
2. Lack of quality rental units to market to an emerging market.
3. Downtown crime.
4. Inexperience of potential developers, business owners and entrepreneurs.

NRSA Economic Empowerment

The following development strategies will promote the Area’s economic progress and the creation of meaningful jobs for the unemployed and low to moderate-income residents:

1. Focus resources in areas to make greatest impact.
2. The stabilization of the older residential neighborhoods will strengthen the overall community and support the downtown.
3. The renovation and construction of quality, affordable rental units and store fronts will stimulate the local economy and provide new jobs and increase activity in the downtown core.

Covington Neighborhood Redevelopment Strategy Area Performance Measurements

The following Benchmarks will be set for the Strategy Area to be completed by PY2017:

Measurable Item	Number or Measure	Estimated HOME Investment	Estimated CDBG Investment	Estimated City Investment	Estimated Private Investment
Quality center city rental units constructed or renovated	15	-	\$300,000	\$300,000	\$600,000
Existing Homes Renovated	37	\$75,000	\$375,000	-	-
Beautification Improvement	6 projects	-	\$100,000	\$50,000	\$75,000

Infrastructure Improvement	18 projects	-	\$500,000	\$2,000,000	-
TOTALS		\$75,000	\$1,275,000	\$2,350,000	\$675,000

Other Investments (Not Measured)

This plan refers to other investments and goals that are not included within the performance measurements. The additional plans listed below include development and revitalizations efforts within the NRSA funded by City general and capital funds, as well as, funding leveraged through our partners.

1. 2013-2017 Consolidated Plan for the City of Covington
2. Analysis of Impediments to Fair Housing Choice
3. Crime Prevention Activities
4. Programming Activities
5. Center City Action Plan
6. Licking River Greenway Master Plan
7. Annual Action Plan
8. Northern Kentucky Catalytic Development Fund
9. Gateway Community College Urban Campus

Consultation with Kentucky HUD CPD Field Office

The State Field Office was consulted and assistance was received on the formulation of the Neighborhood Revitalization Strategy Area submission. It is the City of Covington’s commitment to work with HUD in creating meaningful documents that further the quality of life for the low to moderate-income residents of Covington.

Annual Action Plan Reference

The City of Covington is not formally committing itself to use Federal Funds for future years; it will show in each year’s Annual Action Plan the specific activities it plans to assist with any of the HUD formula program funds covered in the Consolidated Plan for that year. Projects that will pursue the strategy to revitalize the Strategy Area will be clearly identified.

Annual Performance Reporting on Approved Neighborhood Revitalization Strategy Area

The Consolidated Annual Performance and Evaluation Report (CAPER) is prepared annually after the end of the program year. By providing detailed financial and beneficiary information, the report explains how the City is carrying out its housing and community development strategies, projects, and activities. Activities that occur within the NRSA will be reported in the CAPER.

2013-2014 HOME Action Plan Budget (Covington NRSA)

HOME Funding	Total	Private	HOME Funds	Total Investment
HOME homebuyer Assistance	5	\$0	\$50,000	\$50,000
CHDO Homebuyer	1	\$40,000	\$36,718	\$76,718
HOME Owner Rehab (low)	0	\$-	\$-	\$-
Project Totals	6	\$40,000	\$86,718	\$126,718

NOTE: While HOME funds are not provided flexibility through the NRSA designation, the addition of these funds supports the activities funded through CDBG dollars.

2013-2014 CDBG Action Plan Budget (Covington NRSA)

CDBG Funding	Total	Private	CDBG Grant	Total Investment
CDBG Owner Rehab (low)	7	\$-	\$75,000	\$75,000
CDBG Rental Rehab	3	\$60,000	\$60,000	\$120,000
CDBG Small Business Program	8	\$-	\$50,000	\$50,000
CDBG Anti-Crime Program	1	\$-	\$50,000	\$50,000
CDBG Covington Infrastructure	3	\$500,000	\$230,000	\$730,000
Project Totals	22	\$560,000	\$465,000	\$1,025,000

Covington Neighborhood Projected Statistics 2018

Redevelopment Plan Implementation	2013-2018
PVA Values Before	\$26.8M (2009)
PVA Values After	\$32.3M (2015)

Increase in PVA Value	\$5.5M
% Increase in PVA Value	20%
Rate of Homeownership Before	52% (2009)
Rate of Homeownership After	63% (2015)
Public Investments	\$3,500,000
Vacancy Rate Before	
Vacancy Rate After	
Private Investments	\$4,000,000
Total Investments	\$7,500,00

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