

City of Covington

Consolidated Annual Performance Evaluation Report Community Development Block Grant Funds (CDBG) Home Investment Partnerships Funds (HOME)

Program Year 2016-17

July 1, 2016- June 30, 2017

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

Over the past program year, the City of Covington pursued the goals and objectives outlined in the PY 2016 Annual Action Plan and the PY 2013-18 Consolidated Plan. Below is a summary of program year accomplishments:

- Completed 6 homeowner rehabs through the City's housing rehab programs. These programs addressed urgent home repair needs for very-low and low-income homeowners, giving priority to elderly, disabled and veteran households. 16 additional rehabs are currently under construction and will be completed in PY 2017. New applications are being reviewed.
- Partially completed 2 Upper Floor Residential Rent rehab units that will be completed in early PY 2017. Approved the application for 4 new rental units that will begin construction in early PY 2017. This program creates new affordable rental units in previously vacant upper floor space of mixed-use buildings in the City's urban core. The City is working to identify potential future projects.
- The City completed 1 CHDO rehab in the HOME Consortium using HOME funds. This rehabbed property created a new homeownership opportunity for a low-income household. 4 new CHDO homeownership projects were formally approved and will begin construction in early PY 2017. 5 new projects are being reviewed for approval.
- The Homebuyer Assistance Program created 81 new low-income homeowners by providing deferred/forgivable loans to cover lender required down payment and closing costs. This program continues to be widely utilized in all of the HOME Consortium cities.
- The City utilized CDBG and HOME funds to complete construction on the Lincoln Grant Scholar House. This is an affordable rental project that created 25 rehabbed units in the former Lincoln Grant school building and 20 new units in an adjacent newly constructed building. The Scholar House was fully occupied within a few months of completion.
- Public improvement efforts occurred including: street improvements and installation of ADA sidewalk ramps, design work for two large street reconstruction projects that will occur in PY 2017, and park facility improvements to Randolph Park, Gus Sheehan Park, Austinburg Park and Father Hanses Park. Father Hanses Park was completely remodeled after years of being under-utilized. This was an important project because it is located in a neighborhood with little access to park and recreational opportunities.
- The City continued to implement crime prevention efforts in the downtown core and in targeted public housing complexes, providing increased police presence in these targeted areas.
- The City increased code enforcement efforts in LMI targeted areas.
- The City partnered with the Covington Public Schools to offer summer recreational programs for Covington youth.

- The City provided technical assistance to existing local businesses through the Business Retention Program.
- The City worked to identify potential projects to utilize its \$4 million Section 108 Economic Development Loan Pool that was awarded in 2014.
- The Department continued to implement strategies to address the Analysis of Impediments to Fair Housing Choice (AI). The AI serves as our basis for fair housing planning, and provides essential information in building public support for fair housing efforts.

These accomplishments furthered the goals established in our strategic plans. City staff, in collaboration with the Louisville Field Office and our other partner agencies will continue to be diligent to further promote these goals in future program years.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee’s program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Business 1st Grant Program	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	10	17	170.00%			
Business 1st Grant Program	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	15	4	26.67%			
Business Development Staff	Non-Housing Community Development	CDBG: \$	Facade treatment/business building rehabilitation	Business	0	1				
Business Development Staff	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	30	377	1,256.67%	100	172	172.00%

CDBG Administration	Affordable Housing Public Housing Homeless Non- Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0		30000	45280	150.93%
CDBG Administration	Affordable Housing Public Housing Homeless Non- Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0		36723	36723	100.00%

CDBG Administration	Affordable Housing Public Housing Homeless Non- Homeless Special Needs Non-Housing Community Development	CDBG: \$	Rental units rehabilitated	Household Housing Unit	0	0		4	47	1,175.00%
CDBG Administration	Affordable Housing Public Housing Homeless Non- Homeless Special Needs Non-Housing Community Development	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	0	0		26	22	84.62%

CDBG Administration	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Housing Code Enforcement/Foreclosed Property Care	Household Housing Unit	0	0		500	991	198.20%
CDBG Program Staff	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development Program Staff	CDBG: \$	Rental units rehabilitated	Household Housing Unit	0	60		6	47	783.33%

CDBG Program Staff	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development Program Staff	CDBG: \$	Homeowner Housing Added	Household Housing Unit	0	4		5	1	20.00%
CDBG Program Staff	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development Program Staff	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	0	62		26	22	84.62%

CDBG Program Staff	Affordable Housing Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development Program Staff	CDBG: \$	Direct Financial Assistance to Homebuyers	Households Assisted	0	291		75	81	108.00%
Code Enforcement Hardship Rehab/Repair	Affordable Housing Non-Homeless Special Needs	CDBG: \$	Homeowner Housing Added	Household Housing Unit	0	0				
Code Enforcement Hardship Rehab/Repair	Affordable Housing Non-Homeless Special Needs	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	75	62	82.67%	26	22	84.62%

Code Enforcement Staff	Affordable Housing Non-Housing Community Development	CDBG: \$	Housing Code Enforcement/Foreclosed Property Care	Household Housing Unit	15827	64737	409.03%	500	991	198.20%
Covington CHDO Development Projects	Affordable Housing	HOME: \$	Homeowner Housing Added	Household Housing Unit	5	2	40.00%	1	0	0.00%
Covington Homebuyer Assistance Program	Affordable Housing	HOME: \$	Homeowner Housing Added	Household Housing Unit	0			0		
Covington Homebuyer Assistance Program	Affordable Housing	HOME: \$	Homeowner Housing Rehabilitated	Household Housing Unit	0	0				
Covington Homebuyer Assistance Program	Affordable Housing	HOME: \$	Direct Financial Assistance to Homebuyers	Households Assisted	120	200	166.67%	45	56	124.44%
Crime Prevention	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	6895	57160	829.01%	6895	38610	559.97%
Economic Development Technical Assistance	Non-Housing Community Development	CDBG: \$	Facade treatment/business building rehabilitation	Business	0	1		0	1	

Economic Development Technical Assistance	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	0	377		100	171	171.00%
HOME Administration	Affordable Housing	HOME: \$	Homeowner Housing Added	Household Housing Unit	0	0		5	0	0.00%
HOME Administration	Affordable Housing	HOME: \$	Direct Financial Assistance to Homebuyers	Households Assisted	0	291		45	56	124.44%
HOME Program Staff	Affordable Housing	HOME: \$	Direct Financial Assistance to Homebuyers	Households Assisted	0	128				
Interim Assistance	Affordable Housing Non-Housing Community Development	CDBG: \$	Other	Other	100	57	57.00%	5	0	0.00%
NKY HOME Consortium Administration	Affordable Housing	HOME: \$	Homeowner Housing Added	Household Housing Unit	0	0		1	1	100.00%
NKY HOME Consortium Administration	Affordable Housing	HOME: \$	Direct Financial Assistance to Homebuyers	Households Assisted	0	91		30	25	83.33%
NKY HOME Consortium CHDO Development Projects	Affordable Housing	HOME: \$	Homeowner Housing Added	Household Housing Unit	5	2	40.00%	1	1	100.00%

NKY HOME Consortium Homebuyer Assistance Program	Affordable Housing	HOME: \$	Homeowner Housing Added	Household Housing Unit	0			0		
NKY HOME Consortium Homebuyer Assistance Program	Affordable Housing	HOME: \$	Direct Financial Assistance to Homebuyers	Households Assisted	100	91	91.00%	30	25	83.33%
NKY HOME Consortium Program Staff	Affordable Housing	HOME: \$	Direct Financial Assistance to Homebuyers	Households Assisted	0	44				
Place Matters	Affordable Housing Non-Housing Community Development	CDBG: \$	Homeowner Housing Added	Household Housing Unit	5	3	60.00%			
Public Facilities Senior Center	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	6166	0	0.00%			
Recreation Programs	Non-Homeless Special Needs Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	29828	104288	349.63%	29828	37230	124.82%

Relocation	Affordable Housing	CDBG: \$	Other	Other	10	2	20.00%	5	1	20.00%
Section 108 ED Loan pool	Non-Housing Community Development	CDBG: \$	Jobs created/retained	Jobs	0	0		1	0	0.00%
Section 108 ED Loan pool	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	25	0	0.00%	1	0	0.00%
Section 108 Hope VI Repayment	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	40640	0	0.00%			
Streets, Playgrounds, Greenspace	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	29828	112690	377.80%	30000	45280	150.93%
Streets, Playgrounds, Greenspace	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0				
Upper Floor Residential Rent Rehab Program	Affordable Housing	CDBG: \$	Rental units rehabilitated	Household Housing Unit	15	15	100.00%	4	2	50.00%
Upper Floor Residential Rent Rehab Program	Affordable Housing	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	0	0		0	0	

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG	HOME
White	40	75
Black or African American	24	7
Asian	2	0
American Indian or American Native	0	1
Native Hawaiian or Other Pacific Islander	0	1
Total	66	84
Hispanic	1	0
Not Hispanic	65	84

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

The City broadly markets CDBG and HOME programs to encourage increased minority participation. City staff attends public events such as the Senior Expo, Veterans Fair and the Old Timers Celebration which attract minority, elderly and veteran populations. The City has partnered with the Human Rights Commission to market CDBG home repair programs to underserved populations. 16 of 44 new rental units are occupied by African American households, 2 by Asian households, 1 by Hispanic households. 8 of 22 CDBG home repair program loans were awarded to African American households. 6 of 81 homebuyer loans were awarded to African American households, 1 awarded to American Indian/American Native household, 1 to Native Hawaiian/Other Pacific Islander household. In PY 2017, city staff will explore marketing efforts to increase minority participation in homebuyer programs.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	CDBG	2,241,673	1,400,561
HOME	HOME	867,044	738,038
HOPWA	HOPWA		
ESG	ESG		
Other	Other		

Table 3 - Resources Made Available

Narrative

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description

Table 4 – Identify the geographic distribution and location of investments

Narrative

CDBG funds were utilized in multiple neighborhoods throughout the City. Infrastructure improvements occurred mainly in the central city neighborhoods based on the City's survey of street improvement and park improvement needs. Homeowner rehabilitation activities occurred throughout the City. These programs are targeted to elderly, disabled and veteran households, not targeted geographically. The Upper Floor Residential Rehab Program is a rental rehab program that is targeted to the Downtown Core Area and the Ritte's Corner business district in the Latonia neighborhood. This program created 2 new affordable rental units. Crime prevention activities were targeted to high crime areas and the City Heights Public Housing Complex. These areas are identified by the Police Department as areas of focused crime prevention efforts. There were multiple activities that occurred city-wide serving low-mod income areas including code enforcement activities, business retention efforts and recreation programs. CDBG/HOME housing development was utilized in the Eastside neighborhood to redevelop the Lincoln Grant Scholar House into 45 affordable rental units.

HOME homebuyer programs are available city-wide in the HOME Consortium cities of Ludlow, Covington, Newport, Bellevue and Dayton.

Map is attached showing the geographic distribution of CDBG and HOME funds.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

CDBG and HOME funds leveraged, private, state and local funds in the following amounts:

CDBG:

-Street improvement projects leveraged \$447,719 in Capital funds

-Crime Prevention activities leveraged \$50,000 in funds from the Housing Authority of Covington

-Housing Development activities leveraged \$10,903,488 in owner contributions, private lender financing, other grants, and tax credits

HOME:

-Homebuyer Assistance Programs leveraged \$6,700,629 in private mortgage funds

-Homebuyer Assistance Programs leveraged \$5,000 in FHLB down payment funds

-CHDO rehabs leveraged \$131,492 in private financing and other grants

-HOME rental projects leveraged \$10,648,488.00 in private lender financing, other grants, and tax credits

The City met HOME matching requirements with excess match from the prior Federal fiscal year.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	661,613
2. Match contributed during current Federal fiscal year	0
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	661,613
4. Match liability for current Federal fiscal year	64,340
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	597,273

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period \$	Amount received during reporting period \$	Total amount expended during reporting period \$	Amount expended for TBRA \$	Balance on hand at end of reporting period \$
0	0	0	0	0

Table 7 – Program Income

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period

	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Dollar Amount	0	0	0	0	0	0
Number	0	0	0	0	0	0
Sub-Contracts						
Number	2	0	0	2	0	0
Dollar Amount	18,491	0	0	18,491	0	0
	Total	Women Business Enterprises	Male			
Contracts						
Dollar Amount	0	0	0			
Number	0	0	0			
Sub-Contracts						
Number	2	2	0			
Dollar Amount	1,166,697	1,166,697	0			

Table 8 - Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted

	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition

Parcels Acquired		0	0			
Businesses Displaced		0	0			
Nonprofit Organizations Displaced		0	0			
Households Temporarily Relocated, not Displaced		0	0			
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

Table 10 – Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	110	148
Number of Special-Needs households to be provided affordable housing units	0	0
Total	110	148

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	5	45
Number of households supported through Rehab of Existing Units	30	22
Number of households supported through Acquisition of Existing Units	75	81
Total	110	148

Table 12 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The goals related to creation, acquisition and rehabilitation of affordable units were achieved in Program Year 2016. The City exceeded its goals for homeowner and rental rehabilitation projects. The 45 unit Lincoln Grant Scholar House affordable rental project was completed. The Homebuyer Assistance Programs continue to be utilized at a high rate and exceeded projected goals. The HOME Consortium cities continue to be a popular destination for homebuyers, especially first-time buyers. The goals for homeowner rehabilitation projects were not met, mostly due to the lack of qualified, lead

certified contractors. Rehab cases are pending until available contractors finish current jobs. Current rehab program projects will be completed when contractors become available.

Discuss how these outcomes will impact future annual action plans.

The creation and sustainability of affordable housing opportunities for both ownership and rental continues to be a major need. Therefore, Homebuyer Assistance Programs funded with HOME dollars will continue to be offered to promote homeownership in the HOME Consortium cities. The programs are evaluated each year to ensure that they are designed to meet the needs of low-income buyers and are compatible with market trends and lending practices.

The City has a large inventory of aging housing stock occupied by low-income owners. These owners often experience hardship, especially with urgent home repair needs. Therefore, CDBG funds will continue to be allocated for homeowner repair programs. These programs focus on urgent home repairs and are targeted to the most needy in our population consisting of elderly, disabled and veteran households. Rehab projects are taking too long to complete based on available, qualified contractors. To address this issue, city staff will increase outreach to potential contractors. Also, city staff will look to offer training and certification programs so that potential contractors have access to the required lead certifications needed to perform HUD assisted rehabilitations.

There is a consistent demand for affordable rental opportunities. The City will continue to offer the Upper Floor Residential Rehab Program to create new, affordable rental opportunities. This program was initially only available in the downtown core area. This year the City expanded the program to the Ritte’s Corner Business District in the Latonia neighborhood. Staff will increase outreach to business owners regarding the availability of this program.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	46	0
Low-income	11	9
Moderate-income	10	72
Total	67	81

Table 13 – Number of Households Served

Narrative Information

Number of persons served through CDBG programs: Homeowner Rehab: 3 extremely low-income, 9 low-income and 10 moderate-income households. Lincoln Grant Scholar House rental rehab: 43 extremely low-income, 2 low-income.

Number of persons served through HOME programs: Homebuyer Assistance Program: 9 low-income and 72 moderate-income.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

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

In PY 2016, the City supported the efforts of multiple local agencies in the Region III Continuum of Care to address the needs of homeless persons in Covington. Welcome House, NorthKey, Transitions Inc., HealthPoint Family Care, Women's Crisis Center among others contributed to the regional efforts to address homeless issues including ending chronic homelessness.

The Covington Housing Authority and Section 8 Program addressed veteran homelessness by reaching out to veterans with public housing application information, ongoing efforts to obtain additional VASH vouchers for Section 8, and priorities given to veterans on public housing waiting lists.

Addressing the emergency shelter and transitional housing needs of homeless persons

The Emergency Shelter of Northern Kentucky provided shelter to adults who are homeless. They provide the basic life necessities (shelter, safety, food, clothing, showers and laundry) so that guests will be able to move forward in life. They are Northern Kentucky's only handicap accessible shelter and the only shelter which will take in people who are referred by the police or the emergency room in the middle of the night. Guests, while getting their basic needs met are also being provided with guidance to help them recover from homelessness. They work on finding employment, staying sober, receiving consistent medical care, applying for disability, creating resumes and saving money.

Transitions, Inc. provided transitional housing to homeless individuals in Covington. Transitions, Inc. also administered its Homeless Services Project, which 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.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after 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); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

Gaining Access through Programs and Services (GAPS) program is a collaborative Supportive Services Only (SSO) involving three agencies working together whose clients often report multiple issues which have led to or prolonged their homelessness. Services were provided onsite at all of the collaborative

agencies' locations: Welcome House at 205 W. Pike Street, Transitions at the WRAP House on 19th St. Covington or Detox services in Bellevue or Women's Crisis Center at 8th Street, Covington. The program served singles and families of all ages. Since each agency in the collaborative has specialized concentration in one of the problem areas that often contribute to homelessness, they are able as a whole to meet the multiple needs of families struggling to obtain and maintain stability with employment/benefits, housing, physical and mental health, and basic life skills. Although an SSO, GAPS is able to access significant affordable housing for clients by developing successful working relationships with private landlords, PHA's and other housing options leveraging case management services for people with poor rental histories. Rapid Re-housing funds have helped shorten the length of stay in Shelter and stabilize families. Considerable in-kind services are leveraged for this program adding to its success. A liaison from Covington Independent School District worked with staff to attend to the educational needs of homeless children and youth and also coordinated with other school districts. For adults, the program included a financial education and an educational component with the goal of improving rates of clients obtaining a GED with the local community college. The addition of a computer lab and training room enhance employment and educational services. Upon first point of contact with one of the collaborative partners, families were assessed in several areas and an agency is named as primary provider at that time, according to the greatest need for services. In addition to initial and on-going assessment for service needs, all clients are screened for mainstream benefits.

Some of the positive outcomes from the GAPS Program include: 91% of 450 Adults and children exited into permanent housing; 53% of 333 adults increased their total income; 93% of 425 adults accessed public benefits; Of 672 total clients, 362 (54%) had income upon entry; Of the 333 adults that exited the program, 208 (62%) had income.

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

Transitions, Inc. administered multiple housing programs to assist homeless persons transition into permanent housing. The Hermes Avenue Project provided permanent supportive housing to 4 homeless individuals and 4 homeless families. The Permanent Housing Initiative provided permanent supportive housing to 16 homeless individuals with disabilities. The Affordable Housing Project provided permanent supportive housing to 12 homeless individuals.

NorthKey Community Care administered a Rental Subsidy Program which is a permanent housing program for homeless and disabled.

Welcome House managed Kings Crossing in which 8 units of permanent, affordable housing for the homeless were made available.

GAPS is able to access significant affordable housing for clients by developing successful working relationships with private landlords, PHA's and other housing options leveraging case management services for people with poor rental histories. Rapid Re-housing funds have helped shorten the length of stay in Shelter and stabilize families. Considerable in-kind services are leveraged for this program adding to its success.

The City of Covington's Housing Consortium administered 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) administered Housing Choice Vouchers for the City of Newport and Bellevue. The Housing Department of Campbell County administered Housing Choice Vouchers for the rest of Campbell County and Pendleton County.

The Housing Authority of Covington operated over 800 units including three family sites and two elderly sites.

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

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

There were multiple efforts ongoing during the 2016 Program Year to address the needs of public housing. The Housing Authority of Covington and the City of Covington implemented public housing programs and Section 8 assistance programs.

The Housing Authority of Covington administers public housing new construction, rehabilitation/modernization activities and home ownership opportunity programs. 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.

New public housing opportunities were completed including the Lincoln Grant Scholar House (a \$700,000 LIHTC project to provide 45 units of project based Section 8 housing with educational and supportive services and completion and sale of new homeownership units as part of HOPE VI funding. City staff, housing authority staff and Section 8 staff are organizing a joint housing fair that is scheduled for the Fall of 2017.

The City's Section 8 Housing Choice Voucher Program addresses the needs of public housing by providing detailed briefing sessions to Section 8 applicants. In Program Year 2016, 674 applicants attended a Housing Choice Voucher briefing session. At this meeting, families learn about fair housing, the portability process and are encouraged to move out of poverty concentration areas.

At the briefing, they listen to a presentation by the Family Self-Sufficiency Coordinator and fill out a questionnaire to gauge their interest. Interested applicants meet with the FSS Coordinator after being admitted to the Section 8 program.

Each quarter during the year, families who claim zero or minimal income attend information meetings where speakers cover topics such as education, financial literacy, becoming business owners, childcare benefits and other self-sufficiency topics.

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

The Resident Services Department of the Covington Housing Authority provided leadership and program support for 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 coordinated the Resident Advisory Board as well as programs for adult education, youth programming and elderly services.

- Adult education programs offered included: GED preparatory classes; academic and computer enrichment classes; and employment readiness through classes that promote personal responsibility, and links to job search services
- Youth programming included: after-school programs; summer camp programs; and work readiness and work experience through summer youth employment programs
- Elderly services included: free congregate meals, as well as educational and recreational opportunities, to low income senior citizens

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

The Section 8 Department administered a Family Self-Sufficiency (FSS) Program to assist Section 8 families to work towards economic self-sufficiency. The Section 8 Department also administered 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. The FSS Program currently has 44 participants. Two families purchased homes through the Section 8 to Homeownership program.

Actions taken to provide assistance to troubled PHAs

The Housing Authority of Covington is not a troubled PHA.

Section 8 Agency KY133 is not a troubled PHA.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken 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. 91.220 (j); 91.320 (i)

The City continuously reviews public policies regarding zoning, building, fees and charges, etc. to limit any negative effects or barriers created to affordable housing creation. New and rehabilitated housing for lower-income households occurred in a wide spectrum of neighborhoods throughout the Consortium cities. Zoning ordinances and other land use policies in the Consortium cities do not appear to significantly impact the creation of affordable housing or have a disparate impact on minority populations. The Consortium cities, for the most part, do not have an abundance of available land for growth or new construction of affordable housing. Therefore, most affordable housing development that has occurred is scattered site rehabilitations and in-fill housing.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

Identified obstacles to meeting underserved needs included: 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.

The lack of adequate financial resources continues to be the main obstacle facing the City and other local organizations in meeting underserved needs. The City encouraged and assisted local agencies to seek out other sources of funds, both public and private. The City often offers technical assistance to providers in their pursuit of other federal, state, or private funding sources.

To address housing affordability, the City continued to focus HOME and CDBG funding into programs to promote affordable homeownership, low-income homeowner rehabilitation, and the creation of new affordable homeownership and rental units.

CDBG funds were utilized for business retention programs in an effort to expand economic opportunities in areas where low-mod jobs are made available. Potential projects were evaluated for the Section 108 Economic Development loan pool which will expand economic opportunities.

The City continued to support non-profit partners, the Covington Housing Authority, homeless providers, and other special needs groups in their goal to meet the underserved persons of the community. The City utilized the outreach of these agencies to inform households in the underserved population of available city programs and services.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

To reduce lead-based paint hazards, the City took the following actions related to our adopted Lead Based Paint Policy for all homes that were built 1978 or before:

Homebuyer Program - Identify and stabilize deteriorated paint thru Notification, Visual Assessment, Paint Stabilization utilizing Safe work practices and obtaining Clearance when work is complete by a Contractor with RRP certification.

Rehabilitation Program - 1) rehab costs \$0-\$5,000 Do no harm thru Notification, Presuming lead-based paint, Use safe work practices on all surfaces and obtaining Clearance when work is complete by a Contractor with RRP certification. 2) \$5,000 - \$25000 Identify and control lead hazards thru Notification, Presuming lead-based paint, Use standard treatments and obtaining Clearance when work is complete by a Contractor with RRP certification. 3) over \$25,000 Identify and abate lead hazards thru Notification, Paint Testing and Risk Assessment, Abatement and obtaining Clearance when work is complete by a licensed Lead Abatement Contractor.

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

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

Activities undertaken by the City of Covington with CDBG and HOME funds are intended to directly benefit low-income families and to improve the quality of life for Covington residents. These activities indirectly affect poverty levels by providing affordable housing and community improvement projects. The City supports other agencies and programs that have a more direct effect on poverty levels.

Programs funded with CDBG and HOME provided homeowner rehabilitation and repairs, new construction and rehabilitation 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 supported activities that provide public services and recreational activities.

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

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City of Covington Department of Development (DOD) has the primary role for administering the City's CDBG and HOME programs. The DOD consistently reviewed the performance of and monitored the overall program delivery structure to ensure compliance with federal regulations. DOD coordinated with other City departments i.e. Community Services, Public Works, Police and Parks and Recreation to ensure an understanding of and compliance with HUD grant agreements and all cross-cutting requirements. DOD staff also consulted with the HUD Louisville Field Office frequently to stay current

with any programmatic changes or updates. The Field Office conducted a CDBG monitoring visit in May of 2016 to monitor the City's administration of the CDBG program. There were no findings as a result of this monitoring.

The Department continued to update and improve our policies and procedures, including increasing efficiencies, improving our communication and collaboration efforts and following up on execution of tasks.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The City continued to foster collaborative efforts in the community by maintaining 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, Catholic Charities of Northern Kentucky, The Brighton Center, The Welcome House, Covington Human Rights Commission, real estate professionals and lenders.

These collaborative efforts included: meeting with neighborhood groups; coordinating affordable housing initiatives with CHDO partners in the HOME Consortium, local housing counseling agencies, realtors and lenders; providing technical assistance to the Housing Authority regarding their HOPE VI homeownership initiative; consultations with the Human Rights Commission; and working with various social service agencies and public housing agencies to coordinate a homeownership fair that will occur in the fall of 2017.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

The 2014 Analysis of Impediments to Fair Housing Choice identified the following impediments: Isolation due to affordability issues; Ability of low-income households to purchase housing; Foreclosures due to predatory lending in low-income census tracts; Public awareness; Physical accessibility; Discrimination due to race, ethnicity, gender, disability. In PY 2015, the City completed the following actions related to these identified impediments:

- Continued to offer the Homebuyer Assistance Program to spur affordable homeownership
- Coordinated marketing efforts for affordable homeownership programs with realtors, lenders, and housing counseling agencies
- Marketed affordable housing programs at events attended by minority, elderly, disabled and veteran populations
- Marketed credited counseling and financial literacy programs offered by local counseling agencies
- Worked with CHDO partners to create new affordable housing opportunities

- Referred troubled homeowners to local foreclosure and loss mitigation counseling agencies
- Required homebuyer education classes for all Homebuyer Assistance Program participants
- Marketed units financed through City efforts to groups least likely to apply for assistance by working through entities that work with minority and disabled populations
- Informed and educated landlords about fair housing through outreach efforts including trainings, mailings, e-blasts, etc.
- Staff attended Fair Housing Act training provided by the Kentucky Commission on Human Rights
- Utilized CDBG funds to install handicapped accessible sidewalk ramps

Strictly adhered to the City's anti-discrimination and promoting diversity policies

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Monitoring is a critical and ongoing task related to carrying out activities funded with CDBG and HOME with effectiveness and efficiency.

All CDBG and HOME activities are monitored annually by the Community Development Director, with assistance from the CDBG Administrative Assistant, to ensure compliance with all program rules and regulations. An onsite monitoring schedule is 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 Community Development Director, with assistance from the CDBG Administrative Assistant. No CDBG or HOME funds are released for any project or activity without prior review by the Community Development Manager.

- CDBG/HOME program participant files: all files related to CDBG and HOME homeowner rehab and homebuyer activities are reviewed by the Community Development Director, with assistance from the CDBG Administrative Assistant, prior to the commitment of funds. This review includes applicant eligibility, property qualification, underwriting, subsidy layering, appropriate use of funds, costs reasonableness, environmental review requirements, construction documents, bidding documents, costs estimates, etc.
- Other HOME projects: the City conducts on-site inspections of all HOME rental projects during the period of affordability as required by §92.504(d).
- Other CDBG activities: the Community Development Director, with assistance from the CDBG Administrative Assistant, reviews all CDBG activities prior to the commitment/expenditure of funds. This review includes project eligibility per the Annual Action Plan, meeting a National Objective, appropriate use of funds, cost reasonableness, environmental review requirements, etc. Activities such as the Business Retention Program and Code Enforcement that primarily pay staff costs will be reviewed in an ongoing manner throughout the program year to ensure that stated goals are being met and activities being performed are eligible.
- Davis Bacon: the City will consult with any contractors or partner agencies regarding the applicability of Davis Bacon and the program requirements. Staff will conduct site visits, employee interviews, and check weekly payroll forms for accuracy for any projects that require Davis Bacon compliance. The City has dedicated a specific staff person to ensure this compliance.
- Fair Housing/Section 3 Compliance: The City ensures compliance with Fair Housing and Section 3

during the process of awarding grant agreements to selected agencies and throughout the program year. Documentation is maintained on efforts to support low- and moderate-income residents.

- MBE/WBE Outreach: Outreach to minority and women owned businesses are encouraged in both projects supported with entitlement funds as well as other city projects. The City plans to increase MBE/WBE outreach in Program Year 2017.
- Timeliness: the City recognizes the importance of timeliness in the expenditure of entitlement funds. Funds will only be allocated to projects and activities that can quickly achieve stated goals.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The availability of the CAPER for the 2016-2017 program year was advertised in the Cincinnati Enquirer on September 15, 2017. Public notices were also posted on the City's website. Copies of the draft CAPER were available for review at the city offices of the City of Covington as well as the HOME Consortium cities of Ludlow, Newport, Bellevue and Dayton. Assistance was offered to those with limited English speaking capabilities or individuals with hearing or vision impairments. The fifteen-day comment period ended on September 30, 2017.

There were no comments received.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction’s program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

There is no change in the City's program objectives as a result of our experiences. The City analyzes our programs and activities annually to ensure that they are being effective at meeting program objectives. Funding amounts and program guidelines are modified accordingly.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

There are currently two HOME assisted rental projects that require ongoing inspections. Kings Crossing at 1128-32 Greenup Street is an affordable HOME rental project with 8 HOME assisted units and Lincoln Grant Scholar House at 834 Greenup Street is an affordable HOME rental project with 3 HOME assisted units.

King's Crossing is scheduled for onsite monitoring and inspection of units in the Fall of 2017. There were no issues with previous inspections of this property.

Lincoln Grant Scholar was completed this program year and the required inspections were completed prior to occupancy. There were no issues with the inspections of this property.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

The City affirmatively markets its HOME funded activities through various resources to ensure that the broadest possible audience is informed of the programs. Catholic Charities and the Brighton Center (HUD approved housing counseling agencies) provide homeownership education and counseling programs and disseminate information related to the Covington and HOME Consortium Homebuyer Assistance programs to their clients. Program information is also provided to CHDO partners, the Northern Kentucky Human Rights Commission, the Disabilities Coalition of NKY and other non-profit partner agencies who have contact with underserved populations.

The Equal Housing Opportunity logo is displayed on all marketing materials. The City displays and disseminates fair housing posters.

CHDO's and other developers utilizing HOME funds for housing development are required to submit affirmative marketing plans.

City Staff attended public functions like the Disability Coalition Conference, Veteran's Fair, Senior Expo and Old Timer's celebration to market HOME programs to minority and underserved populations.

Refer to IDIS reports to describe the amount and use of program income for projects,

including the number of projects and owner and tenant characteristics

The City did not receive any HOME program income.

Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)

HOME funds were used to foster affordable housing through Homebuyer Assistance Programs, CHDO housing development, and HOME rental rehab and new construction.

Homebuyer Assistance Programs were utilized in all of the HOME Consortium cities. All participants in homebuyer activities are required to attend a HUD approved homebuyer education class. These classes ensure that homebuyers are adequately informed regarding the home buying process and educated on issues of affordability and budgeting. The City underwrites all homebuyer activities using established affordability criteria and debt to income ratios. The City reviews the terms of all private financing in homebuyer loans to ensure that this financing will remain affordable for buyers and is not predatory in nature.

The City currently has three designated CHDO's: Housing Opportunities of Northern Kentucky, The Center for Great Neighborhoods of Covington and Entryway, Inc. The City partnered with these CHDO's to create new affordable housing opportunities for homeownership through purchase/rehab activities.

HOME and CDBG funds were used for the Lincoln Grant Scholar House, a 45 unit affordable rental project with rehab and new construction that was completed in PY 2016.

In order to foster housing affordability and assist households to maintain quality energy efficient housing, the City implements Green and Energy Star standards in regards to substantial rehabilitation projects funded with HOME.

In addition to HOME funded activities the City also utilizes CDBG funds to foster and maintain affordable housing through homeowner rehab programs and housing development.