

City of Lewiston

DRAFT Annual Action Plan and Funding Priorities for HOME

July 1, 2019-June 30, 2020

Executive Summary

This Annual Action Plan describes the annual goals and objectives and the recommended funding for the City's HOME funding for FFY 2019 starting on July 1, 2019 and June 30, 2020. These goals and objectives were identified as community priorities in the in the City's 2015-2019 Consolidated Plan.

The Cities of Auburn and Lewiston formed the A-L HOME Consortium (ALHC) in July 2002 that enable the Cities to receive HOME Investment Partnership Program (HOME) funding from the U.S. Department of Housing and Urban Development (HUD). Auburn is the lead entity and Lewiston is the member. Every year the ALHC receives an allocation from HUD. Last year's allocation was, \$517,461, which after an administration fee is split equally by both cities and used for HOME eligible projects. Last year Lewiston's portion of the allocation was \$264,243. HUD advised flat funding in determining the current year budget.

Funds carry-over from year to year, this year the City has a carryover balance of \$234,128 which when added to the current year's allocation of \$264,243, is \$498,371. This amount is available to accomplish the goals and objectives for this plan year.

The Public Process – Citizens Advisory Committee

The City encourages citizen participation from Lewiston residents in developing the 5-Year Consolidated Plan, annual action plans and performance reports. The City especially encourages participation by residents of Census Tracts 201, 202, 203 and 204, the CDBG target area that is defined as a low and moderate income area, as well as participation from all citizens that may be homeless, persons with disabilities, immigrants and refugees, public housing authorities, and organizations representing these groups.

To ensure that all constituents are provided with an opportunity to be included in this important planning and implementation process, the City appoints and convenes a Citizens Advisory Committee (CAC) to assist in developing the specific goals and objectives of the Consolidated Plan, the Assessment of Fair Housing, and the annual Action Plan. Committee members are appointed by the Mayor to two year terms coinciding with the calendar year. This seven-person Committee includes one Lewiston City Councilor, one representative from the homeless community, a person representing the immigrant/refugee community, at least two citizens from the City's low/moderate income population in Census Tracts 201-204, with the remainder from the community at large.

In December, applications and requests for funding are received from organizations wanting to apply for CDBG funding in an open application process. Organizations must submit its request by December 31st. During the public process, the CAC members read, review, interview and score all applications for funding received from qualified applicants. This year the public process began on February 12, 2019. They met every week for 5 weeks and made their funding recommendations to the Council for the meeting on March 28, 2019. The public comment period on the funding recommendations.

Goals and Objectives with Funding Recommendations

This is the fifth and final year on the City’s 2015-2019 Consolidated Plan. The total funding available this year in the HOME budget is \$498,371. This budget is comprised of the City’s expected HOME allocation of \$264,243, if flat funded this year and \$234,128 in carry-over funding from previous years. The table below lists the goals and strategies, the program/project that is recommended to receive the funding, the amount recommended by the CAC and the source of funding from the HOME budget.

Goal 2: Prevent Homelessness			
Strategies:			
<ul style="list-style-type: none"> As a first step towards helping the homeless or at-risk households re-integrate into the community provide a City-sponsored Security Deposit Program as well as other “housing first” strategies 			
Organization	Program/Project Name	CAC Recommended	Source of Funds
City of Lewiston - LAASH	Security Deposit Program	\$17,000	HOME
City of Lewiston	Success at school w/ rental assistance	\$75,000	HOME
SUB Total for Goal 2		\$92,000	
Goal 3: Improve the safety and efficiency of the housing stock.			
Strategies:			
<ul style="list-style-type: none"> Provide grants and low-interest loans for the rehabilitation of owner and rental housing that is occupied by low and moderate income households, including energy efficiency, weatherization and emergency repair for buildings. Support new construction of rental units for low to moderate income households. 			
Organization	Program/Project Name	CAC Recommended	Source of Funds
City of Lewiston	Homeowner Rehabilitation	\$ 24,084	HOME
City of Lewiston	New Rental Housing Production	\$340,000	HOME
SUB Total for Goal 3		\$364,084	

Goal 5: Create more stable and diverse Mixed-Income Neighborhoods			
Strategies:			
<ul style="list-style-type: none"> • Help renters become owners with income qualified down payment and closing cost assistance (1-4 units) and continue to require first-time homeowner and landlord classes. 			
Organization	Program/Project Name	CAC Recommended	Source of Funds
City of Lewiston	Homebuyer Assistance Program	\$25,000	HOME
SUB Total for Goal 5		\$25,000	

The City is also budgeting **\$17,287** to administer the HOME program. HUD recommended recipients develop HOME funding plans based on the FFY 18 allocation. They also recommended that a strategy be put in place if the funding approved by Congress is higher or lower than the FFY 18 allocation. This budget is based on an annual allocation of \$ 264,243 plus carryover. If there is an increase or decrease in the amount of funding, the CAC recommends that it the Staying HOME rental assistance program is adjusted.

The City has allocated \$25,000 in Homebuyer Assistance. With this amount of funding, the City expects to fund two 1st time homebuyers at an average of \$12,500/homebuyer. It is expected that the City will provide \$5,000 (grant) \$2,000 (deferred loan) and an additional \$5,500 in gap funding (deferred loan) necessary to ensure affordability.

The City has allocated \$ 24,084 (deferred loan or grant) to fund the rehabilitation of the homebuyer units to bring the property up to ALHC property standards. This is an average of \$12,042 per property.

The City has allocated \$17,000 to 18 individuals/families that are homeless or near homeless to fund a security deposit at an average of \$900/family. This will enable them to secure permanent housing.

The City has allocated \$75,000 to 6 families with children in school to provide stable housing that will keep the children in the same school for up to 2 years. It is expected that the City will fund an average of \$12,165 per family per year. This average was determined by taking an average rent of \$900 x 12 months = \$10,800; an average deposit of \$900; an average utility deposit of \$250; and an average administrative fee of 2% or \$215/family.

The City has allocated \$340,000 to create 4 units of affordable new rental housing this year. It is expected that an average subsidy of \$81,250/unit = \$325,000 and \$15,000 is expected to cover the project costs relating to staff time, legal, underwriting etc

The City is beginning its public process on March 23, 2019 until April 22, 2019. There will be a council workshop on March 28, 2019, for the public hearing and council review. Anyone wishing to comment on the funding priorities and DRAFT Action Plan may do so by contacting Lincoln Jeffers, Director Economic and Community Development Department, via email ljeffers@lewistonmaine.gov or calling 207-513-3204 or may attend a public meeting. The final budget hearing will be on May 7, 2019 at a regular City Council meeting.