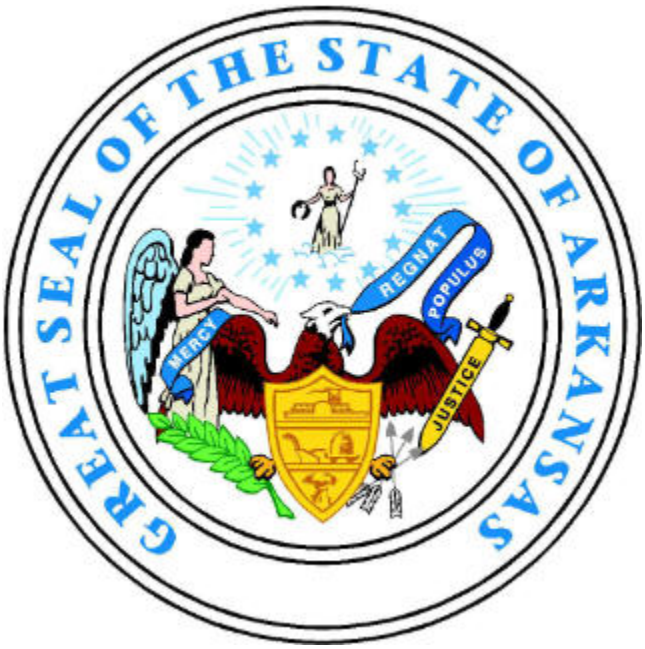

State of Arkansas

Annual Update to the Consolidated Plan

For

July 1, 2014 through June 30, 2015

Arkansas Economic Development Commission
Arkansas Development Finance Authority
Arkansas Department of Human Services
Arkansas Department of Health

May 8, 2014

Mr. Clinton Johnson
Director of Community Planning Development
U.S. Department of Housing & Urban Development
425 W. Capitol, 10th Floor
Little Rock, Arkansas 72201

Dear Mr. Johnson:

I am pleased to transmit to the Department of Housing and Urban Development the Annual Update to the five-year Consolidated Plan for FY 2014.

The Arkansas Department of Human Services (ADHS), the Department of Health (ADH), the Arkansas Development Finance Authority (ADFA), and the Arkansas Economic Development Commission (AEDC) as the lead agency for the Consolidated Plan has spent the past five months coordinating the preparation of the update.

The Consolidated Plan Advisory Committee met two times during the process. The Advisory Committee reviewed information regarding changes in the state and national economy. Advisory committee members from across the state discussed issues related to housing, community, and economic development relevant to their respective areas.

The State also conducted five public hearings to provide the public with an opportunity to help define the state's priorities and to comment on the proposed plan.

We believe as a result of this process, more citizens in Arkansas are aware of the HUD funded programs and the need for improving the quality of life for all Arkansans.

We look forward to your approval of the plan. If your office needs additional information, please contact me at 501-682-7392.

Sincerely,

Basil Julian
Grants Division Director

BJ:dh

cc: Grant Tennille, AEDC
Gene Eagle, ADFA
John Selig, DHS
Dr. Nate Smith, ADH

OMB Number: 4040-0004
Expiration Date: 01/31/2012

Application for Federal Assistance SF-424

Version 02

*1. Type of Submission

- [ ] Preapplication
- [x] Application
- [ ] Changed/Corrected Application

*2. Type of Application

- [ ] New
- [x] Continuation
- [ ] Revision

*If Revision, select appropriate letter(s):

* Other (Specify)

*3. Date Received:

4. Application Identifier:

5a. Federal Entity Identifier:

*5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: Arkansas Economic Development Commission

* b. Employer/Taxpayer Identification Number (EIN/TIN): 71-6043654

*c. Organizational DUNS: 024720901

d. Address:

*Street1: 900 W. Capitol, Suite 400
Street 2:
*City: Little Rock
County: Pulaski
*State: Arkansas
Province:
Country: USA
*Zip/ Postal Code: 72201

e. Organizational Unit:

Department Name: Arkansas Economic Development Commission

Division Name: Grants Management

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Mr.
First Name: Basil
Middle Name:
*Last Name: Julian
Suffix:

Title: Grants Division Director

Organizational Affiliation:

*Telephone Number: 501-682-7392
Fax Number: 501-682-7499

*Email: bjulian@arkansasedc.com

OMB Number: 4040-0004
Expiration Date: 01/31/2012

Application for Federal Assistance SF-424

Version 02

9. Type of Applicant 1: Select Applicant Type: A. State Government

Type of Applicant 2: Select Applicant Type:

- Select One -

Type of Applicant 3: Select Applicant Type:

- Select One -

*Other (specify):

*10. Name of Federal Agency:
U. S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14-228

CFDA Title:

CDBG, HOME, ESG, HOPWA

*12. Funding Opportunity Number:

*Title:

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Statewide

*15. Descriptive Title of Applicant's Project:

State of Arkansas Consolidated Plan
CDBG - 14-228 HOPWA 14-241
HOME - 14-239
ESG - 13-231

Attach supporting documents as specified in agency instructions.

OMB Number: 4040-0004
Expiration Date: 01/31/2012

Application for Federal Assistance SF-424

Version 02

16. Congressional Districts Of: Statewide

*a. Applicant

*b. Program/Project:

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:

*a. Start Date: 7/1/2014

*b. End Date: 6/30/2015

18. Estimated Funding ($):

*a. Federal	$26,448,238.00
*b. Applicant	
*c. State	
*d. Local	
*e. Other	
*f. Program Income	
*g. TOTAL	$26,448,238.00

***19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on
☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
☐ c. Program is not covered by E.O. 12372

*20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)
☐ Yes ☑ No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

☑ **I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr.

*First Name: Michael

Middle Name:

*Last Name: Gaines

Suffix:

*Title: Deputy Director

*Telephone Number: 501-682-1124

Fax Number: 501-682-7499

*Email: mgaines@arkansasedc.com

*Signature of Authorized Representative: Michael Gaines

Date Signed: 5/5/2014

Application for Federal Assistance SF-424

Version 02

*Applicant Federal Debt Delinquency Explanation

The following field should contain an explanation if the Applicant organization is delinquent on any Federal Debt. Maximum number of characters that can be entered is 4,000. Try and avoid extra spaces and carriage returns to maximize the availability of space.

HUD-424-M Funding Matrix

The applicant must provide the funding matrix shown below, listing each program or program component for which HUD funding is being requested and submit this information with the application for federal financial assistance.

Grant Program*	HUD Share	Matching Funds	Other HUD Funds	Other Federa Share	State Share	Local/Tribal Share	Other Funds	Program Income	Total
CDBG	16,382,141							2,000,000	18,382,141
HOME	7,565,698							1,000,000	8,565,698
ESG	1,967,063								1,967,063
HOPWA	533,336								533,336
Grand Totals	26,448,238	0	0	0	0	0	0	3,000,000	29,448,238

form **HUD-424-M** (03/2003)

Previous versions of HUD-424-M are obsolete.

Table of Contents
Consolidated Plan Annual Update
July 1, 2014 – June 30, 2015

Annual Action Plan	**Page**
Introduction to the Consolidated Plan Annual Update	2
Year Five Goals and Objectives	3
Affordable Housing	3
Homeless and Special Needs	6
Housing Opportunities Persons with AIDS	10
Non-Housing Community Development	12
Barriers to Affordable Housing	18
Fair Housing Impediments	19
Lead Based Paint	19
Anti-Poverty Strategy	20
Institutional Structure	22
Coordination	23
Performance Measurement System	24
Introduction	25
Affordable Housing	25
Homelessness	28
Other Special Needs	31
Non-Housing Community Development	33
Barriers to Affordable Housing	39
Lead Based Paint Hazards	40
Anti-Poverty Strategy	41
Program Specific Requirements	43
CDBG Program Specific Requirements	43
HOME Specific Requirements	44
Arkansas Dream Downpayment Initiative	49
ESG Specific Requirements	52
HOPWA Specific Requirements	54
Affirmative Marketing Plan	54
Monitoring	58
Geographic Distribution	59
Proposed Expenditures	61

Appendices

Appendix A: State of Arkansas Consolidated Plan Advisory Committee
Appendix B: State of Arkansas Consolidated Plan Agency Advisory Board
Appendix C: Identification and Analysis of Impediments to Fair Housing
Appendix D: Federal Certifications
Appendix E: Minutes and Attendance at Public Hearings
Appendix F: Summary of Comments Submitted
Appendix G: Proof of Publication

Annual Action Plan

Introduction

As set forth in 24 CFR Part 91, the U.S. Department of Housing and Urban Development (HUD) requires jurisdictions to incorporate their planning and application requirements into one plan called the Consolidated Strategy Plan. A Consolidated Plan was prepared for federal fiscal years 2010-2015. An Annual Action Plan must be prepared for each year of the Consolidated Plan.

The State's proposed allocation for FY 2014 consists of an estimated $26,448,238 in projected support from the following programs: (1) Community Development Block Grant (CDBG) $16,382,141, (2) HOME Investment Partnerships (HOME) $7,565,698; (3) Emergency Solutions Grants $1,967,063; (4) Housing Opportunities for Persons with AIDS (HOPWA) $533,353. Final grant amounts for each program may vary slightly from these figures, based upon final appropriation from Congress.

The activities and programs described in the Annual Action Plan are aligned with the Strategic Plan, as outlined in the Consolidated Plan.

This plan was developed using an effective citizen participation process in compliance with the regulations set forth in 24 CFR Part 91. A copy of the comments that were received is incorporated into this document. The State's participation plan encourages and empowers citizens to participate in the development of viable urban programs.

The following is the proposed FY 2014 Annual Action Plan, which identifies the method of distributing HUD funds and outlines the State's overall housing and community development needs and strategies.

Year Five – Goals and Objectives

The Strategic Plan provides guidance on affordable housing goals and objectives for FY 2014. These are stated below with 2014 performance goals.

Affordable Housing

Goal: Improve the condition, availability, and accessibility of affordable housing in Arkansas over a five-year period.

Objective 1: Provide ***Decent Housing*** through Homebuyer Assistance Programs.

Outcome: Affordability

Outcome Statement: Create decent housing with improved affordability by providing funding for homebuyer assistance programs such as down payment and closing costs to low-income homebuyers.

> **Performance Indicator 1.1:** Increase/maintain funding for homeownership assistance programs to aid 150 families including first-time homebuyers by the end of FY 2014.

Objective 2: Increase ***Decent Housing*** for homebuyers through new Single-Family Housing.

Outcome: Affordability and Accessibility

Outcome Statement: Create decent housing with improved affordability and accessibility to new housing by providing construction financing for single-family housing throughout the state via enhanced financial mechanisms and improved communication with partners and constituents.

> **Performance Indicator 2.1:** Provide financing to construct 15 single-family homes for low and moderate-income (less than 80 percent AMI) families by the end of FY 2014.

Performance Indicator 2.2: Provide financing to construct at a minimum 15 single-family units for homeownership that incorporates universal design and/or Energy Star standards by the end of FY 2014.

Objective 3: Provide ***Decent Housing*** through Rental Assistance Programs

Outcome(s): Affordability and Accessibility

Outcome Statement: Create decent housing through improved affordability and accessibility by providing rental subsidy and security deposit assistance for very low to moderate-income households and persons with disabilities.

Performance Indicator 3.1: Provide funding to assist 225 families utilizing Tenant-Based Rental Assistance (TBRA) by the end of FY 2014.

Performance Indicator 3.2: Provide funding to assist 30 persons with disabilities utilizing TBRA by the end of FY 2014.

Objective 4: Provide ***Decent Housing*** through Multifamily Housing and other Rental Housing Developments.

Outcome: Affordability and Accessibility

Outcome Statement: Create decent housing with improved affordability accessibility of multifamily housing and other rental housing through the construction and rehabilitation of rental units.

Performance Indicator 4.1: Create an additional 75 rental units throughout the state by the end of FY 2014.

Objective 5: Create a ***Suitable Living Environment*** by forging partnerships among HUD recipient agencies to evaluate the resources needed for infrastructure improvements to support Single-Family and Multifamily affordable housing.

Outcome: Affordability and Accessibility

Outcome Statement: Enhanced Suitable Living Environments through improved affordability and accessibility of infrastructure projects, which support affordable housing.

Performance Indicator 5.1: Develop at a minimum 1 affordable housing project, which combine infrastructure improvements and an affordable housing development by the end of the FY 2014.

Objective 6: Preserve ***Decent Housing*** for Homeowners through Rehabilitation of Single-Family Housing.

Outcome: Sustainability and Affordability

Outcome Statement: Create decent housing through improved sustainability and affordability of existing single-family housing stock through rehabilitation or reconstruction projects for low-income persons.

Performance Indicator 6.1: Rehabilitate or reconstruct 60 housing units by funding major homeowner rehabilitation programs by the end of FY 2014.

Objective 7: Preserve ***Decent Housing*** through Rehabilitation of Rental Housing.

Outcome: Sustainability and Affordability

Outcome Statement: Create decent housing through improved sustainability and affordability of existing multifamily and other rental housing stock through rehabilitation or reconstruction projects for low-income persons

Performance Indicator 7.1: Rehabilitate or reconstruct 25 housing units by funding major rental rehabilitation programs by the end of FY 2014.

Homeless and Special Needs Housing

The State of Arkansas supports a variety of housing and public service programs operated to service the homeless and special needs population. The efforts of the homeless coalitions, through the Continuum of Care process, have provided guidance on the needs of these communities. The process has resulted in a better understanding of the homeless and special needs community and their housing needs, enabling the State to arrive at a set of goals and objectives. These goals and objectives are provided below, with performance goals for FY 2014.

Goal: Improve housing and supportive services for the homeless population.

Objective 1: Increase the availability and affordability of ***Decent Housing*** and supportive services offered to homeless families and individuals in Arkansas.

Outcome: Availability and Accessibility

Outcome Statement: Improve the availability and affordability of decent housing and supportive services offered to homeless families and individuals by expanding and improving the capacity of the State Continuum of Care Network to apply for funding.

> **Performance Indicator 1.1:** Support at least one outreach effort to the Continuum of Care Network, attend at least 10 meetings of the Interagency Council and one annual state-wide homeless conference, and make the meeting proceedings and materials electronically available.
>
> **Performance Indicator 1.2:** Support and encourage non-profit participation in the HMIS and increase participation by 2%.
>
> **Performance Indicator 1.3:** Continue to provide ESG funds to assist shelters and homeless providers to finance their operating costs, homelessness prevention and rapid re-housing activities.

Performance Indicator 1.4: Assist 55 programs per year with operating costs at a level of $10,000.

Performance Indicator 1.5: investigate the possibility of expanding funding opportunities for the Arkansas Balance of State Continuum Care.

Objective 2: Increase the availability and affordability of ***Decent Housing*** and supportive services offered to homeless families and individuals by preventing homelessness and by rapidly re-housing homeless families.

Outcome: Availability and Accessibility

Outcome Statement: Increase the availability and affordability of ***Decent Housing*** and supportive services offered to homeless families and individuals by providing Emergency Solutions Grant (ESG) funds to projects that focus on the prevention of homelessness, such as averting eviction, foreclosure, and /or utility disconnection, as well as paying deposits and first month's rent. Continue to expand rapid re-housing services to homeless families.

Performance Indicator 2.1: Assist 27 programs per year with funding for prevention activities. Assist 22 programs per year with rapid re-housing activities.

Performance Indicator 2.2: Increase the number of family shelter facilities by three over the next five years.

Performance Indicator 2.3: Increase the availability of shelters services by increasing the number of persons served, particularly single parents with children, by one percent.

Performance Indicator 2.4: Support fundraising efforts with entrepreneurial training opportunities.

Objective 3: Improve the availability and affordability of **Decent Housing** and supportive services through permanent housing

Outcome: Availability and Accessibility

Outcome Statement: Improve the availability and affordability of decent housing and supportive services offered to homeless families and individuals by supporting permanent housing opportunities for homeless families and individuals.

> **Performance Indicator 3.1:** Work with Continuum of Care organizations to aid at least 1 permanent housing project per year, to be funded through alternative federal, state, local, and/or private fundraising efforts.

Other Special Needs

The strategies to address non-homeless special needs from the Strategic Plan are duplicated below.

Goal: Evaluate upcoming needs related to the non-homeless special needs populations.

Strategies:

1. Provide funding for organizations that deliver services for the victims of domestic violence, which may include shelter, counseling, and job services.

2. Provide funding for organizations that deliver health services to persons with mental health and other chronic illnesses, including case management, referral, homeless shelter, and counseling.

3. Provide funding for organizations that deliver assistance to persons with disabilities, including job training and housing assistance.

4. Investigate the feasibility of providing funding for a wheelchair ramp program to address mobility issues for the physically disabled.

5. Expand access to substance abuse treatment and other services that assist addicts in their recovery process.

6. Continue to provide tenant based rental assistance program (long term housing) for persons with AIDS.

7. Reduce the number of persons served who are likely to become homeless after being discharged from publicly funded institutions and systems of care and those receiving assistance from public and private service agencies by 5%.

Housing Opportunities for Persons with AIDS (HOPWA)

Goal 1: **Provide housing assistance and appropriate supportive services to enable low-income, HIV-positive individuals to remain in their homes and to reduce their risks of homelessness**.

Objective 1: Provide tenant-based rental assistance (TBRA).

Outcome: Housing stability.

Outcome Statement: Establish and/or better maintain a stable living environment in housing that is safe, decent, affordable, and sanitary.

> **Performance Indicator 1.1:** Provide funding to maintain assistance to 99 households utilizing tenant-based rental assistance (TBRA).

Objective 2: Provide short-term rent, mortgage, and utility assistance (STRMU).

Outcome: Housing stability.

Outcome Statement: Establish and/or better maintain a stable living environment in housing that is safe, decent, affordable, and sanitary.

> **Performance Indicator 2.1:** Provide funding to maintain or increase assistance to 70 households accessing short-term rent, mortgage, and utility assistance (STRMU) for some portion of the permitted 21-week period.

Objective 3: Provide Permanent Housing Placement assistance (PHP).

Outcome: Housing stability.

Outcome Statement: Establish permanent residence by placing clients who are homeless or living in undesirable situations in safe, decent, and affordable rental units.

> **Performance Indicator 3.1:** Spend approximately **$43,000** to pay for up to two months of rent, and (or) a one-time security and (or) utility deposits.

Goal 2: **Improve access to health care and other supportive services for HIV-positive individuals and their families.**

Objective 1: Provide support in conjunction with HOPWA-funded housing assistance.

Outcome: Access to health care and support.

Outcome Statement: Improve access to health care and other supportive services.

> **Performance Indicator 1.1:** To spend approximately **$200,000** to provide service coordination to assist clients with obtaining housing, to coordinate a long-term plan to allow clients to remain in housing and to coordinate complimentary supportive services.

Non-Housing Community Development

Public improvements, economic development and infrastructure objectives, strategies, and outcomes for FY 2014, as listed in the Strategic Plan, are provided below.

Goal 1: Enhance a suitable living environment for the citizens of Arkansas by improving the availability, accessibility and affordability of public facilities.

Objective 1.1: Enhance a ***Suitable Living Environment*** for senior citizens.

Outcome: Availability, Accessibility

Outcome Statement: Enhance a suitable living environment for the senior citizens of Arkansas through the improved access to, and availability of, Senior Citizen Centers.

> **Performance Indicator 1.1:** In FY 2014 the State of Arkansas, in partnership with the Area Agencies on Aging, will make available approximately 5% of the CDBG funds for the construction, expansion or renovation of Senior Centers in four of the eight regions of the state served by the Area Agencies on Aging. These centers will provide transportation services, meals, senior health clinics, and centers for socialization for approximately 506 senior citizens, 100% of whom are below 80% of the area median income.

Objective 1.2: Enhance a ***Suitable Living Environment*** through improved access to affordable health services.

Outcome: Availability, Accessibility, and Affordability

Outcome Statement: Enhance a suitable living environment for the citizens of Arkansas by improved availability, accessibility, and affordability of health services.

> **Performance Indicator 1.2:** In FY 2014 the State of Arkansas, in partnership with the Arkansas Department of Health, will make available approximately 2% of the CDBG funds for the construction, expansion or renovation of at least one County Health Unit in the state. This unit will provide health

screenings and health services to approximately 500 persons, more than 51% of whom will be below 80% of the area median income.

Objective 1.3: Enhance a ***Suitable Living Environment*** through improved access to affordable child care services.

Outcome: Availability, Accessibility, and Affordability

Outcome Statement: Enhance a suitable living environment for the citizens of Arkansas by improved availability, accessibility, and affordability of Child Care Services.

Performance Indicator 1.3: In FY 2014 the State of Arkansas, in partnership with the Arkansas Department of Human Services, will make available approximately 4% of the CDBG funds for the construction, expansion or renovation of child care centers in the state. These centers will provide affordable child care services to approximately 100 children, more than 51% of whom will be from families that are below 80% of the area median income.

Objective 1.4: Enhance a ***Suitable Living Environment*** through improved access to community centers and affordable fire protection.

Outcome: Availability, Accessibility, and Affordability

Outcome Statement: Enhance a suitable living environment for rural Arkansans through the improved access to Community Centers, and through the availability of affordable fire protection services.

Performance Indicator 1.4: In FY 2014 the State of Arkansas, in partnership with the Arkansas Department of Rural Services, will make available approximately 2% of the CDBG funds for the construction, expansion or renovation of Community Centers and Fire Stations, and for the purchase of fire trucks and fire protection equipment in cities and unincorporated rural areas with a population of less than 3,000 persons. These centers will provide meeting areas and will provide fire protection for approximately 5,000 persons, more than 51% of whom will have incomes below 80% of the area median income.

Objective 1.5: Enhance a ***Suitable Living Environment*** through improved access to public facilities and public infrastructure, and through funding for innovative projects.

Outcome: Availability, Accessibility, and Affordability

Outcome Statement: Enhance a suitable living environment for the citizens of Arkansas through improvements in the availability, accessibility and affordability of public facilities, public infrastructure and projects of an innovative nature.

Performance Indicator 1.5: In FY 2014 the State of Arkansas will make available approximately 4% of the CDBG funds for the construction of public infrastructure, including such projects as drainage, streets, and roads. Funds will be available for the construction of public facilities, including such projects as homeless shelters, youth centers, and halfway houses. Funds will also be available for projects deemed to be of an innovative nature. These grants will be awarded through a competitive process. These grants will provide assistance to approximately 5,000 persons. At least 51% of all persons benefiting from this line item will have incomes below 80% of the area median income, or the project will meet another national objective, such as the elimination of slum and blight or to address an urgent need.

Note that additional funds may be provided for this line item in the future through the deobligation of unused funds from other line items, or from deobligated funds from previous funding years.

Goal 2: Enhance a suitable living environment for the citizens of Arkansas by improving the availability, accessibility and affordability of public infrastructure.

Objective 2.1: Enhance a ***Suitable Living Environment*** through the construction of water and sewer systems.

Outcome: Availability, Accessibility, and Affordability

Outcome Statement: Enhance a ***Suitable Living Environment*** for the citizens of Arkansas through the availability of clean, safe drinking water and safe sanitary sewer systems.

> **Performance Indicator 2.1:** In FY 2014 the State of Arkansas will enhance a suitable living environment for the citizens of Arkansas by providing improved access to clean, safe drinking water and safe sanitary sewer systems. In partnership with the Arkansas Natural Resources Commission, the state will make available approximately 40% of the CDBG funds for the construction or expansion of water and sewer projects. These improvements will provide assistance to approximately 1,000 persons. At least 51% of all households benefiting from this line item will have incomes below 80% of the area median income.

Goal 3: Improve the economic opportunity of the citizens of Arkansas by identifying and funding economic development projects which provide access to new jobs.

Objective 3.1: Improve ***Economic Opportunities*** by identifying and funding projects which provide access to new jobs.

Outcome: Accessibility

Outcome Statement: Improve economic opportunities through activities aimed at improving the conditions needed for successful business and economic development.

> **Performance Indicator 3.1:** In FY 2014 the State of Arkansas will identify and fund projects which lead to employment opportunities for the citizens of Arkansas. The State will make available approximately 40% of the CDBG

funds to provide grants to cities and counties to fund eligible economic development activities primarily grants for the improvement of public infrastructure related to the location or expansion of industry in the state, and to capitalize loans that benefit businesses and industries that are locating or expanding in Arkansas. These grants will provide job opportunities to approximately 500 persons. At least 51% of all new jobs created or retained by these projects will be held by or made available to persons with household incomes below 80% of the area median income.

Objective 3.2: Improve ***Economic Opportunities*** through access to Individual Development Accounts.

Outcome: Accessibility

Outcome Statement: Improve economic opportunities for families through improved access to Individual Development Accounts.

Performance Indicator 3.2: Through a partnership with the Assets Coalition, the State of Arkansas will make Individual Development Accounts available to approximately 30 persons in participating counties. One hundred percent of the households receiving these funds would have incomes below 80% of the area median income. This funding will be taken from the Economic Development Set Aside line item.

Objective 3.3: Improve ***Economic Opportunities*** by the establishment of a Small and Micro Business Program.

Performance Indicator 3.3: Through a partnership with the Small and Minority Business Division of the Arkansas Economic Development Commission investigate the feasibility of establishing a program for grants and/or loans for creation or expansion of businesses that employ low to moderate income persons, and establish such a program if found to be feasible.

Objective 3.4: Improve ***Economic Opportunities*** through the creation of regional planning grants.

Performance Indicator 3.4: As described in the Arkansas Strategic Plan for Economic Development, investigate the feasibility of awarding planning grants to promote regional economic development, and establish such a program if found to be feasible.

Barriers to Affordable Housing

The following provides the Strategic Plan strategies to address barriers to affordable housing.

Goal: Address barriers to affordable housing development and availability in order to reduce the cost burden on low and moderate-income residents.

Strategies:

1. Provide training to local entities on the mechanisms to fully implement strategies to return vacant lots to affordable housing production.

2. Encourage homebuyer education and credit repair classes to increase the stream of qualified homebuyers entering the housing market.

Fair Housing Impediments

The Analysis of Impediments to Fair Housing provides a list of impediments to fair housing in Arkansas. Appendix C contains an identification of the impediments to fair housing for the seven protected classes. Included in the analysis are remedial actions to address these impediments. The goal listed below is addressed by the remedial actions.

Goal: Address barriers and impediments to fair housing for seven protected classes.

Strategies:

1. Provide training to local entities on the mechanisms to fully implement strategies to return vacant lots to affordable housing production.

2. Review the feasibility of providing assistance to the Arkansas Fair Housing Commission in its outreach efforts.

Lead Based Paint

The State of Arkansas continues to work in the community to identify, test, and abate lead-based paint hazards in housing where young children may be present.

Goal: Increase the inventory of lead safe housing units.

Strategies:

1. Continue to meet HUD lead-based paint abatement standards in housing rehabilitation programs.

2. Seek funding to provide testing and abatement of lead-based paint hazards in single-family housing where young children are present.

3. Expand the stock of lead safe housing units through housing initiatives.

4. Promote the outreach opportunities available through ADH.

Anti-Poverty Strategy

The State of Arkansas will work toward reducing poverty through the following objectives and strategies.

Goal: Reduce the size of the impoverished population in the State of Arkansas.

Objective 1: Expand job opportunities in the State of Arkansas.

Strategies:

1. Promote educational and job training programs aimed at improving life skills and earning capacity.

2. Continue to provide economic and community development assistance to the communities in Arkansas to build economic growth.

Objective 2: Improve the earning capacity of persons with physical and mental disabilities.

Strategy:

1. Continue to fund income maintenance and medical programs for persons with physical and mental disabilities.

Objective 3: Increase childcare and educational opportunities for children from low-income families.

Strategy:

1. Continue to provide funding to deliver childcare services to low-income households.

Objective 4: Expand affordable housing opportunities.

Strategies:

1. Provide funding to increase the availability of new affordable and adequate single family housing throughout the state through enhanced financial mechanisms and improved communication with partners and constituents.

2. Provide funding to increase the availability of new affordable and adequate multi-family housing and other rental housing options throughout the state.

3. Encourage partnership among HUD recipient agencies to evaluate the resources needed for infrastructure to support affordable housing.

4. Evaluate the feasibility of providing matching funds for the Individual Development Account (IDA) program for purposes which enhance the economic condition of low to moderate income persons.

Institutional Structure

Gaps in the institutional structure will be addressed as follows:

Goal: Identify and address gaps in the institutional structure for the implementation of the housing and community development plan.

Strategies:

1. Work with nonprofit organizations to address community needs and provide support to federal and non-federal funding initiatives.

2. Work with private industry to address important issues that hamper housing and community development efforts.

3. Continue to identify opportunities to create private/public partnerships for project finance and development to leverage federal funds.

4. Improve networking opportunities for housing providers, local staff, and program managers by conducting training and workshops.

5. Tighten bonds between service providers by continued support via electronic communications and data availability.

Coordination

Coordination between the State of Arkansas and other agencies and organizations will be addressed as follows:

Goal: Improve coordination efforts between the State, local and other agencies and organizations committed to the improvement of housing and community development services in the State of Arkansas.

Strategies:

1. Expand participation with various agencies and organizations in order to implement the Consolidated Strategic Plan.

2. Make use of monitoring activities as a basis for expanded outreach to local housing and service providers and building a strong base for coordination.

3. ADFA will collaborate with United States Department of Agriculture, Rural Development to increase the number of families receiving housing assistance.

Performance Measurement System

Introduction

As part of the President's Management Agenda, the U. S. Department of Housing and Urban Development has undertaken an initiative to make the Consolidated Plan more results-oriented and useful to communities in assessing their progress toward addressing the problems of low and moderate-income neighborhoods. HUD therefore strongly encourages the development of performance measurement systems as a means of assessing the impact of the programs and strategies developed during the consolidated planning process.

Accountability and Indicator Report Initiatives have arisen around the nation, as local government, business, and grassroots leaders seek better ways to measure progress, to engage community members in a dialogue about the future, and to change community outcomes.

Arkansas has organized an Indicator Measurement Chart to keep track of each program's goals. These Indicators have been developed to monitor and track trends in the currently funded programs and projects. At year end, progress can be demonstrated in the Consolidated Annual Performance Evaluation Report (CAPER) using Arkansas Indicator data to identify positive trends in achieving strategic goals or target items for corrective action.

Performance Indicators: Affordable Housing

The performance indicators for the seven (7) objectives relating to affordable housing listed below will be tracked quarterly by ADFA and reported in the "State of Arkansas Consolidated Annual Performance Report." The performance indicators under the objective to "Provide Decent Housing for Homebuyer Assistance Programs," will track the number of households which are served through downpayment and principal reduction programs. The second objective, to "Increase Decent Housing for Homebuyers through new Single-Family Housing," has two indicators to measure if the strategies developed are effectuating a positive change. The first of these two indicators measure the total number of newly constructed single-family homes. The second indicator measures the number of newly constructed units incorporating universal design and/or Energy Star standards for low and moderate-income families. Objectives three, "Provide Decent Housing through Rental Assistance Programs", and four "Provide Decent Housing through Multifamily Housing and other Rental Housing Developments," address affordability and accessibility of decent rental housing for low and moderate-income families. The indicators measure the number of families receiving Tenant-Based Rental Assistance and the number of new rental units created. The fifth objective is to "Create a Suitable Living Environment by forging partnerships among HUD recipient agencies to evaluate resources needed for Infrastructure Improvements to support Affordable Housing." The indicator for this objective will measure the number of affordable housing projects supported by infrastructure improvements being financed with community development funds. Finally, the sixth and seventh objectives are to "Preserve Decent Housing for Homeowners through Rehabilitation of Single-Family Housing" and "Preserve Decent Housing through Rehabilitation of Rental Housing," respectively. These indicators measure the number of units, owner-occupied and rental, that are either rehabilitated or reconstructed through assistance programs. Ultimately, tracking the indicators measure how effective the State's efforts are in the area of improving the Availability, Accessibility and Sustainability of affordable housing that is decent, safe and sanitary.

Goal : Improve the condition, availability and accessibility of affordable housing in Arkansas over a five-year period.

Objective 1: Provide Decent Housing through Homebuyer Assistance Programs.

Indicator #1– Increase/maintain funding for homeownership assistance programs to aid 150 families including first-time homebuyers that received downpayment assistance and/or principal reduction assistance by the end of FY 2014 (Performance Indicator 1.1).

Objective 2: Increase Decent Housing for homebuyers through new single family housing.

Indicator #1– Number of single family housing units 15 constructed for low and moderate-income homebuyers (Performance Indicator 2.1).

Indicator #2– Number of single family units 15 that incorporate universal design. (Performance Indicator 2.2).

Objective 3: Provide Decent Housing through Rental Assistance Programs.

Indicator #1– Number of families 225 assisted through TBRA by the end of FY 2014 (Performance Indicator 3.1).

Indicator #2– Number of persons 30 with disabilities assisted through TBRA by the end of FY 2014 (Performance Indicator 3.2).

Objective 4: Provide Decent Housing through Multifamily Housing and other Rental Housing Developments.

Indicator #1– Number of rental units 75 created throughout the state by the end of FY 2014 (Performance Indicator 4.1).

Objective 5: Create a Suitable Living Environment by forging partnerships among HUD recipient agencies to evaluate resources needed for infrastructure improvements to support single family and multi-family housing.

Indicator #1– Number of projects 1 completed, which combine infrastructure improvements with an affordable housing development by the end of FY 2014 (Performance Indicator 5.1).

Objective 6: Preserve Decent Housing for Homeowners through Rehabilitation of Single Family Housing.

Indicator #1– Number of single-family units 60 rehabilitated or reconstructed by the end of FY 2014 (Performance Indicator 6.1).

Objective 7: Preserve Decent Housing through Rehabilitation of Rental Housing.

Indicator #1– Number of rental units 25 rehabilitated or reconstructed by the end of FY 2014 (Performance Indicator 7.1).

Performance Measures: Homelessness

The Arkansas Department of Human Services will be responsible for tracking the measures for the four objectives under the Homelessness goal of expanding and improving the housing services offered to families and individuals in the State of Arkansas. The indicators relating to homelessness, listed below, will be tracked quarterly by DHS and reported in the "State of Arkansas Annual Update to the Consolidated Plan." The first objective, to continue coordination within and among the State Continuums of Care, has four indicators. This first objective serves to improve services offered to homeless families and individuals through the sharing of knowledge throughout the supportive services network. Seminars, conferences and participation in the Homeless Management Information System (HMIS) elevate the capacity of members of the thirteen Continuums of Care within the State. The indicators under this objective measure the participation level of the Continuums and of the non-profits under them. The second objective is to support services aimed at the prevention and elimination of homelessness. The first indicator under this objective is a count of the number of programs assisted per year with operating costs at a level of $10,000. Programs receiving this level of funding are established operations receiving the base funding levels to maintain their operations. This indicator measures the number of larger programs sustained by the HUD funding for monthly operating costs. The second indicator is the number of programs assisted per year with funding for prevention activities. This indicator will be measured along with the total number of persons served by these programs to establish an overall effectiveness measure for the funding directed at prevention programs. The third objective, to expand emergency shelter facilities, particularly those serving homeless families, has three indicators to measure the State's progress. The first two indicators directly measure the number of shelters and the persons served. The third indicator recognizes the fact that HUD funding is not the only, and in many cases, not the primary funding source for non-profits. To decrease non-profit agency dependency on a sole funding source they may utilize the unified technical assistance offered through the Continuum of Care networks in obtaining additional funding sources. This leverages the HUD funding over an increased base of nonprofit organizations. The fourth objective with indicators measured by the Arkansas Department of Human Services is

the support to nonprofit organizations seeking to develop permanent housing opportunities for homeless persons. The indicator measures the number of nonprofit organizations DHS is able to aid in their attempt to secure funding sources.

Goal: Expand and improve the housing and services offered to homeless families and individuals in Arkansas.

Objective 1: Continue coordination within and among the State Continuums of Care to reduce and end homelessness through outreach and assessment by Emergency Solutions Grant sub-recipients and by addressing emergency shelter and permanent housing needs of homeless persons.

Indicator #1– Number of homeless outreach meetings, conferences and seminars conducted or attended (Strategy 1.1).

Indicator #2– Increase in participation of non-profit organizations in the HMIS (Strategy 1.2).

Objective 2: Support services aimed at the prevention and elimination of homelessness.

Indicator #1– Number of programs assisted per year with operating costs at a level of $10,000 (Strategy 2.1).

Indicator #2– Number of programs assisted per year with funding for prevention activities (Strategy 2.2).

Objective 3: Expand emergency shelter facilities, particularly those serving homeless families.

Indicator #1– Number of family shelter facilities increased (Strategy 3.1).

Indicator #2– Increase in the number of persons served at shelter facilities by funding street outreach, homelessness prevention and rapid re-housing activities through the Emergency Solutions Grant, including assessment of needs and case management activities designed to assist homeless individuals and families in making the transition to permanent housing and independent living through shortening the period of time homeless preventing return to homelessness and facilitating access to affordable housing (Strategy 3.2).

Indicator #3– Number of nonprofits that utilized unified technical assistance through the Continuum of Care networks in obtaining additional funding sources (Strategy 3.3).

Objective 4: Support permanent housing opportunities for homeless.

Indicator #1– Number of nonprofits helped in their search in acquiring money for permanent housing (Strategy 4.1).

Performance Indicators: Other Special Needs

The indicators associated with the needs related to the non-homeless special needs populations will be measured by the Arkansas Department of Human Services (DHS), and by Arkansas Department of Health (ADH). The first indicator will be measured quarterly by DHS and will be reported with the indicators from the Homelessness section, above, in the "State of Arkansas Annual Update to the Consolidated Plan". Indicators two through five will be measured quarterly by the DHS and will also be reported in the "State of Arkansas Annual Update to the Consolidated Plan". The first four indicators are measures of funding levels directed to non-profit organizations, while the last two measure access to programs by the target populations. The first four indicators measure direct funding to nonprofit organizations that serve needs of victims of domestic violence, provide health services to persons with mental health and other chronic illnesses, serve persons with disabilities, and have wheelchair ramp programs to address mobility issues for the physically disabled. Indicators five and six measure the number of clients served by nonprofit substance abuse treatment and other services that assist addicts in the recovery process and through rental assistance programs (long term housing) for persons with AIDS, respectively. Indicator number 6 will be measured by ADH. Indicator number seven measures the number of clients served who will be likely to become homeless after being discharged from publicly funded institutions and systems of care and those receiving assistance from public and private service agencies. Indicator number seven will be monitored by DHS.

Goal: Evaluate upcoming needs related to the non-homeless special needs populations.

Indicator #1– Funding distributed to nonprofit organizations serving the victims of domestic violence (Strategy 1).

Indicator #2– Funding distributed to nonprofit organizations that provide health services to persons with mental health and other chronic illnesses (Strategy 2).

Indicator #3– Funding distributed to nonprofit organizations serving those persons with disabilities (Strategy 3).

Indicator #4– Funding distributed to wheelchair ramp programs to address mobility issues for the physically disabled (Strategy 4).

Indicator #5– Increased accesses to substance abuse treatment and other services that assist addicts in their recovery process (Strategy 5).

Indicator #6– Number of persons served through rental assistance programs (long term housing) for persons with AIDS (Strategy 6).

Indicator #7– Number of persons served who are likely to become homeless after being discharged from publicly funded institutions and systems of care and those receiving assistance from public and private service agencies (Strategy 7).

Performance Indicators: Non-housing Community Development

The Arkansas Economic Development Commission will be responsible for tracking the indicators relating to the objectives under the non-housing community development goal. There are five indicators linked to the objectives under the goal of "Enhance a suitable living environment for the citizens of Arkansas by improving the availability, accessibility and affordability of public facilities." The indicators will be tracked annually and reported in the "State of Arkansas Annual Update to the Consolidated Plan." The five indicators measure the number of projects identified in the strategies for these objectives, the amount of funding specifically allotted for non-housing community development needs projects, or the number of persons or families served. The first indicator measures the number of senior centers created or expanded through the CDBG funds. Under the second objective, "Enhance a ***Suitable Living Environment*** through improved access to affordable health services," indicators are measures of persons served by County Health Units.

Goal 1: Enhance a suitable living environment for the citizens of Arkansas by improving the availability, accessibility and affordability of public facilities.

Objective 1.1: Enhance a ***Suitable Living Environment*** for senior citizens.

> **Performance Indicator 1.1:** In FY 2014 the State of Arkansas, in partnership with the Area Agencies on Aging, will make available approximately 5% of the CDBG funds for the construction, expansion or renovation of Senior Centers in four of the eight regions of the state served by the Area Agencies on Aging. These centers will provide transportation services, meals, senior health clinics, and centers for socialization for approximately 500 senior citizens, 100% of whom are below 80% of the area median income.

Objective 1.2: Enhance a ***Suitable Living Environment*** through improved access to affordable health services.

> **Performance Indicator 1.2:** In FY 2014 the State of Arkansas, in partnership with the Arkansas Department of Health, will make available approximately 2% of the CDBG funds for the construction, expansion or renovation of at least one County Health Unit in the state. This unit will provide health screenings and health services to approximately 500 persons, more than 51% of whom will be below 80% of the area median income.

Objective 1.3: Enhance a ***Suitable Living Environment*** through improved access to affordable child care services.

Outcome: Availability, Accessibility, and Affordability

Outcome Statement: Enhance a suitable living environment for the citizens of Arkansas by improved availability, accessibility, and affordability of Child Care Services.

> **Performance Indicator 1.3:** In FY 2014 the State of Arkansas, in partnership with the Arkansas Department of Human Services, will make available approximately 4% of the CDBG funds for the construction, expansion or renovation of child care centers in the state. These centers will provide affordable child care services to approximately 100 children, more than 51% of whom will be from families that are below 80% of the area median income.

Objective 1.4: Enhance a ***Suitable Living Environment*** through improved access to community centers and affordable fire protection.

Outcome: Availability, Accessibility, and Affordability

Outcome Statement: Enhance a suitable living environment for rural Arkansans through the improved access to Community Centers, and through the availability of affordable fire protection services.

Performance Indicator 1.4: In FY 2014 the State of Arkansas, in partnership with the Arkansas Department of Rural Services, will make available approximately 2% of the CDBG funds for the construction, expansion or renovation of Community Centers and Fire Stations, and for the purchase of fire trucks and fire protection equipment in cities and unincorporated rural areas with a population of less than 3,000 persons. These centers will provide meeting areas and will provide fire protection for approximately 5,000 persons, more than 51% of whom will have incomes below 80% of the area median income.

Objective 1.5: Enhance a ***Suitable Living Environment*** through improved access to public facilities and public infrastructure, and through funding for innovative projects.

Outcome: Availability, Accessibility, and Affordability

Outcome Statement: Enhance a suitable living environment for the citizens of Arkansas through improvements in the availability, accessibility and affordability of public facilities, public infrastructure and projects of an innovative nature.

Performance Indicator 1.5: In FY 2014 the State of Arkansas will make available approximately 4% of the CDBG funds for the construction of public infrastructure, including such projects as drainage, streets, and roads. Funds will be available for the construction of public facilities, including such projects as homeless shelters, youth centers, and halfway houses. Funds will also be available for projects deemed to be of an innovative nature. These grants will be awarded through a competitive process. These grants will provide assistance to approximately 5,000 persons. At least 51% of all persons benefiting from this line item will have incomes below 80% of the area median income, or the project will meet another national objective, such as the elimination of slum and blight or to address an urgent need.

Note that additional funds may be provided for this line item in the future through the deobligation of unused funds from other line items, or from deobligated funds from previous funding years.

Under Goal 2, "Enhance a suitable living environment for the citizens of Arkansas by improving the availability, accessibility and affordability of public infrastructure," there is one Objective and one Performance Indicator.

Objective 2.1: Enhance a ***Suitable Living Environment*** through the construction of water and sewer systems.

Performance Indicator 2.1: In FY 2014 the State of Arkansas will enhance a suitable living environment for the citizens of Arkansas by providing improved access to clean, safe drinking water and safe sanitary sewer systems. In partnership with the Arkansas Natural Resources Commission, the state will make available approximately 40% of the CDBG funds for the construction or expansion of water and sewer projects. These improvements will provide assistance to approximately 1,000 persons. At least 51% of all households benefiting from this line item will have incomes below 80% of the area median income.

Under Goal 3, "Improve the economic opportunity of the citizens of Arkansas by identifying and funding economic development projects which provide access to new jobs," there are two objectives:

Objective 3.1: Improve ***Economic Opportunities*** by identifying and funding projects which provide access to new jobs.

Performance Indicator 3.1: In FY 2014 the State of Arkansas will identify and fund projects which lead to employment opportunities for the citizens of Arkansas. The State will make available approximately 40% of the CDBG

funds to provide grants to cities and counties to fund eligible economic development activities primarily grants for the improvement of public infrastructure related to the location or expansion of industry in the state, and to capitalize loans that benefit businesses and industries that are locating or expanding in Arkansas. These grants will provide job opportunities to approximately 500 persons. At least 51% of all new jobs created or retained by these projects will be held by or made available to persons with household incomes below 80% of the area median income.

Objective 3.2: Improve ***Economic Opportunities*** through access to Individual Development Accounts.

Performance Indicator 3.2: Through a partnership with the Assets Coalition, the State of Arkansas will make Individual Development Accounts available to approximately 30 persons in participating counties. One hundred percent of the households receiving these funds would have incomes below 80% of the area median income. This funding will be taken from the Economic Development Set Aside line item.

Objective 3.3: Improve ***Economic Opportunities*** by the establishment of a Small and Micro Business Program.

Performance Indicator 3.3: Through a partnership with the Small and Minority Business Division of the Arkansas Economic Development Commission investigate the feasibility of establishing a program for grants and/or loans for creation or expansion of businesses that employ low to moderate income persons, and establish such a program if found to be feasible.

Objective 3.4: Improve ***Economic Opportunities*** through the creation of regional planning grants.

Performance Indicator 3.4: As described in the Arkansas Strategic Plan for Economic Development, investigate the feasibility of awarding planning grants to promote regional economic development, and establish such a program if found to be feasible.

Performance Indicators: Barriers to Affordable Housing

The two performance indicators relating to addressing the barriers to affordable housing in the State measure the number of specific events or activities to be carried out to further this goal.

Goal: Address barriers to affordable housing development and availability in order to reduce the cost burden on low and moderate-income residents.

Indicator #1– Number of training sessions provided to local entities on the mechanisms to fully implement strategies to return vacant lots to affordable housing production (Strategy 1).

Indicator #2– Number of homebuyer education and credit repair classes provided to increase the stream of qualified homebuyers entering the housing market (Strategy 2).

Performance Indicators: Lead-based Paint Hazards

Goal: Increase the inventory of lead safe housing units.

Indicator #1– Funding opportunities explored to provide testing and abatement of lead-based paint hazards in single family housing where young children are present (Strategy 2).

Indicator #2– Number of lead safe housing units added to the housing stock in Arkansas through housing initiatives (Strategy 3).

Indicator #3– Number of outreach opportunities developed and available through ADH (Strategy 4).

Performance Indicators: Anti-Poverty Strategy

Goal: Reduce the size of the impoverished population in the State of Arkansas.

Objective 1: Expand job opportunities in the State of Arkansas.

Indicator #1– Number of educational and job training programs aimed at improving life skills and earning capacity (Strategy 1).

Indicator #2– Amount of funding provided for economic and community development assistance to the communities in Arkansas to build economic growth (Strategy 2).

Objective 2: Improve the earning capacity of persons with physical and mental disabilities.

Indicator #1– Amount of funding provided to income maintenance and medical programs for persons with physical and mental disabilities (Strategy 1).

Objective 3: Increase childcare and educational opportunities for children from low-income families.

Indicator #1– Amount of funding provided to deliver childcare services to low-income households, through the construction of child care centers (Strategy 1).

Objective 4: Expand affordable housing opportunities.

Indicator #1– Number of additional moderate and middle-income families in newly constructed homes of their own (Strategy 1).

Indicator #2– Number of additional affordable rental units added to the housing stock throughout the state (Strategy 2).

Indicator #3– Evaluation to determine the feasibility and impact of funding the IDA program (Strategy 4).

Program Specific Requirements

CDBG Program Specific Requirements

Arkansas's State CDBG funds are earmarked to continue to provide effective programming, monitoring, and management of activities meeting the CDBG national objectives: (1) benefiting low to moderate-income individuals; (2) eliminating slum and blight; and (3) addressing urgent needs.

Eligible recipients of CDBG funds are all Arkansas cities and counties except Bentonville, Conway, Fayetteville, Fort Smith, Hot Springs, Jacksonville, Jonesboro, Little Rock, North Little Rock, Pine Bluff, Rogers, Springdale, Texarkana, and West Memphis, which are CDBG Entitlement cities and may not seek CDBG grant funding from the State.

The Commission may refuse to provide assistance to otherwise eligible recipients based on sanctions imposed as the result of previous non-performance or non-compliance. The Commission will also limit the ability of eligible applicants to receive funds in the Categorical program as defined under "CDBG: Method of Distribution."

In the event of a state or national emergency, the Commission reserves the right to divert funds from current or previous funding years to fund a disaster line item.

In 2008 the State of Arkansas received Supplemental CDBG funds in two appropriations to address the effects of five presidentially declared disasters. Separate Action Plans for Disaster Recovery were written for each appropriation, and these plans will be considered as amendments to the 2008 State Action Plan.

HOME Specific Requirements

The State's recapture policy, as directed by Section 92.254 Part (5) (ii), applies to both rental and homeownership projects. The subsidy will not be amortized for any of the remaining balance of the affordability period."

ADFA HOME Resale and Affordability Provisions:

For homes purchased through HOME Program financed homebuyers assistance programs, ADFA has certified that it will assure that the initial purchaser receives a reasonable return on his/her investment at the time of the sale with the following provisions. ADFA shall agree to apply the following rate of appreciation to the homeowner's investment calculated by:

a. Adding purchaser's down payment;
b. The portion of his/her monthly payments which were applied to the principal; and,
c. The cost of documented major improvements which increased the value of the property.
d. In no case will ADFA assure the above when depreciation of the general housing market in which the property is located and/or depreciation of the property due to deferred maintenance, abandonment of the property, and lack of necessary maintenance results in an appraisal value less than the above appreciated value. Initial purchaser must sign an agreement of shared appreciation.

Resale Requirements:

The sale of the property to the new low-income family must be at a price which allows for:

- A fair return on investment, including any improvements to the seller;
- The property must be affordable to the subsequent low-income purchaser.

The subsequent purchaser's affordable housing provision must remain in existence for a period of no less than:

HOME Subsidy	Affordability Period
Less than $15,000	5 years
$15,000 - $40,000	10 years
$40,000 +	15 years

ADFA or its designee administering the HOME Program funds may exercise the right of purchase from the initial homebuyer. The price paid to the initial homebuyer by the entity exercising the right of purchase is the amount specified in a firm contract between the initial homebuyer and the proposed purchaser. A promissory note is required if the homebuyer purchases the unit under the HOME Program for less than fair market value (FMV). A promissory note must be executed between ADFA and the initial homebuyer in the amount of the difference between FMV and the actual sales price. Subsequent purchasers within the affordability period of the initial sale must sign a new promissory note and mortgage.

Recapture Requirements:

ADFA will recapture that portion of HOME Program investment unforgiven during the affordability period or recapture the maximum net proceeds from sale of property (whether recapture is effected through foreclosure or no foreclosure action). Net proceeds will be used to: (1) Reimburse the HOME Program (approved activity) for the outstanding balance of HOME funds not repaid or forgiven during the applicable affordability period at the time of recapture; (2) Reimburse the HOME Program (administration) for "holding costs" or other costs associated with the recapture action (legal fees, insurance, taxes, realtor fees, appraisal/BPO costs, etc.). In the event net proceeds are less than the outstanding balance of HOME funds invested in the property (for all approved activities and holding costs incurred), the loss will be absorbed by the HOME Program and all HOME Program requirements would be considered to have been satisfied. If net proceeds recaptured are greater than the outstanding balance of HOME funds invested in the property (for all approved activities and holding costs incurred), the balance of net proceeds would be distributed to the homeowner (or his/her estate). If the recapture of proceeds is effectuated through a completed foreclosure action, and the property is legally owned by ADFA, the balance of net proceeds recaptured will inure to ADFA.

Tenant-Based Rental Assistance (TBRA)

ADFA, as the State's Administrator for the HOME program, will continue to allocate TBRA funding during the upcoming program year. ADFA will evaluate the demand, need, and feasibility of this activity on an on-going basis.

ADFA will work with Public Housing Authorities (PHAs) and nonprofit agencies in the rental assistance program in compliance with HOME regulation subpart E, 92.211, in accordance with the HOME Investment Partnerships Act and with 224 CFR 92.150 of the HOME Investment Partnerships Program Interim Rule. In areas that have no PHA, or in which the PHA affirms that it will not administer the TBRA, the local Section 8 administrator or nonprofit entities experienced in rental assistance programs may administer TBRA. ADFA will use funds for security deposits only in conjunction with rental assistance.

Tenant selection may be made from public housing authorities' Section 8 waiting lists giving priority to their local preference or Federal preference, if one is in place, or families residing in units selected for rehabilitation or acquisition using HOME funds. Federal preferences are given to families that occupy substandard housing (including families that are homeless or living in a shelter for homeless families); families that are paying more than 50% of gross family income for rent; or families that are involuntarily displaced.

The maximum rent subsidy may not exceed the difference between the rent standard established in the unit's market area and 30% of the family's adjusted income. The tenant's minimum contribution to rent shall be at least 30% of the family's income unless the rent

subsidy is in the form of a voucher. The rent standard may not be less than 80% of the current published Section 8 existing housing fair market rent for the unit size, nor more than the fair market rent, unless there is a HUD approved community-wide exception rent as specified in 24 CFR 92.911, (F)– (3).

Arkansas Dream Downpayment Initiative (ADDI)

ADDI Program Overview

ADFA will administer the ADDI program as part of its normal operations within the HOME Program and in accordance with the HOME Program regulations. ADDI may be used for downpayment assistance, and closing costs assistance in the purchase of single family housing to eligible individuals who are first-time homebuyers. A first-time homebuyer is an individual and his or her spouse who have not owned a home during the three-year period prior to purchase of a home with assistance under ADDI. The maximum amount of ADDI assistance may not exceed six percent (6%) of the purchase price of the home with a maximum of $10,000. ADFA requires that all repairs be completed by the seller prior to release of funds.

ADFA Program - Description of Use:

ADFA will provide a maximum of six percent (6%) of the purchase price or $10,000, whichever is less, in ADDI funds for downpayment assistance and closing costs for qualifying first-time homebuyers. The form of the assistance will be a forgivable loan with equal installments forgiven over the period of affordability. A first-time homebuyer is defined as an individual and his or her spouse who have not owned a home during the three-year period prior to the purchase of a home with ADDI assistance. The homeowner will be required to execute a promissory note, second mortgage and deed restriction for the amount of HOME assistance provided in accordance with established ADDI Program affordability periods.

Targeted Outreach:

ADFA will market the ADDI funds utilizing its official website, publications, brochures and proven marketing techniques. Public housing authorities, the manufactured housing industry and nonprofit providers will be notified of the availability of ADDI funds. ADFA will also promote the program through its annual regional housing workshops and application workshop to HOME program subrecipients and other ADFA partners and interested parties.

Suitability of Families Receiving ADDI Funds:

ADFA will require families receiving ADDI funds to complete a homebuyer counseling course acceptable to ADFA. The purpose of the counseling will be to educate families regarding the home buying process and the various issues related to maintaining homeownership.

CDBG Disaster Funds – Affordable Rental Housing

The CDBG Disaster Funds for Affordable Rental Housing is funded through the U.S. Department of Housing and Urban Development ("HUD") and is considered a supplemental appropriation of the Community Development Block Grant ("CDBG") program. Arkansas received a total of $90,475,898 in CDBG Disaster Funds with a minimum set-aside of $10,134,098 for affordable rental housing. Arkansas Development Finance Authority ("ADFA"), the housing agency for the state of Arkansas, has been designated as administrator of the CDBG Disaster Funds for Affordable Rental Housing through a Memorandum of Understanding (MOU) with the Arkansas Economic Development Commission (AEDC).

CDBG Disaster Funds for Affordable Rental Housing is the result of five Presidentially-declared disaster areas which include 71 of Arkansas' 75 counties (excluding Columbia, Ouachita, Polk, and Sevier counties). The Presidentially-declared disasters pertaining to the CDBG Disaster funds allocated to Arkansas are as follows:

1. FEMA #1744, declared on February 7, 2008
2. FEMA #1751, declared on March 26, 2008
3. FEMA #1758, declared on May 20, 2008
4. FEMA #1793, declared on September 18, 2008
5. FEMA #1804, declared on October 22, 2008

CDBG Disaster Funds must relate to housing lost or damaged in the areas by one or more of the Presidentially-declared disasters. The CDBG Disaster funds may not be used for activities reimbursable by other entities (i.e., FEMA, SBA, Corps of Engineers, insurance proceeds, etc.).

Applications for CDBG Disaster Funds may be combined with other ADFA resources, such as the Low-Income Housing Tax Credit (LIHTC) program, HOME, BMIR, Bonds, or FAF program funds. Eligible applicants include cities, counties, public housing authorities, nonprofit, and for profit entities evidencing the capacity to develop affordable rental housing.

ESG Specific Requirements

The Office of Community Services, Department of Human Services administers the State of Arkansas Emergency Solutions Grants Program. The State awards grants to local nonprofit organizations. The prospective nonprofit organization will be required to have the appropriate unit of local government concur with and sign off on the request for assistance.

The grants will be offered using a Request for Proposal process which will be done on a statewide basis. The Emergency Solutions Grants Committee, composed of 10 members, will review grant awards. They include the following divisions in the Arkansas Department of Human Services:

1. County Operations
2. Children and Family Services
3. Development Disabilities
4. Volunteerism
5. Behavioral Health
6. Aging and Adult Services
7. Administrative Services

Each member of the committee votes independently and prior to the award meeting. At the award meeting, the committee reviews the applications and tabulates the scores according to the criterion established. The applicants receiving the highest scores will be funded until funds are depleted. In the event of a tie, the balance of funds will be divided equally among the applicants.

The criterion to be used by the committee deals with the nonprofit organization's ability to provide the services needed if they are listed as eligible activities, and the priority needs and specific objectives described are in the Consolidated Plan. Each year, the committee meets and establishes priority needs for the year and points are given if the nonprofit organization can address those needs as well as the basic services.

The release of funds will be contingent upon the applicant successfully completing the application, scoring the highest points, and having the ability to provide services needed. The application must contain the necessary provision, which adequately describe the program for which assistance is sought. The program must be consistent with the requirements issued under the Arkansas Consolidated Plan. The applicant must successfully complete the environmental review process and sign all the certifications and assurances as required by law. The applicant will be monitored to make sure they are in compliance and funding can and will be stopped if they fail to meet the obligation as outlined in their grant.

HOPWA Specific Requirements

Project sponsors will be selected through a statewide Request for Proposals (RFP) process that will include, but is not limited to, evaluation of the following parameters:

- Concentration of persons with HIV/AIDS in the geographic area to be served by the project sponsor;
- Availability of suitable housing stock in the defined areas;
- Demonstrated capacity of the applicant to provide quality services in compliance with ADH and HUD regulations;
- Ability of the applicants to coordinate complimentary supportive services; and
- Ability of the project sponsor to meet the urgent unmet needs of person with HIV/AIDS and their families.

Affirmative Marketing Plan

ADFA supports and maintains continuing efforts and programs which encourage the solicitation and utilization of Minority Business Enterprises (MBEs) and Women Business Enterprises (WBEs). ADFA will continue these efforts in its administration of the HOME Investment Partnerships Programs through program guidelines, agreement contracts, reporting requirements and monitoring of State recipients, sub-recipients, and grantees.

The Fair Housing Officer shall assume ADFA's oversight responsibilities. Recipients and Sub-recipients will be instructed to name the oversight person on staff who has access to a chief

elected official, such as City Mayor, County Judge, and Chairmen of Boards where projects are managed by nonprofits.

ADFA shall access such resources including, but not limited to:

1. The Arkansas Mississippi Minority Supplier Development Council
2. The Office of Minority Business Enterprises
3. The NAACP Fair Share Program
4. The Office of State Purchasing under the Department of Finance and Administration
5. The State Minority Business Advisory Council
6. Partnership with the Small and Minority Business Division of the Economic Development Commission to provide minority and women-owned businesses with opportunities to participate in ADFA programs

ADFA will have and shall require recipient, sub-recipients, and grantees to maintain a list of MBEs and WBEs according to their capabilities, services, and products.

ADFA shall and will require recipient, sub recipients, and grantees to routinely notify MBEs and WBEs by direct mail of all awards or agreements for HOME Projects involving five or more units, including a summary of the type of project, project costs, number of units to be developed, and the name and address of the project owner, manage, or sponsor. This will give MBEs and WBEs an opportunity to do subcontract work for prime contractors.

ADFA shall and will encourage recipient, sub-recipients, and grantees to use electronic and or print media to market and promote contract and business opportunities for MBEs and WBEs targeting minority-oriented media as well as local and statewide media.

ADFA shall require reporting from recipient, sub-recipients, and grantees to include a minimum of:

1. Description of Affirmative Marketing undertaken relative to HOME Projects
2. Percent and dollar amount of total HOME funds of MBE and WBE participation
3. Maintenance of current file lists of MBE vendors and service providers
4. Corrective measures to be taken (where applicable) in their MBE/WBE outreach program
5. A checklist of outreach initiatives

ADFA shall and will require recipient, sub-recipients, and grantees to maintain centralized records with data on the use and participation of MBEs and WBEs as contractors/subcontractors in HOME assisted program-contracting activities. This shall be accomplished through agreement contracts and reporting forms included in the application packet.

ADFA's Compliance Division monitors the HOME Program, the Low-Income Housing Tax Credit (LIHTC) Program and the Neighborhood Stabilization Program (NSP) for compliance with any applicable Federal Regulations. On-site Fair Housing technical assistance will be provided to HOME, LIHTC, and NSP recipients.

The Economic Development Commission requires that all grantees facilitate the use of minority and women business enterprises (MBE and WBE). For CDBG grants awarded, each grantee must take affirmative steps to assure that MBE/WBEs are used when possible as sources of supplies, equipment, construction and services. Affirmative steps include, but are not limited to, the following:

1. Including small and minority businesses on solicitation lists
2. Assuring that small and minority businesses are solicited whenever they are potential sources
3. When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum small and minority business participation
4. Where the requirements permit, establishing delivery schedules which will encourage participation by small and minority businesses
5. Using the services and assistance of such resources as:
    - The Small Business Administration
    - The Office of Minority Enterprise of the U.S. Department of Commerce
    - The Community Services Administration
    - The Small and Minority Business Division of the Economic Development Commission
    - Requiring prime contractors to take affirmative steps in the procurement of subcontractors

The Commission also requires that each grantee send any request for proposal (RFP) or invitation for bid to Small and Minority Business Division of the Commission.

Monitoring

Arkansas State Government receives funding through the CDBG Program, HOME Program, ESG, and HOPWA Programs. In their applications and documents submitted for funding, state agencies articulate clearly and describe specifically their program administration capacities, including their standards and procedures for monitoring subgrantees.

Funds from these programs are allocated by the recipient state agencies to public and private nonprofit subgrantees through competitive grant application procedures. Grant application procedures clearly and directly communicate accompanying statutory and regulatory requirements. Once projects are approved for funding, grant awards are made by contract to the subgrantees. Grant agreements specifically and directly bind the subgrantees to adhere to HUD's statutory and regulatory requirements.

State agencies monitor subgrantee adherence to grant agreements, including their compliance with statutory and regulatory requirements through receiving and reviewing regular written reports and through periodic site visits. In addition, state agencies host training and orientation workshops for subgrantees in which statutory and regulatory requirements are reviewed, discussed, and compliance issues are addressed.

Geographic Distribution

The proposed allocation of funds is based on federal funding requirements for each formula-allocated grant. For CDBG funds the Commission will use the method of fund distribution listed in the Five Year Consolidated Plan, except where unanticipated adjustments have to be made as a result of federal budget allocation to the State. Funds will be used for CDBG eligible priority activities as defined in the Consolidated Plan.

For the HOME Program ADFA has adopted a list of Target Area Designations. ADFA will include those places designated by USDA Rural Development and Qualified Census Tracts (QCTs) and Difficult to Develop Areas (DDAs) as defined by the U.S. Department of Housing and Urban Development.

ADFA has an open funding cycle allowing for submission of applications statewide and qualified applicants from all areas of the State are encouraged to apply. Priority points are used for areas where the State has determined clients are not being served.

Tenant-based rental assistance (TBRA), short-term rent, mortgage and utility (STRMU) assistance and supportive services will be provided to low-income HIV positive individuals and their families statewide with the exception of Faulkner, Grant, Lonoke, Perry, Pulaski and Saline Counties, which are included in the HOPWA entitlement funding to the City of Little Rock, and Crittenden County, which is covered under the Memphis TN-MS-AR HUD Metropolitan FMR Area. The priorities for distribution of funding will be the concentration

of person with HIV/AIDS reported by geographic area, the need for housing assistance by geographic area, and the availability of suitable housing stock by geographic area.

2014 Estimated Expenditures

2014 Estimated (Expenditures)		
Community Development Block Grant		
Administration	$	330,141
Technical Assistance		75,000
Economic Development		6,500,000
Water and Wastewater		6,500,000
Childcare		490,000
Public Health Facilities		325,000
Senior Citizen Facilities		812,000
Rural Services Set Aside		700,000
General Assistance and Innovative Projects		650,000
Projected Program Income	$	2,000,000
Total (Includes Program Income of $2,000,000)	**$**	**18,382,141**
HOME Investment Partnerships Funds		
Program Income	$	1,000,000
Administration (10%)		756,569
Rental Units Rehabilitation		1,047,896
Homeowner Units Rehabilitation		1,955,385
Rental Units Development		1,544,930
Rental Subsidies (TBRA)		571,295
Downpayment Assistance (ADDI)		554,769
CHDO Set-Aside		1,134,854
Total (Includes Program Income of $1,000,000)	**$**	**8,565,698**
Emergency Solutions Grant		
Street Outreach		10,000
Shelter		890,945
Homeless Prevention		260,588
Rapid Re-Housing		658,000
Administration		147,530
Total	**$**	**1,967,063**
Housing Opportunities for Persons With AIDS		
Grantee Administration (3%)	$	16,000
Project Sponsor Administration (7%)		37,335
Direct Housing Subsidy & Support Services		480,018
Total	**$**	**533,353**
Total Expenditures	**$**	**30,448,238**

Appendix A

CONSOLIDATED PLAN ADVISORY COMMITTEE MEMBERS
FY 2014

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Appendix B

State of Arkansas
Consolidated Plan Agency Advisory Board - 2014

Basil Julian – Plan Coordinator Grants Division Director Economic Development Commission 900 West Capitol, Suite 400 Little Rock, Arkansas 72201 Ph: 501-682-7392 Fax: 501-682-1209 E-mail: bjulian@arkansasedc.com	**Dana Heatley/Dottie Boyles – Recorder** Grants Division Economic Development Commission 900 West Capitol, Suite 400 Little Rock, Arkansas 72201 Ph: 501-682-1211/682-7682 Fax: 501-682-1209 E-mail: dheatley@arkansasedc.com or dboyles@arkansasedc.com	**Jean Noble** Business Finance Division Economic Development Commission 900 West Capitol, Suite 400 Little Rock, Arkansas 72201 Ph: 501-682-7389 Fax: 501-682-1209 E-mail: jnoble@arkansasedc.com
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Appendix C

Appendix C: Impediments to Fair Housing and Remedial Actions

Introduction

This section draws on the information collected and analyzed in previous sections to provide a detailed look at fair housing impediments in the State of Arkansas. Five major categories of impediments were analyzed: Real Estate Impediments; Public Policy Impediments; Banking, Finance, and Insurance Related Impediments; Socioeconomic Impediments; and Neighborhood Conditions as Impediments. There were no Public Policy Impediments identified. For each of the other categories, impediment were identified and presented along with a summary of the issues and impacts. Remedial actions are recommended to address each impediment. Some of the remedial actions presented in this section are conceptual frameworks for addressing the impediments. These actions will require further research, analysis, and final design by the State of Arkansas for implementation.

Evaluating fair housing concerns is a complex process involving diverse and wide-ranging considerations. The role of economics, housing patterns, and personal choice are important to consider when examining fair housing. Based on our analysis, the State of Arkansas has relatively few impediments to fair housing. However, some issues were identified.

We applaud the State of Arkansas for it strides in supporting the creation of new affordable housing units and its commitment to supporting local jurisdictions and nonprofit agencies in their efforts to strengthen older and lower income areas. We also encourage the State, in partnership with local jurisdictions and its nonprofit partners to expand these efforts as a primary means of expanding fair housing choice. The impediments identified in this section can be directly linked to and supported by data and analysis from the previous sections. In some instances, footnotes have been provided as links to the corresponding sections should the reader need to refer to those sections for more details.

6.1 Real Estate Impediments

Impediment: Inadequate supply of affordable housing.

Issues: According to the American Community Survey estimates, there were 1,287,472 housing units located within Arkansas in 2007. Of all housing units, 58.01 percent were owner-occupied, 27.64 percent were renter-occupied, and the remaining 14.35 percent were vacant in 2007. Looking only at the occupied units, 67.73 percent were owner-occupied and 32.27 percent were renter-occupied in 2007.

According to the 2000 US Census, 13.04 percent of housing units were built prior to 1950, 9.76 percent were built between 1950 and 1959, 14.43 percent were built between 1960 and 1969, 22.65 percent were built between 1970 and 1979, and 40.12 percent were built after 1979.[1] This means that the approximately 60 percent of the State's housing stock is more than 30 years old, built prior to 1979. These units may contain lead-based paint and are more likely to be in need of repairs and maintenance.

In 2007, homeownership rates in the State were stable. Looking only at the occupied units in the State, 67.73 percent were owner-occupied and 32.27 percent were renter-occupied in 2007. There was very little variation among Congressional Districts with homeownership rates of 68.01 percent in District 1, 67.39 percent in District 2, 67.09 percent in District 3, and 68.52 percent in District 4. The vacancy rates for housing units in the state however were fairly high. In Congressional District 1 the vacancy rate was 18.73 percent, compared to 14.90 percent in District 2, 12.85 percent in District 3, and 21.17 percent in District 4 in 2007. One possible explanation may be related to units in need of repairs, rendering units uninhabitable or inadequate due to housing problems.

[1] Table 5.3 Age of Housing Stock, Community Profile page 39

According to the ACS, the median home value for single-family houses in the state was $101,000 and the median contract rent was $421 in 2007.[2] The average income required to qualify for a mortgage based on the year 2007 median home price of $101,000 is approximately $26,000 to $30,000 in household income. Therefore, home ownership is not attainable to many in the State with approximately 35.2 percent of White person households, 57.1 percent of African-American households and 43.9 percent of Hispanic households earning less than $25,000 in annual income. Minority populations are most affected by limited income with 26.12 percent of African-Americans and 12.28 percent of Hispanics earning less than $10,000 in household income and making homeownership nearly impossible for those households. The median home price of $101,000 does not indicate that housing below that price and affordable housing for purchase to incomes below $25,000 does not exist. However, we are concerned that there is an inadequate supply of affordable housing in standard condition and available to meet the fair housing choice in home ownership for persons of all incomes throughout the State. The State's AEDC and ADFA, through funding provided to local jurisdictions in partnerships with non-profit organizations and local builders, has supported the development and financing of affordable housing to qualified buyers to help bring some balance to this need. However, these housing initiatives serve a small percentage of the overall needs of the population of very low, low, and moderate-income families.

A wide range of interconnected issues influence the development of affordable housing and housing affordability. These issues include the rapidly rising cost of land, materials, and construction; a lack of income; development fees; or the investment needed to rehabilitate substandard housing. This combination of rising costs and the lack of affordability for lower income groups, elderly and renters have made attainable housing

[2] Community Profiles page 37

harder to secure. This was reflected in the perceptions of focus group participants who voiced particular concern that the supply of affordable homes for working families is in short supply in certain areas where it is needed which is only adding to the overall affordable housing shortage.

Impacts: Affordable housing impacts the structure and stability of neighborhoods. Income diversified neighborhoods and neighborhoods that are accessible to a mix of incomes have shown a greater potential to maintain themselves as a viable community. That is, people are most likely to maintain housing they own or when it is their housing of choice. In 2000, there was a significant gap between the percentages of minorities owning their own homes compared to Whites.[3] The Home Mortgage Disclosure Act data indicates that minority buyers have lower loan origination rates than Whites and their origination rates are disproportionate when compared with each minority population's percentage of Arkansas's population. Origination rates throughout Arkansas were also lower in low income census tracts when comparing groups with the same income seeking to purchase in high income tracts. This means that minority loan applicants and lower income census tracts that often have higher concentrations of minorities are facing a lack of access to capital for home loan financing. The lack of affordable housing and investment dollars limits housing choice and, to the extent that household income is correlated with housing value, this limitation is even greater.[4] High percentages of minorities fall into lower income groups.[5] An analysis of household income and cost burden factors suggests that there is a strong need for affordable housing in the State. Without adequate affordable housing options lower income and minority households tend to

[3] According to the 2007 ACS 72.96 percent of White households, 45.60 percent of African-American households and 51.19 percent of Hispanic households owned their own home in Arkansas (Table 5.4 on page 43 of the Community Profiles.)

[4] Fair Housing Index Table 5.1 on page 116 shows a strong correlation between lower income groups relative to housing values and rents.

[5] According to the 2000 Census, Table 2.2 page 19, 11.15 percent of White households, 26.12 percent African-American households, and 12.28 percent of Hispanic households earned less than $10,000 in 2000.

be cost burdened with regard to their monthly mortgage (principal, interest, taxes, insurance, and utilities) or rent payments.[6]

Remedial Actions: The State of Arkansas should continue to fund eligible housing activities undertaken by local jurisdictions, developers and non-profit organizations to expand the stock of affordable housing and to provide rental assistance and homebuyer assistance to eligible low and moderate income households. Attention should be given to increasing the production of new affordable housing units and assistance toward the purchase and renovation of housing in existing neighborhoods. Greater emphasis should be placed on capacity building and technical assistance initiatives aimed at expanding non-profit, faith based organizations and private developers' production activities throughout the State.

In an effort to expand resources, we also recommend that the State assist local jurisdictions with research in consideration of one particular policy change, inclusionary zoning, as one alternative means of promoting balanced housing development. Inclusionary zoning has been used in other communities to ensure that some portion of new housing development is affordable. This becomes important as higher income individuals move into a neighborhood. As housing prices rise, low to moderate-income residents may be displaced without the use of Inclusionary Zoning which helps to create mixed-income communities. Mixed-income communities broaden access to services and jobs and provide openings through which low-wage earning families can buy homes in appreciating housing markets and, as a result, accumulate wealth.

Inclusionary Zoning, also known as **inclusionary housing**, can be implemented by enacting provisions in the local Zoning or Development

[6] According to Comprehensive Affordability Strategy (CHAS) data, Table 5.6 on page 50 of the Community Profile in year 2000, 52 percent of very low-income renter-occupied households are 30% cost burden, and 42 percent of very low-income owner-occupied households paid more than 30% of their household income on housing expenses.

Ordinances that require a given share of new construction houses be affordable to people with low to moderate incomes. The term *inclusionary* zoning is derived from the fact that these ordinances seek to counter *exclusionary* zoning practices which aim to exclude affordable housing from a jurisdiction through the zoning code. In practice, these policies involve placing restrictions on 10% - 30% of new houses or apartments in a given development in order to make the costs of the housing affordable to lower income households. The mix of "affordable" and "market-rate" housing in the same neighborhood is seen as beneficial by many, especially in jurisdictions where housing shortages have become acute. Inclusionary Zoning is becoming a common tool for local jurisdictions in the United States to help provide a wider range of housing options than the market provides on its own. The zoning code must be amended to include this provision and can also be applied when residential planned unit development zoning is requested. Implementation is triggered at the building permitting phase. The importance of Inclusionary Zoning is that Arkansas could increase the resources for affordable housing through private developer built units or developer dollars allocated in lieu of building units. Currently affordable housing programs are primarily funded through the State's CDBG and HOME programs. Inclusionary Zoning could generate additional resources for affordable housing since the federal grant programs cannot address all of the State's needs for affordable housing.

Inclusionary Zoning Ordinances vary substantially between jurisdictions. These variables can include:

- Mandatory or voluntary ordinance. While many cities and counties require inclusionary housing, many more offer zoning bonuses, expedited permits, reduced fees, cash subsidies, or other incentives for developers who voluntarily build affordable housing.

- A percentage of units dedicated as inclusionary housing. This varies quite substantially between jurisdictions, but appears to range between 10-30%.
- Minimum size of development that the ordinance applies to. Most jurisdictions exempt smaller developments, but some require that even developments incurring only a fraction of an inclusionary housing unit pay a fee.
- Whether inclusionary housing must be built on site. Some programs allow housing to be built nearby, in case of hardship.
- Whether fees can be paid in lieu of building inclusionary housing. Fees-in-lieu allow a developer to "buy out" of his/her inclusionary housing obligation. This may seem to defeat the purpose of inclusionary zoning, but in some cases the cost of building one affordable unit on-site could purchase several affordable units off-site.
- Income level or price defined as "affordable," and buyer qualification methods. Most ordinances seem to target inclusionary units to low- or moderate-income households, earning approximately the regional median income or somewhat below. Inclusionary housing typically does not create housing for those with very low incomes.
- Appearance and integration of inclusionary housing units. Many jurisdictions require that inclusionary housing units be indistinguishable from market-rate units, but this can increase costs.
- Longevity of price restrictions attached to inclusionary housing units, and allowable appreciation. Ordinances that allow the "discount" to expire essentially grant a windfall profit to the inclusionary housing buyer, preventing that subsidy from being recycled to other needy households. Therefore, many programs restrict annual price appreciation, often tying it to inflation plus market value of home improvements, striving to balance the community's interest in long-term affordability with the homeowner's interest in accruing equity over time.

The State should encourage local jurisdictions in coordination with their Chamber of Commerce, major employers and lenders to design and implement Employer-Assisted Housing (EAH) programs, encouraging employers to work with employees in their efforts to purchase housing. In some instances, the State will have to help raise the awareness among local jurisdiction employers and increase their understanding that not all wage levels permit ready entry into homeownership, without some sort of subsidy. This is important in that the private sector and employment community often view the use of subsidies to help low to moderate income households achieve homeownership as a public responsibility. In reality, with limited resources, the state government can only assist a small percentage of those in need. Local Chamber of Commerce can play a critical role in researching this issues and encouraging local businesses, local school districts, universities and local hospitals to implement such programs for their employees. Employer-Assisted Housing programs benefit employers, employees, and the community. Employers benefit through greater employee retention. Employees receive aid to move into home-ownership. Ultimately, communities benefit though investment in the neighborhoods where the employers and employees are located. The most common benefits provided by employers are grants, forgivable loans, deferred or repayable loans, matched savings, interest-rate buy downs, shared appreciation, and home-buyer education (provided by an employer-funded counseling agency). Successful EAH programs use a combination of some of the benefits listed above. One program that has met with success was developed by Fannie Mae, which not only has their own EAH program, but also helps employers implement EAH programs. Fannie Mae's own EAH program has made it possible for 2,200 of its employees to become homeowners. Seventy-six percent of all Fannie Mae employees own their own homes, compared with a national average of 68 percent.

The City of Waco, Texas has implemented an EAH program and made it eligible to all city employees. Under their program, employees with incomes at 80% or below the median income are provided subsidies utilizing CDBG funds. Employees with incomes of 80% to 120% of median income are assisted with general fund dollars. Mortgage subsidies are provided at mortgage closing. Employees must reside in the home as their primary residence for 5 years or repay the subsidy. The amount of the subsidy is added to the employee's W-2 withholdings as income.

6.2 Banking, Finance, Insurance and other Industry related impediments

Impediment: Impacts of the Sub-Prime Mortgage Lending Crisis and increased Foreclosures.

Issues: The housing foreclosure rates across the country continue to soar and the impacts are being felt in Arkansas as well. Numerous web sites are providing numerical counts and locations for homes with foreclosure filings across the country and for jurisdictions in the State of Arkansas. The Foreclosure.com web site list 1,714 foreclosures, 710 sheriff sales and 1,109 pre-foreclosure properties for the State of Arkansas as of July 1, 2009. RealtyTrac.com reports similar levels of foreclosure activities in Arkansas. Foreclosures may also soon become an issue affecting properties that received financing from the State's CDBG and HOME programs.

The rise in foreclosure rates may be related to both the rise in unemployment rates and the rise and fall of the sub-prime lending market. According to the ACS, the State of Arkansas recorded an unemployment rate of 7.14% in 2007, compared to 3.7 in 2000. Among minorities, unemployment is an even greater barrier to fair housing. In 2007, the ACS

shows an unemployment rate for African Americans age 16 or older at 14.79% and 7.03% among Hispanics. Whites were unemployed at a rate of 5.7% for that same period. This meant significant loss of income for a number of households. Sub-prime lending was also a factor with lenders offering loans to less-creditworthy borrowers, borrowers that lack sufficient down-payments to afford the property, and risk based borrowers that speculate on the real estate market by acquiring real estate with no equity investment/down-payment in hopes that the property will appreciate in value over a short period of time. These loans are generally offered at higher interest rates or through products involving adjustable interest rates and balloon payments. When the borrower cannot meet the increased mortgage payment they default and the property goes into foreclosure.

Neighborhood Housing Services, NHS, and Neighbor Works America are two national housing intermediaries that have created innovative programs in Chicago, Baltimore, and New York City designed to reduce the impacts of foreclosures and sub-prime lending in those affordable housing markets.

Remedial Actions:

Evaluate initiatives that are being used in other jurisdictions to reduce mortgage defaults and foreclosure rates among low and moderate income home buyers.

The State should evaluate initiatives being undertaken by National Non-Profit Housing Intermediaries and HUD to develop programs that reduces the mortgage default rate and foreclosure rates among low and moderate income home buyers and existing home owners. Evaluate "best practice" programs that have successfully launched initiatives with the following features.

Evaluate the use of loan default prevention programs based on providing counseling to affected borrowers, assistance with identifying alternative products that helps borrowers avoid sub-prime lending, and assistance with re-negotiation for more favorable terms for borrowers with sub-prime loans. These initiatives have identified government and private assistance programs that also serve to assist distressed borrowers.

Evaluate the feasibility of funding loan loss reserve funds, maintenance and replacement reserve account for affordable home buyers assisted with the State's federal entitlement funds. Maintenance and replacement reserve account would help insure that funds are escrowed to help cover the cost of major repairs. Loan loss reserves could be funded at the time of closing for eligible buyers and used to help buyers meet loan underwriting guidelines when they have marginal credit.

Evaluate the feasibility of funding mortgage default and foreclosure prevention account or loan loss reserve funds for affordable home buyers assisted with federal funds to insure that funds are escrowed to prevent default due to unexpected income/job loss and/or to write down interest rates.

Evaluate the feasibility of funding post purchase support programs in conjunction with non profit development partners that provide housekeeping and preventive maintenance training, and organize neighborhood programming such as associations, crime watch and other initiatives aimed at strengthening and maintaining neighborhood stability.

Impediment: Low number of loan applications from minorities.

Issues: A look at the Home Mortgage Disclosure Act data for Arkansas indicates that the overall experience of minority groups within the home mortgage loan market differs from that of Whites. We recognize that removal of this impediment is not solely within the control of the government, and that finance industry policies, consumer credit worthiness, and economic trends all impact this issue. However, it is important that the State play a dual role of providing programming and leadership that impacts the problem. The disparity between the loan origination rates among White applicants and minorities, and the extent to which the aforementioned factors contribute to their denial rates must be addressed. This is evidenced in our HMDA analysis that shows African-Americans and Hispanics accounting for the second and third highest percentages of the State's population in year 2000, but their percentages of loan originations much lower compared to their percentage of population in the State.[7] White applicants had the highest number of applications and highest percentage of the population. The number of home purchase loan applications for Whites was 918,400 with an origination rate of 57.6 percent compared to 116,800 applications and a 34.9 percent origination rate for African-Americans, and 17,600 applications for Hispanics and an origination rate of just over 52 percent. Origination percentages for all types of home loan applications combined, including refinance and home improvements, were higher for Whites when compared to minority applicants.[8] It should be noted that based on ACS data for 2007, there have been even further increases in the minority

[7] As shown in HMDA Table 4.2, on page 87, Whites constituted 80.00 percent of the State's population and 80.85 percent of the home loan originations between 1997 and 2006. African-Americans were 15.6 percent of the population and 6.2 percent of the originations. Hispanics (based on ethnicity rather than race so population percentages exceed 100%) made up 3.2 percent of the population and 1.4 percent of the loan originations. Population based on 2000 Census.

[8] As shown in the HMDA Analysis Tables pages 86 - 95, which compared all loan purposed applications by race and ethnicity, show higher origination rate for White applicants compared minorities.

population as a percentage of Arkansas's total population, widening the disparity in lending.

Impacts: The lower percentage of loan applications among minority groups and lower income households indicates that fewer minority households are purchasing homes or improving housing conditions. Disparity in lending practices suggests that a higher proportion of Hispanic and African-American households will remain renters, thereby limiting the potential for these citizens to build equity through homeownership opportunities. Higher percentages of lower income groups and minority households also tend to live in older housing stock in the State. A lack of home improvement loans and a higher percentage of renters among low income households in minority concentrated areas suggest that persons living in such areas are not likely to receive improvements to the home they are living in and therefore more likely to be living in substandard housing. This leads to the further deterioration of the housing stock and the evolution of minority concentrated neighborhoods. These factors combined reduce the chance that a neighborhood can sustain itself and its resident can provide the homeowner and rental maintenance necessary to maintain stable neighborhoods.

Remedial Actions: The State of Arkansas should continue its funding for homebuyer outreach and education efforts in order to increase the number of minorities who apply for mortgage loans. The State should encourage financial institutions and mortgage companies to expand their homebuyer support services to more people as a means of improving the origination rates among minorities. The State could initiate this recommendation by discussing findings in this study relative to the HMDA data with lending institutions and ask them to develop strategies to improve the success rate among loan applications submitted by minority applicants.

Financial literacy is an important factor in the successful management of personal finances, which sets the stage for all of life's important purchases such as house, car, etc. A well ordered personal budget prepares households to qualify with the best credit terms, eliminates the major obstacles in the home buying process, and enables households to build equity through homeownership. An early start in managing personal finances can prepare an individual for those major purchases. The State of Arkansas should encourage its local jurisdiction sub-grantees to work with their local lenders and school districts to expand homeownership and credit counseling classes as part of the high school curriculum in order to help prevent credit problems rather than attempting to correct credit profiles in order to successfully qualify an applicant for a home loan origination.

One example is a program launched by the Texas Credit Union Foundation, the Texas Cooperative Extension, and the National Endowment for Financial Education (NEFE) on March 29, 2007 in Dallas, Texas. Project NEFE is part of a statewide collaborative initiative to bring the accredited High School Financial Planning Program along with comprehensive training to schools across Texas, all free of charge. Signed into law in 2005 by Gov. Rick Perry, House Bill 492 by Rep. Beverly Woolley (R-Houston), requires school districts and open-enrollment charter schools to incorporate instruction in personal financial literacy beginning with the 2006-2007 school years. The National Endowment for Financial Education (NEFE) has provided both leadership and funding for this effort. The NEFE curriculum will be used by participating Texas schools and that curriculum meets the learning objectives and standards approved by the Texas Education Agency and State Board of Education to meet the requirement.

Since 1984, The National Endowment for Financial Education (NEFE) has been addressing youth financial literacy with the nationally known NEFE High School Financial Planning Program® (HSFPP). The HSFPP consists of a seven unit student manual, instructor's guide that offer a large, continually growing collection of resources, articles, and financial tools for teachers, students, and parents. To learn more about the HSFPP, visit http://hsfpp.nefe.org.

Units Include:

- Your Financial Plan: Where It All Begins
- Budgeting: Making the Most of Your Money
- Investing: Making Money Work for You
- Good Debt, Bad Debt: Using Credit Wisely
- Your Money: Keeping It Safe and Secure
- Insurance: Protecting What You Have
- Your Career: Doing What Matters Most

The State should encourage local jurisdictions and school district to apply for NEFE funding as a possible source of financing for credit education programs in State schools. Continued emphasis should also be placed on homeownership and credit education provided through bilingual instructors and counselors to address the needs of Spanish speaking residents.

Impediment: Predatory lending and other industry practices.

Issue: Predatory lending practices continue to be a widespread concern in Arkansas. Anecdotal comments and perceptions were cited, by persons interviewed and those attending the focus group sessions, suggesting unfavorable lending practices.[9] The focus group participants' perception is that predatory lenders are replacing banks and other reputable financial institutions as lenders of choice in poor neighborhoods. These perceptions

[9] Focus Group Sessions pages 74-75

were also supported by a growing number of pay-day loans, check-cashing, and title-loan stores observed in communities throughout the state. Focus Group participants were also concerned with extremely high interest rates being charged by not only neighborhood predatory lenders, but traditional banks and financial institutions for credit cards, auto loans, and other consumer loans. It should be noted that in some instances, predatory lending is fueled by poor credit rating, limited credit history, or lack of understanding of the borrowers as to alternative lending options.

Appraisals that fail to provide adequate comparables to support mortgages on new homes built in low income neighborhoods was cited by focus group participants as a problem. Participants voiced concern that adequate comparables are sometimes an issue for new homes built and financed utilizing CDBG and HOME program funds, because of the limited number of new homes being built in lower income areas. Appraisers and builders participating in the Focus Group sessions and interviews were of the perception that some recent homes, particularly those built in minority concentrated areas, are sometimes priced lower than comparable units in other areas due to comparable limitations in industry appraisals. In other instances, participants were concerned with underwriting criteria used by lenders, failure to adjust ratios or provide funding with more favorable terms, or simply the influences of the foreclosure rates and sub-prime lending on mortgage approvals and higher private mortgage insurance for small loans.

Impact: Predatory lending practices often result in a lower-income household losing their home, automobile or other collateral. In some cases, Focus Group participants cited instances where homeowners who had already paid off their original mortgage were losing their home when used as collateral on a loan for a small fraction of the home's value. The analysis revealed limited success of minority and lower income applicants

in accessing financing from traditional banks and credit unions, and lower approval rates for applicants at all income levels when submitting loan applications to buy property in lower income census tracts. Perceptions of persons contributing to this analysis is that some residents are more likely to utilize the services of sub-prime lenders and check-cashing stores that may charge exorbitant interest rates and have severe default penalties. Predatory lending may further impair an individual's credit and monopolize more of a low-income person's monthly income with high interest rates and finance charges, leaving less money for housing and necessities. Some consumers felt that they had little recourse to address adverse industry practices that impact their housing choice.

Remedial Actions: The State should encourage lending institutions to insure that banking services are extended to all low-income census tracts and to provide greater outreach to the low income and minority communities to lessen the use of predatory lenders. The emphasis should be on offering products and services that help establish or reestablish checking, saving, and credit accounts for residents that commonly utilize check cashing services. This may require financial institutions to establish "fresh start programs" for those with poor credit and previous non-compliant bank account practices. Lending institutions should therefore be encouraged to tailor products to better accommodate the past financial deficiencies of low income applicants with credit issues.

State Officials should work with the appraisal industry to perform comparability studies to identify real estate comparables that more realistically reflect the values of homes being built in low income areas and areas that have limited product on the ground that can be used for comparison in establishing real estate values.

6.3 Socio-Economic Impediments

Impediment: Poverty and low-income among minority populations.

Issues: For many households, low or no income is a major factor preventing their exercise of housing choice. Minority populations in the state as a whole and minority concentrated areas of the state are confronted with even higher percentages of their population living in poverty than Whites.[10] According to the 2007 ACS estimates, the poverty rate for White households was 13.42, while African-Americans and Hispanic households in the State had poverty rates of 35.36 percent and 28.60 percent respectfully. Of equal concern is the poverty rate for children under the age of five years. The poverty rate for young children was over 48 percent for African-Americans, 36.16 percent for Hispanic, and 16.9 percent for White children under the age of five. Incomes for minority populations in the State were also low disproportional to that of White households. In 2000, 38.35 percent of African-American households had incomes below $15,000 compared to 21.34 percent for Hispanics and 19.12 percent for Whites.[11] As some of the lower-income areas in the state revitalize, many homes will be priced above any reasonable rate for purchase or rent by these households. Additionally, as property values rise, minorities' housing choices tend to be even more limited to areas with the oldest housing stock, in the poorest conditions, and compounded by a myriad of other issues.

Factors such as family size, education and job skill levels, and unemployment are also major contributors to the plight of these households.

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[10] Table 2.3 Poverty status by Race on page 25 of the Community Profiles
[11] Chart 2.2 Household Income by Race on page 19 of the Community Profiles

Impacts: Households experiencing a severe lack of income and those unemployed typically must accept housing in the poorest areas of town. Housing tends to be segregated by income class and sometimes by race or ethnicity. Where the housing stock is most likely in poor condition, there are higher reported incidents of criminal activity, and opportunities for improving a person's quality of life are low. Children from these households grow up in an environment that sometimes dooms them to replicate their community's living standards, continuing the cycle of poverty for generations to come. Focus group participants voiced a perception that certain areas of their communities are home to a disproportionate number of low-income persons, living in substandard multifamily housing developments. Participants indicated that the concentration of poverty is not only a concern with regard to social equity and the plight of renters, but poverty is also having a significant impact on the condition and quality of single family housing in the neighborhoods where there are high concentrations of home owners. In areas where a majority of homeowners cannot afford routine maintenance, poor housing conditions may quickly become the prevalent state of affairs. Lack of job opportunities and lack of sufficient income to afford decent housing were cited as concerns.

Remedial Actions: The State should continue to work in conjunction with local jurisdictions to expand job opportunities through the recruitment of corporations, the provision of incentives for local corporations seeking expansion opportunities, assistance with the preparation of small business loan applications, and other activities whose aim is to reduce unemployment and expand the base of higher income jobs. A particular emphasis should be to recruit jobs that best mirror the job skills and education levels of those populations most in need of jobs. For the State of Arkansas, this means jobs that support persons with high school

education, GED's and in some instances, community college or technical training. These persons are evident in the workforce demographics and in need of jobs paying minimum wage to moderate hourly wages. The State should also continue to support agencies that provide workforce development programs and continuing education courses to increase the educational level and job skills of residents. The goal should be to increase the GED, high school graduation, technical training, and college matriculation rates among residents. This will help in the recruitment of industry such as "call centers", clerical and manufacturing jobs. Call centers and customer service centers where employees are recruited to process sales or provide customer service support for various industries have become more and more attracted to areas with similar demographics to that of Arkansas. The combination of lower priced land, government incentives for relocation, large college student populations and the local workforce to support their industries, have all become incentives in recent years.

The emergence of call center and customer service operations are evidenced by the recent developments along Interstate 635 near the Dallas Fort Worth Airport and along the Dallas North Tollway in Dallas and Plano, Texas where Capital One has located its Auto Finance call center and customer service operations.

We recommend that the State, in conjunction with local jurisdictions and Chamber of Commerce, become more active in supporting and recruiting industries that match the demographics of the populations most unemployed, as a means of improving poverty rates, incomes and home ownership rates in the State. Recruiting such industries can assist in increasing the State's tax base while serving to provide the necessary income for more persons to earn a living wage and improve their ability to qualify for home ownership.

6.4 Neighborhood Conditions Related Impediments

Impediment: Limited resources to assist lower income, elderly and indigent homeowners maintain their homes and stability in neighborhoods.

Issue: While some of Arkansas's local jurisdictions are comprised of relatively stable neighborhoods today, and for the most part exhibit a housing stock in fair to good condition, area conditions will decline if routine and preventive maintenance does not occur in a timely manner. The population is aging, which means more households with decreasing incomes to pay for basic needs. This increase in elderly households coupled with the steady rise in unemployment, the cost of housing and the cost of maintaining housing means that many residents will not be able to limit their housing related cost to 30 percent of household income and still maintain their property. Rental property owners will be faced with increasing rents to pay for the cost of maintenance and updating units rendering rental units unaffordable to households as well.

Government programs utilizing HOME and CDBG HUD funding and other sources impact only a small percentage of those in need of assistance. Increased support from volunteers and community resources will be needed to close the gap between total needs and resources available.

Impact: Neighborhoods and homeowners and renters must devise a means for residents and landlords to keep pace with the maintenance demands of housing, an aging housing stock, and support those persons unable to maintain their properties on their own. This will enhance and support a healthy neighborhood "Image and Identity" and help attract new residents and retain existing residents and businesses. An essential component of this recommendation includes continued funding by the state to local jurisdictions in support of their becoming healthier,

sustainable communities, able to meet the essential quality of life needs of its residents and to improve the physical character of their neighborhoods.

Local jurisdictions must protected and improved neighborhood assets. Structures should be strategically removed if found to no longer contribute to the well being of the community. Maintaining vacant lots, including clearing weed, litter, and junk, and maintaining tree growth, would immediately improve the appearance of neighborhoods. Most of all, there is a need to revive the "sense of community and trust" and encourage participation and cooperation from residents to maintain their homes, yards, and surroundings and to actively participate in community empowerment activities such as Crime Watch, neighborhood associations and self help initiatives.

Remedial Actions:

The State should encourage local jurisdictions to design and implement a Centralized Program of Self-Help Initiatives based on volunteers providing housing assistance to designated elderly and indigent property owners and assist them in complying with municipal housing codes. This will require an organized recruiting effort to gain greater involvement from volunteers, community organizations, religious organizations/institutions and businesses as a means of supplementing available financial resources for housing repair and neighborhood cleanups. While there have been successful initiatives of this nature, jurisdictions should be encouraged to provide a more comprehensive effort, perhaps in part supported with CDBG funding from the State.

These programs should be based on a case management system where the select needs of designated area property owners are matched with volunteer resource teams capable of solving the local jurisdiction code violations and other needed exterior repairs for select properties.

Requests for assistance would be received from code enforcement officials, housing program administrators, social service agencies, community institutions, and homeowners. Priority should be given to those owners immediately affected by an active code compliance case, a targeted block or area project, and those with life threatening or uninhabitable conditions.

Eligibility for assistance will require verification of income or status as elderly or disabled. Levels of assistance would be based on the specific needs to be addressed and the ability of the property owners and their family to assist in the effort. The State should evaluate funding for sub-grantee program coordinators designated to conduct home visits of each program participant, evaluate the appropriateness for volunteers to perform the work, and determine and advise the homeowner of their responsibilities in support of the effort should be considered. The Program Coordinator, upon securing a match between volunteers and property owner, will coordinate project dates, materials, supplies, and project support for the day of the project. Activities that could be considered for the centralized self-help initiatives program may include:

- **Funding in support of self-help initiatives such as "fix-up," "paint-up," or "clean-up" campaigns and "corporate repair projects".** In order to increase resources available for these efforts, neighborhood residents, religious institutions, community organizations, individuals, and corporations would be recruited to participate in the repair to homes occupied by elderly, disabled, and indigent homeowners through organized volunteer efforts involving their members and employees.

- **Provide matching funds to local government in support of Youth Build and other job training / repair program in conjunction with the local school district or public housing agencies.** One such program is the Youth Build initiative, a U.S. Department of Housing and Urban Development (HUD) program that teaches young people how to build new homes and repair older ones. HUD offers competitive grants to cities and non-profit organizations to help high-risk youth, between the ages of 16 and 24, develop housing construction job skills and to complete their high school education.

- **Provide funding to create Community Garden initiatives as interim uses on select vacant lots** providing an opportunity for neighborhood residents to work together to increase the attractiveness of their neighborhood. Formats for community gardens range from attaching simple window boxes to homes along a street reflecting a common theme, coordinating garden planting, or converting a vacant lot that may previously have been an eyesore in the neighborhood into a flower or vegetable garden tended by members of the community. Naturally, ownership of a vacant lot is an issue to be resolved before gardening begins. In most local jurisdictions, City or County Tax Assessor can provide information on the ownership of the property, including a mailing address. If the lot is privately owned, permission to use the lot must be received from the owner. If the property is owned by the local jurisdiction, ownership of the property might be transferred to a local non-profit organization or neighborhood association. While the costs of plant materials and supplies are an important consideration for community gardens, many nurseries and home improvement stores offer discounts for community improvement projects.

IMPEDIMENTS TO FAIR HOUSING AND REMEDIAL ACTIONS

Although Arkansas has identified the preceding impediments to fair housing and proposed the associated remedial actions, those actions would be meaningless without also ensuring adequate enforcement procedures and processes are also in place to address identified instances of fair housing violations. ADFA and the Arkansas Fair Housing Commission have entered into a Memorandum of Understanding (MOU) whereby each organization shares its respective funding and fair housing information with the other organization on a regular basis. Such information-sharing is an important tool in identifying fair housing violations and ensuring corrective action is taken.

ADFA and the Arkansas Fair Housing Commission also have clearly defined processes for referring and reporting fair housing complaints and concerns to ensure proper handling. All calls received by ADFA identified as fair housing calls (whether for fair housing information, complaints, or to report violations of fair housing law) are automatically forwarded to the Arkansas Fair Housing Commission for further investigation and appropriate action. Structured in this manner, the ADFA and Arkansas Fair Housing Commission MOU promotes appropriate handling of all fair housing-related calls and inquiries.

Once the Arkansas Fair Housing Commission receives the call or is notified of the fair housing issue, it can begin the process of correlating that information with other information it has received, thereby identifying, if applicable, important patterns of impediments to fair housing. Next, the Commission can determine the most appropriate actions for initial investigation, further investigation, or enforcement of fair housing laws. Only with full enforcement of all fair housing laws, rules, and regulations will the full range and positive impact of these requirements be realized.

Appendix D

STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the Consolidated Plan regulations, the state certifies that:

Affirmatively Further Fair Housing – The state will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the state, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-Displacement and Relocation Plan – The state will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended and implementing regulations at 49 CFR 24; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace – The state will provide or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

2. Establishing an ongoing drug-free awareness program to inform employees about –

    (a) The dangers of drug abuse in the workplace;
    (b) The grantee's policy of maintaining a drug-free workplace;
    (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
    (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

3. Making it a requirement that each employee engaged in the performance of the grant and be given a copy of the statement required by paragraph 1;

4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will –

    (a) Abide by the terms of the statement; and

(b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.

5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted –

   (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
   (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.

7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

8. The grantee may insert in the space provided below the site(s) for the performance work done in connection with the specific grant.

   Place of Performance (street, address, city, county, state, zip code):

   Check to confirm if there are workplaces on file that are not identified here; review the certification with regard to the drug-free workplace required by 24 CFR part 24, subpart F.

Anti-Lobbying – To the best of the state's knowledge and belief;

1. No federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement;

2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

Authority of State – The submission of the Consolidated Plan is authorized under state law and the state possesses the legal authority to carry out the programs under the Consolidated Plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with Plan – The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 – The state will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

Michael Flaim 1-3-14

Signature/Authorized Official Date

Deputy Director

Title

SPECIFIC *CDBG* CERTIFICATIONS

The state certifies that:

Citizen Participation – The state is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.115 and each unit of general local government that receives assistance from the state is or will be following a detailed citizen participation plan that satisfies the requirements of 24 CFR § 570.486.

Consultation with Local Governments – It has or will comply with the following:

1. The state has consulted with affected units of local government in the non-entitlement area of the state in determining the method of distribution of funding;

2. The state engages in or will engage in planning for community development activities;

3. The state provides or will provide technical assistance to units of local government in connection with community development programs; and

4. The state will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a state is not prevented from establishing priorities in distributing funding on the basis of the activities selected.

Local Needs Identification – The state will require each unit of general local government to be funded to identify its community development and housing needs, including the needs of low income and moderate income families, and the activities to be undertaken to meet these needs.

Community Development Plan – The state consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objectives of Title I of the Housing and Community Development Act of 1974, as amended. (See 24 CFR 570.2 and 24 CFR part 570)

Use of Funds – The state has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities, which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a

serious and immediate threat to the health or welfare of the community, and other financial resources are not available to meet such needs.

2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during the previous three-year period, shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. Special Assessments. The state will require units of general local government that receive CDBG funds to certify to the following:

   The state will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

   However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

   The state will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate income (not low income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Compliance With Anti-Discrimination Laws – The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 36012-3619), and implementing regulations.

Excessive Force – The state will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstration; and

2. A policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility of location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Laws – The state will comply with applicable laws.

Michael Rainin 1-3-14

Signature/Authorized Official Date

Deputy Director

Title

SPECIFIC HOME CERTIFICATIONS

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance – If it intends to provide tenant-based rental assistance:

> The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's Consolidated Plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs – It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through § 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

Appropriate Financial Assistance – Before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

Gene Eagle 7.28.14

Signature/Authorized Official Date

President

Title

HOPWA CERTIFICATIONS

The State HOPWA grantee certifies that:

Activities – Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building – Any building or structure assisted under the program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of any building or structure purchased, leased, rehabilitated, renovated, or converted with HOPWA assistance;

2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

Signature/Authorized Official

12-20-13
Date

CFO
Title

STATE GRANTEE
EMERGENCY SOLUTIONS GRANTS PROGRAM
CERTIFICATIONS

I, John Selig, Director of the Department of Human Services, authorized to act on behalf of the State of Arkansas, certify that the State will ensure compliance by units of general local government and nonprofit organizations to which it distributes funds under the Emergency Solutions Grants Program with:

1) The requirements of 24 CFR 576.21(a)(4) which provide that the funding of homeless prevention activities for families that have received eviction notices or notices of termination of utility services meet the following standards: (A) that the inability of the family to make the required payments must be the result of a sudden reduction in income (B) that the assistance must be necessary to avoid eviction of the family or termination of the services to the family: (C) that there must be a reasonable prospect that the family will be able to resume payments within a reasonable period of time; and (D) that the assistance must not supplant funding for preexisting homeless prevention activities from any other source.

2) The requirements of 24 CFR 576.25(b)(2) concerning the submission by nonprofit organizations applying for funding of a certification of approval of the proposed project(s) from the unit of local government in which the proposed project is located.

3) The requirements of 24 CFR 576.53 concerning the continued use of buildings for which Emergency Solutions Grant funds are used for rehabilitation or conversion of buildings for use as emergency shelters for the homeless; or when funds are used solely for operating costs or essential services, concerning the population to be served.

4) The building standards requirement of 24 CFR 576.55;

5) The requirements of 24 CFR 576.56, concerning assistance to the homeless; and

6) The requirements of 24 CFR 576.57, other appropriate provisions of 24 CFR Part 576, and other applicable Federal law concerning nondiscrimination and equal opportunity.

7) The requirements of 24 CFR 576.59(b) concerning the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

8) The requirements of 24 CFR 576.59 concerning minimizing the displacement of persons as a result of a project assisted with these funds.

9) The requirements of 24 CFR 576.56(a) and 576.65(b) that grantees develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the Emergency Solutions Grants Program and that the address or location of any family violence shelter project assisted under the Emergency Solutions Grants Program will, except with written authorization of the person or persons responsible for the operation of such shelter, not be made public.

10) The requirement that recipients invoice, to the maximum extent practicable, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, and in providing services for occupants of these facilities as provided by 24 CFR 576.56(b)(2).

I further certify that the State will comply with the requirements of 24 CFR Part 24 concerning the Drug Free Workplace Act of 1988.

I further certify that the State will comply with the provisions of, and regulations and procedures applicable under 24 CRR 576.57(e) with respect to the environmental review responsibilities under the National Environmental Policy Act of 1969 and related authorities as specified in 24 CFR 58 as applicable to activities of nonprofit organizations funded directly by the State.

I further certify that the State will assume the Department's responsibility and authority as set forth in 24 CFR 576.57(e) for acting on the environmental certifications and requests for the release of funds submitted to the State by local government recipients.

I further certify that the State will ensure the provision of the matching funds required by 24 CFR 576.51 and 42 USC 11375, including a description of the sources and amounts of such supplemental funds, as provided by the State, units of general local government or nonprofit organizations.

I further certify that the submission of a Consolidated Plan as the application for an emergency solutions grant is authorized under State law, and that the State possesses legal authority to fund the carrying out of emergency solutions grant activities by units of general local government and nonprofit organizations in accordance with applicable law and regulations of the Department of Housing and Urban Development.

John Selig, Director, Department of Human Services
Name and Title

Signature

2/25/14
Date

STATE GRANTEE (FOR GRANTS EXCEEDING $100,000)
EMERGENCY SOLUTIONS GRANTS PROGRAM
PROHIBITION OF THE USE OF FEDERAL FUNDS FOR LOBBYING
CERTIFICATIONS

I, John Selig, Director of the Department of Human Services, authorized to act on behalf of the State of Arkansas, certify to the best of my knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the State, to any persons for influencing or attempting to influence an officer or employee or any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the State shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The State shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

John Selig, Director, Department of Human Services
Name and Title

Signature

2/25/14
Date

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Appendix E

Consolidated Plan Hearing
Little Rock
April 3, 2014

Basil Julian, with the Arkansas Economic Development Commission, welcomed the participants to the hearing and expressed appreciation to the participants attending the public hearing. Mr. Julian explained the purpose of the hearing and identified the four programs and the eligible activities within the agencies. Basil Julian stated that The State's proposed allocation for FY 2014 consists of an estimated $26,448,238 in projected support from the following programs: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME); Emergency Solutions Grants; and Housing Opportunities for Persons with AIDS (HOPWA).

Joe Riddle with the AR Development Finance Authority (ADFA) gave an overview of the HOME Program and then explained the eligible activities funded through ADFA: homeowner rehabilitation, homebuyer activities, rental housing, CHDO set-aside and tenant-based rental assistance (TBRA). The HOME program will receive $7,565,698 in HUD funds this year.

Ed Nilles, with the Arkansas Department of Human Services (DHS), explained the funds received for Emergency Solutions Grants (ESG), including eligible activities, which are: Street Outreach, Shelter Operations, Homelessness Prevention, Rapid Re-Housing and Administration. Funds are distributed statewide to non-profit organizations and units of local government that develop and operate homeless shelters and provide supportive services to homeless persons. Emphasis is on rapid re-housing and homelessness prevention services. Applicants apply through a competitive application process. The ESG program will receive $1,967,063 in HUD funds for this year.

Dr. Charles Bedell with the Arkansas Department of Health Housing Opportunities for Persons with AIDS (HOPWA) stated that to qualify for their funds you must be a low-income person who is HIV positive or affected with AIDS. He stated that the greatest part of their funds is use for Tenant-Based Rental Assistance (TBRA). HOPWA program will receive $533,336 in HUD funds for this year.

Basil Julian with the AR Economic Development Commission (AEDC) told how the CDBG funds are used. He told those attending the hearing that the 14 largest cities in the state are entitlement cities and receive their own CDBG funds. Basil explained the other state and referral agencies that AEDC partners with to help with the selection and funding of projects. Basil also stated that CDBG funds must be used to serve areas with 51% or more low-to-moderate income persons; to eliminate slum or blight; or to address conditions of imminent threat to the health and welfare of an area. CDBG program will receive $16,382,141 in HUD funds this year.

Basil Julian introduced Mr. James Gilleylen of J-Quad Planning Group. Mr. Gilleylen explained the U.S. Department of HUD requires that "entitlement communities" - City, County, State

Governments receiving Community Development Block Grant (CDBG), HOME Investment Partnership Grants (HOME), Emergency Shelter Grant (ESG), Housing Opportunities for People with Aids (HOPWA) funding and Public Housing Authorities receiving Section 8 Voucher and Low Rent Public Housing funding - must conduct an analysis of existing barriers to housing choice. The Assessment of Fair Housing is required by HUD in conjunction with the Consolidated Plan requirements outlined in 24 CFR 91.

The Assessment of Fair Housing identifies impediments and violations based on the 1968 Federal Fair Housing Act, as amended, discovered through community input, analysis of census data, review of local land use plans and ordinances, fair housing complaints filed with the HUD FHEO, court decisions pertaining to fair housing, analysis of local policy, programs, and development regulations, and analysis of Home Mortgage Disclosure Act data.

The Public Hearing is an opportunity for persons in the community and those directly impacted by fair housing choice to learn more about the requirements for the analysis and to provide input on potential impediments and barriers to fair and affordable housing impacting the community.

The hearing was opened for comments.

Andrew Stephens with the Recovery Centers of Arkansas- Stated his organization appreciated all that AEDC, ADFA, DHS, and HOPWA did and thank them for their work.

Response: Basil Julian thanked him for his comment. No response to the annual update is required.

As there were no further comments, Basil Julian thanked everyone for coming, and reminded them that they can contact any of the agencies at any time, if they have questions regarding any of the programs. He stated that public comments would be received at the AEDC office until April 16, 2014. At that time all comments will be reviewed by the Consolidated Plan committee and any necessary changes made in the Consolidated Plan before being forwarded to HUD.

Sign In Sheet
April 3, 2014
Public Hearing Consolidated Plan Annual Action Plan
Little Rock – State Library

Please Print Name	Agency/Company and Address	E-mail
Jean Noble	AEDC	
Dottie Boyles	AEDC	
James Gilleylen	AEDC	
Dori Polk	AEDC	
Dana Hectley	AEDC	
Ed Nilles	DHS	
Joe Riddle	ADFA	
Scott Savoy	ANRC	
Beth Landon	CareLink	blandon@carelink.org
Leigh Ann Pool	CAPDD	leigh.pool@capdd.org
Tanya Childers	CAPDD	tanya.childers@capdd.org
Beverly Urban	City Little Rock	barbar@littlerock.org
Jennifer Emerson	AEDC	
Sara Oliver	ADFA	saraoliver@adfa.arkansas.gov
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Carol Parker	Sweet Home	cparker3781617@sbcglobal.net
Tracy Tru	DHS	
Fred Love	Pulaski County	flove@co.pulaski.ar.us

Sign In Sheet
April 3, 2014
Public Hearing Consolidated Plan Annual Action Plan
Little Rock – State Library

Please Print Name	Agency/Company and Address	E-mail
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Andrew Stephens	Recovery Centers of Arkansas 1201 River Road, NLR, AR	astephens@rcofa.org
Kurt Naumann	AEDC	K...
Debra Garcia	AEDC	dgarcia@Arkansasedc.com
Charles Bedell	ADH	Charles.Bedell@ark...gov
Chandra Taylor	HUD	Chandra.taylor@hud.gov

Consolidated Plan Hearing
Springdale
April 4, 2014

Basil Julian, with the Arkansas Economic Development Commission, welcomed the participants to the hearing and expressed appreciation to the participants attending the public hearing. Mr. Julian explained the purpose of the hearing and identified the four programs and the eligible activities within the agencies. Basil Julian stated that The State's proposed allocation for FY 2014 consists of an estimated $26,448,238 in projected support from the following programs: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME); Emergency Solutions Grants; and Housing Opportunities for Persons with AIDS (HOPWA).

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Basil Julian with the AR Economic Development Commission (AEDC) told how the CDBG funds are used. He told those attending the hearing that the 14 largest cities in the state are entitlement cities and receive their own CDBG funds. Basil explained the other state and referral agencies that AEDC partners with to help with the selection and funding of projects. Basil also stated that CDBG funds must be used to serve areas with 51% or more low-to-moderate income persons; to eliminate slum or blight; or to address conditions of imminent threat to the health and welfare of an area. CDBG program will receive $16,382,141 in HUD funds this year.

Basil Julian introduced Mr. James Gilleylen of J-Quad Planning Group. Mr. Gilleylen explained the U.S. Department of HUD requires that "entitlement communities" - City, County, State

Governments receiving Community Development Block Grant (CDBG), HOME Investment Partnership Grants (HOME), Emergency Shelter Grant (ESG), Housing Opportunities for People with Aids (HOPWA) funding and Public Housing Authorities receiving Section 8 Voucher and Low Rent Public Housing funding - must conduct an analysis of existing barriers to housing choice. The Assessment of Fair Housing is required by HUD in conjunction with the Consolidated Plan requirements outlined in 24 CFR 91.

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The Public Hearing is an opportunity for persons in the community and those directly impacted by fair housing choice to learn more about the requirements for the analysis and to provide input on potential impediments and barriers to fair and affordable housing impacting the community.

The hearing was opened for comments.

Piper Satterfield with the Arkansas Department of Health – Stated there is a great need to replace failing septic systems.

Response: Basil Julian thanked her for her comment and let her know that funding for water and sewer grants are managed by the Arkansas Natural Resources Commission. No response to the annual update is required.

As there were no further comments, Basil Julian thanked everyone for coming, and reminded them that they can contact any of the agencies at any time, if they have questions regarding any of the programs. He stated that public comments would be received at the AEDC office until April 16, 2014. At that time all comments will be reviewed by the Consolidated Plan committee and any necessary changes made in the Consolidated Plan before being forwarded to HUD.

Sign In Sheet
April 4, 2014
Public Hearing Consolidated Plan Annual Action Plan
Springdale – City Council Room

Please Print Name	Agency/Company and Address	E-mail
Renee Biby	Washington County	rbiby@co.washington.ar.us
Jerry Kopke	CRG	jkopke@crg.org
Jean Noble	AEDC	
Linda White	Ozark Opportunities	ooicds@windstream.net
Mana Heatley	AEDC	
Dori Polk	AEDC	
Joe Rissle	ADFA	
Ed Nilles	DHS	
Delia Anderson	DHS	
Glenna Booth	City of Eureka Springs	ACE@cityofeurekasprings.org
James Gillenlen	JQUAD Planning Grad	gillenlen@jquad.com
Ken McDowell	NWRHA Box 2568 Harrison	kdmcdowell@windstream.net
Neal Gibson	NWRHA Box 2568 Harrison	nealgibson@windstream.net
Mitch Minnick	Strategic Community Investments Ft. Smith	mminnick@fortsmithha.com
Piper Satterfield	AR Dept of Health	piper.satterfield@arkansas.gov
Eddie Brawley	Brawley Consulting Engr West Memphis, AR	ebrawley@sbcglobal.net
Clint Penzo	City of Tontitown	Ward2-2@Tontitown.com
Cheryl Warden	Franklin County 211 W Commercial Ozark 72949	FKlincojudge@centurytel.net
Ronnie Anderson	Senator Pryor office	ronnie_anderson@pryor.senate.gov

Sign In Sheet
April 4, 2014
Public Hearing Consolidated Plan Annual Action Plan
Springdale – City Council Room

Please Print Name	Agency/Company and Address	E-mail
JEFF DEHNHARDT	ESI, INC. SPRINGDALE, AR	jdehnhardt@engineeringservices.com
JEREMY RAWN	ESI SPRINGDALE, AR	jrawn@engineeringservices.com
Robin Thomas	Washington County Health Dept	robin.thomas@arkansas.gov
Judy Jordan	PTSO Archer Learning Center	jjjark@aol.com
Marsha Grant	Independent	yonisgram@cox.net
Charles Bedell	ADH	ch
Anita Minden	PTSO Archer Learning	Jdie1@AOL.com
Glenda Downing	Benton County	glenda.downing@bentoncounty.ar.gov

Consolidated Plan Hearing
Dumas
April 10, 2014

Basil Julian, with the Arkansas Economic Development Commission, welcomed the participants to the hearing and expressed appreciation to the participants attending the public hearing. Mr. Julian explained the purpose of the hearing and identified the four programs and the eligible activities within the agencies. Basil Julian stated that The State's proposed allocation for FY 2014 consists of an estimated $26,448,238 in projected support from the following programs: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME); Emergency Solutions Grants; and Housing Opportunities for Persons with AIDS (HOPWA).

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Basil Julian explained the U.S. Department of HUD requires that "entitlement communities" - City, County, State Governments receiving Community Development Block Grant (CDBG),

HOME Investment Partnership Grants (HOME), Emergency Shelter Grant (ESG), Housing Opportunities for People with Aids (HOPWA) funding and Public Housing Authorities receiving Section 8 Voucher and Low Rent Public Housing funding - must conduct an analysis of existing barriers to housing choice. The Assessment of Fair Housing is required by HUD in conjunction with the Consolidated Plan requirements outlined in 24 CFR 91.

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The Public Hearing is an opportunity for persons in the community and those directly impacted by fair housing choice to learn more about the requirements for the analysis and to provide input on potential impediments and barriers to fair and affordable housing impacting the community.

The hearing was opened for comments.

There were no comments.

Basil Julian thanked everyone for coming, and reminded them that they can contact any of the agencies at any time, if they have questions regarding any of the programs. He stated that public comments would be received at the AEDC office until April 16, 2014. At that time all comments will be reviewed by the Consolidated Plan committee and any necessary changes made in the Consolidated Plan before being forwarded to HUD.

Sign In Sheet
April 10, 2014
Public Hearing Consolidated Plan Annual Action Plan
Dumas – Community Center

Please Print Name	Agency/Company and Address	E-mail
Ed Nilles	DHS	Eduard.Nilles@arkansas.gov
Delia Anderson	DHS	delia.anderson@arkansas.gov
Dottie Boyles	AEDC	
Samuye Owen	Dumas Chamber	dumaschamber@centurytel.net
Joe Riddle	ADFA	
Dana Ideatley	AEDC	
Brenda Rowell	AEDC	
Delna Garcia	AEDC	
Basil Julian	AEDC	
Michael Gilliard	ADFA	michael.gilliard@adfa.arkansas.gov
Charles Bedell	ADH	
Curtis T. Hall	City Pr. Cuts	
Helene E. Green	SEACAC	HeleneGreen@Seac.com
Jan Rayford	SEACAC	
Faye Jenkins	Seacac	Fayejenkins@
Kayla M. Pitts	City of Lake Village	kthomas@cityoflakevillage.com
Beatrice Shelby	BGACDC P.O. Box 1356	bshelby@suddenlinkmail.com
Josh May	City of McGehee	McGEHEE AR. ALLEGIANCE
Joy Chaffin	City of Mitchellville	

Sign In Sheet
April 10, 2014
Public Hearing Consolidated Plan Annual Action Plan
Dumas – Community Center

Please Print Name	Agency/Company and Address	E-mail
Bobbie Thoma	Grand Meadowview Center	Hall
LaSharette Hodges	Community Church	Nazarenechurch7@gmail.c
James Berry	Mayor Dumas	Dumas@centurytel.Net

Consolidated Plan Hearing
Arkadelphia
April 14, 2014

Basil Julian, with the Arkansas Economic Development Commission, welcomed the participants to the hearing and expressed appreciation to the participants attending the public hearing. Mr. Julian explained the purpose of the hearing and identified the four programs and the eligible activities within the agencies. Basil Julian stated that The State's proposed allocation for FY 2014 consists of an estimated $26,448,238 in projected support from the following programs: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME); Emergency Solutions Grants; and Housing Opportunities for Persons with AIDS (HOPWA).

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The hearing was opened for comments.

Chester Cheatham from Tollette – Commented about the many challenges facing the city of Tollette including declining population, shortage of available housing, and the need to attract former residents to return home.

Response: Basil Julian thanked him for his comment and suggested the city review and prioritize the needs of the city. No response to the annual update is required.

As there were no further comments, Basil Julian thanked everyone for coming, and reminded them that they can contact any of the agencies at any time, if they have questions regarding any of the programs. He stated that public comments would be received at the AEDC office until April 16, 2014. At that time all comments will be reviewed by the Consolidated Plan committee and any necessary changes made in the Consolidated Plan before being forwarded to HUD.

Sign In Sheet
April 14, 2014
Public Hearing Consolidated Plan Annual Action Plan
Arkadelphia – Parks & Recreation Building

Please Print Name	Agency/Company and Address	E-mail
Joe Riddle	ADFA	
Dana Ideatley	AEDC	
Lettie Bayles	AEDC	
Basil Julian	AEDC	
Shelley Morehead	SWAPDD	
Delia Anderson	DHS	
Ed Nilles	DHS	
James Gillenlen	JQUAD	
Homer Hopson	Mayor, Waldo	
Shaneice Batton	CADC	sbatton@cadc.com
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[illegible]	CADC	LFSMITH@cadc.com
Chester Cheatham	Tollette, AR	Cheatron1@Hotmail.com
Darian Piper	WCAPDD	dpiper@wcapdd.org
Jerry Simmons	Twin Rivers Architecture	jerry@trafirm.com
Marva Jasper	CADC	mjasper@cadc.com
L.T. Bedell	ADH	

Consolidated Plan Hearing
Jonesboro
April 15, 2014

Basil Julian, with the Arkansas Economic Development Commission, welcomed the participants to the hearing and expressed appreciation to the participants attending the public hearing. Mr. Julian explained the purpose of the hearing and identified the four programs and the eligible activities within the agencies. Basil Julian stated that The State's proposed allocation for FY 2014 consists of an estimated $26,448,238 in projected support from the following programs: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME); Emergency Solutions Grants; and Housing Opportunities for Persons with AIDS (HOPWA).

Joe Riddle with the AR Development Finance Authority (ADFA) gave an overview of the HOME Program and then explained the eligible activities funded through ADFA: homeowner rehabilitation, homebuyer activities, rental housing, CHDO set-aside and tenant-based rental assistance (TBRA). The HOME program will receive $7,565,698 in HUD funds this year.

Ed Nilles, with the Arkansas Department of Human Services (DHS), explained the funds received for Emergency Solutions Grants (ESG), including eligible activities, which are: Street Outreach, Shelter Operations, Homelessness Prevention, Rapid Re-Housing and Administration. Funds are distributed statewide to non-profit organizations and units of local government that develop and operate homeless shelters and provide supportive services to homeless persons. Emphasis is on rapid re-housing and homelessness prevention services. Applicants apply through a competitive application process. The ESG program will receive $1,967,063 in HUD funds for this year.

Dr. Charles Bedell with the Arkansas Department of Health Housing Opportunities for Persons with AIDS (HOPWA) stated that to qualify for their funds you must be a low-income person who is HIV positive or affected with AIDS. He stated that the greatest part of their funds is use for Tenant-Based Rental Assistance (TBRA). HOPWA program will receive $533,336 in HUD funds for this year.

Basil Julian with the AR Economic Development Commission (AEDC) told how the CDBG funds are used. He told those attending the hearing that the 14 largest cities in the state are entitlement cities and receive their own CDBG funds. Basil explained the other state and referral agencies that AEDC partners with to help with the selection and funding of projects. Basil also stated that CDBG funds must be used to serve areas with 51% or more low-to-moderate income persons; to eliminate slum or blight; or to address conditions of imminent threat to the health and welfare of an area. CDBG program will receive $16,382,141 in HUD funds this year.

Basil Julian introduced Mr. James Gilleylen of J-Quad Planning Group. Mr. Gilleylen explained the U.S. Department of HUD requires that "entitlement communities" - City, County, State

Governments receiving Community Development Block Grant (CDBG), HOME Investment Partnership Grants (HOME), Emergency Shelter Grant (ESG), Housing Opportunities for People with Aids (HOPWA) funding and Public Housing Authorities receiving Section 8 Voucher and Low Rent Public Housing funding - must conduct an analysis of existing barriers to housing choice. The Assessment of Fair Housing is required by HUD in conjunction with the Consolidated Plan requirements outlined in 24 CFR 91.

The Assessment of Fair Housing identifies impediments and violations based on the 1968 Federal Fair Housing Act, as amended, discovered through community input, analysis of census data, review of local land use plans and ordinances, fair housing complaints filed with the HUD FHEO, court decisions pertaining to fair housing, analysis of local policy, programs, and development regulations, and analysis of Home Mortgage Disclosure Act data.

The Public Hearing is an opportunity for persons in the community and those directly impacted by fair housing choice to learn more about the requirements for the analysis and to provide input on potential impediments and barriers to fair and affordable housing impacting the community.

The hearing was opened for comments.

There were no comments.

Basil Julian thanked everyone for coming, and reminded them that they can contact any of the agencies at any time, if they have questions regarding any of the programs. He stated that public comments would be received at the AEDC office until April 16, 2014. At that time all comments will be reviewed by the Consolidated Plan committee and any necessary changes made in the Consolidated Plan before being forwarded to HUD.

Sign In Sheet
April 15, 2014
Public Hearing Consolidated Plan Annual Action Plan
Jonesboro – Municipal Center

Please Print Name	Agency/Company and Address	E-mail
Lottie Bayles	AEDC	
Donnie Weatherford	Hunter	
Christy McFerrin	Town of Hunter	townofhunter@hotmail.com
JOE RIDDLE	ADFA	
Delia Anderson	DHS	
James Gillyler	JQUAD	
Dana Heatley	AEDC	
Ed Nilles	DHS	
Basil Julian	AEDC	
M Holladay	WRPDD	
Carrie McBride	WRPDD	
Carol Bray	AEDC	
Stacy McPherson	US Biz Construction	
Brenda Rowell	AEDC	
Melanie Mills	Harrisburg ED Chamber	
Jackie Fry	Town of Grubbs	
Allen Spradling	Town of Grubbs	
David Lange	Paragould Housing Auth	pha1@grncoi.net
Jamie Collins	Mission Outreach ~~Lange~~ Northeast AR	jamie.collins@missionoutreachnea.com

Sign In Sheet
April 15, 2014
Public Hearing Consolidated Plan Annual Action Plan
Jonesboro – Municipal Center

Please Print Name	Agency/Company and Address	E-mail
Jackie Ross	Mission Outreach	jackie.ross@missionoutreach[illegible].com
Janet Nickerson	Self	Janet050@aol.com
Debbie Biazo	NARAN	debbiazo@sbcglobal.net
Michael Harris	Mid-South Health System	mharris@mshs.org
Tim Trentham	City of Jonesboro	Trentham@jonesboro.org
Debra Fekke	self	debswaxing@yahoo.com
Randy Brinkley	AEDC	
Emily Hathcock	EAPDD	ehathcode@eapdd.com
Dianne Numan		dianne8551@eapdd.com
Janet Lee		jllee05@att.net
Bob Young	Consultant	rtyoung5455@sbcglobal.net
Aaron Smith	City of Jonesboro	Asmith2@jonesboro.org
Katy Blevins	WRRHA	kblevins@wrrha.com
Barbara Saber	Mirette Housing	mhateb@centurytel.net
Dennis Wiles	White River Reg. H.D.C.	dnwiles@wrrha.com
Barbara Lewallen	Truman Chamber	info@trumanchamber.org
Charles Lindsey	Rice Crawford	Charlindsey
Justin Ladd	USDA-RD	justin.ladd@ar.usda.gov
Bill Gilbert	Consultant	bgilbert430@gmail.com

Sign In Sheet
April 15, 2014
Public Hearing Consolidated Plan Annual Action Plan
Jonesboro – Municipal Center

Please Print Name	Agency/Company and Address	E-mail
Steve Jernigan	P.O. Box 610 Lepanto AR 72354	
Charles Bedell	ADH	
Frank Butler	Senator Mark Pryor	frank_butler@pryor.senate.gov
Mary Ann Arnold	Mayor Marked Tree 1 Elm St, MT 72365	mtmayor@rittermail.com
X Sooza Williams	same	

Appendix F

CareLink

Resources for Older People and Their Families

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March 18, 2014

Arkansas Economic Development Commission
Grants Management Division
900 W. Capitol, Suite 400
Little Rock, AR 72201

To Whom It May Concern:

CareLink, the Central Arkansas Area Agency On Aging, Inc. is providing these comments on the annual update of the Consolidated Plan concerning the Community Development Block Grant (CDBG) Program and priorities for use of grant funds during the upcoming program year.

We urge you to continue the CDBG senior citizens center set-aside program in its present form. Senior center programs in most towns are operated by non-profit organizations. These organizations and the city governments of these towns struggle to find ways to construct, expand or renovate senior center facilities. These centers provide meals, transportation, and other senior services and are centers for socialization for hundreds of senior citizens who are below 80% of the area median income. Many local governments have experienced shortfalls in revenue. Funds for senior center services are already allocated to service delivery and aren't available for construction or renovation. Some funds for senior center services couldn't be used for construction or renovation even if they weren't already allocated to service delivery.

The value of the senior citizens center set-aside program is as follows:

1. It promotes partnerships between the government at the federal, state, regional, and local levels.
2. It maximizes leverage of limited federal, state, and local dollars through the cost sharing requirement.
3. Senior citizens end up with space designated specifically to meet their needs in areas where their meeting places were either nonexistent, too small, or literally falling down around them.
4. The towns where these facilities are located have access to needed space for community needs outside normal senior center operating hours.

Thank you for the opportunity to make comments. Please continue using CDBG funds for senior center construction/renovation and make this one of your priorities for uses of these grant funds.

Sincerely,

Beth Landon

Beth Landon
Vice President, Community Services

P. O. Box 5988 • North Little Rock, Arkansas 72119-5988
501-372-5300 • 800-482-6359 (Voice or TDD) • FAX 501-688-7437 • www.care-link.org

Equal Opportunity Employer

From: Julian, Basil
Sent: Monday, April 07, 2014 8:14 AM
To: 'Jay Stallard'
Subject: RE: Consolidated Plan Comment

Thank you Jay.
We will include your comments in Annual Update to the Consolidated Plan.

Basil

Basil Julian **PCED**
Grants Division Director
Arkansas Economic Development Commission
(501)682-7392 (Voice)
(501)682-7499 (Fax)

From: Jay Stallard [mailto:ajstallard@nwaedd.org]
Sent: Friday, April 04, 2014 2:55 PM
To: Julian, Basil
Subject: Consolidated Plan Comment

Basil;

We are unable to attend any of the Public Hearings on the Consolidated Plan Update. Our comment is:

NWEADD, Inc., supports the positive effects CDBG Funding has on the State of Arkansas.

NWAEDD, Inc., also supports the Arkansas Economic Development Commission's decisions on allocation of those important funds.

Thank you for the opportunity to comment on the Consolidated Plan.

Jay Stallard
Grants Administrator
NWAEDD, Inc.
870-741-5406

Heatley, Dana

From: Cassie Elliott, Visionary Milestones <vmilestones@gmail.com>
Sent: Monday, April 07, 2014 4:56 PM
To: Heatley, Dana
Cc: 'Cassie Elliott'
Subject: comments for hearing

Dana-
My comments are: more grant funding is needed for rehab work for existing water and sewer systems. Also, maybe decrease the fire grants as there are no other grant funds to do the rehab work. I see a lot of small towns who need to paint tanks and repair old water lines. Thank you!

Cassie Elliott, CCIM, GRI
Executive Broker/Consultant
479.531.8897
FAX 479.878.5954
www.visionarymilestones.com

INCORPORATED TOWN OF COVE
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COVE, AR. 71937

OFFICE OF THE MAYOR
JOAN HEADLEY

PHONE:
870-387-5791

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April 7, 2014

Mr. Basil Julian
Grants Division Director
Arkansas Economic Development Commission
900 W. Capitol, Suite 400
Little Rock, AR 72201

Dear Mr. Julian:

I am in receipt of your letter of Mar. 13, 2014 requesting input regarding the allocation of funds for the following programs for the fiscal year beginning July 2014: the Community Development Block Grant Program, the Home Partnership Investment Program, the Emergency Solution Grants Program and the Housing Opportunities for Persons with AIDS Program.

The Town of Cove applied for a grant thru the Community Development Block Grant Program, and while our application was denied at this time, we plan to reapply. Such a program can greatly benefit small rural communities such as ours by allowing us to make improvements that benefit both our residents and those of the surrounding area.

The Emergency Solution Program can also benefit many, as can the new housing construction financed by the Home Partnership Investment Program as new jobs, however temporary, might be available.

With the economy as it is, the needs are many. I hesitate to prioritize any of these programs, but believe the funds should be allocated to where they will provide the most benefit to the most people.

Sincerely

Joan Headley

Joan Headley
Mayor

CORPORATE HEADQUARTERS
3 E COLT SQ DR
FAYETTEVILLE
ARKANSAS (AR)
72703-2884

COMMUNITY RESOURCE GROUP
Rural Community Assistance Program

phone
479-443-2700
facsimile
479-443-5036
internet
www.crg.org

April 15, 2014

Basil Julian
Grants Division Director
Arkansas Economic Development Commission
900 West Capitol, Suite 400
Little Rock, Arkansas 72201
P.O. Box 1020
Diamond City, AR 72630

Subject: Arkansas Consolidated Plan

Dear Mr. Julian:

Thank you for the opportunity to provide written comments on the Arkansas Consolidated Plan Update.

Since 1974 Community Resource Group, Inc. has worked with small towns and rural communities to reach long-term solutions to their water and wastewater needs. The availability of safe drinking water and sanitary wastewater disposal has long been recognized as a necessary requirement for promoting public health. An increasing percentage of the people of Arkansas have benefitted from safe, reliable sources of drinking water. Many, however, still suffer from the lack of these basic services.

The Arkansas Economic Development Commission has allocated CDBG grant funds to support projects that bring safe drinking water and sanitary wastewater disposal to low and moderate income residents.. Families have experienced better, healthier lives. Communities have benefitted from economic growth, increased fire protection, and support for local schools.

AEDC has effectively leveraged the CDBG national goals with financing from USDA/ Rural Development and the Arkansas National Resources Commission. The coordination of funding has resulted in the funding of projects that are more affordable and the targeting of assistance to low and moderate income families.

The unique ability of the CDBG funds to provide assistance to individuals to install or rehabilitate home plumbing has allowed eligible families to experience indoor plumbing for the first time.

JERRY KOPKE • ARKANSAS STATE COORDINATOR
3 East Colt Square Drive • Fayetteville, AR 72703
Mobile 479-445-3727 • Office 479-443-2700, Ext. 128 • Fax 479-443-5036 • Email: *jkopke@crg.org*

There are still small towns and rural communities needing CDBG support to improve and expand their water and wastewater services. They have been patient. They will need to be more patient. Annual CDBG fund allocations have been decreasing. AEDC has been able to maintain funding priorities by reducing funding levels as gently as possible. Although difficult, projects are still funded and eligible recipients still benefit. Just not as many as before.

Decisions made in previous years to partner with other state agencies to identify priorities and evaluate applications have greatly increased the efficiency and effectiveness of the CDBG grant program.

Thank you and keep up the good work!

Sincerely,

Jerry Kopke
RCAP State Coordinator
Community Resource Group
Phone 479-443-2700 Ext. 128
Fax 479-443-5036
Cell: 479-445-3727
E-mail: jkopke@crg.org

From: Julian, Basil
Sent: Thursday, April 17, 2014 8:40 AM
Subject: RE: Thoughts from today's meeting

Ms. Felske,
Thank you for your comments on our Annual Action Plan. Your comments will be included when our Action Plan is submitted to HUD. I will respond to your individual suggestions in a later e-mail.
Thank you for attending our public hearing.

Basil

Basil Julian **PCED**
Grants Division Director
Arkansas Economic Development Commission
(501)682-7392 (Voice)
(501)682-7499 (Fax)

From: Debra Felske [mailto:debrafelske@yahoo.com]
Sent: Tuesday, April 15, 2014 3:32 PM
To: Julian, Basil
Subject: Thoughts from today's meeting

Basil,

Thank you for putting on such an informative presentation. I have a couple of projects I'm working on that may or may not fit in with the total plan.

I'm sure you are aware of the issues in Osceola regarding dilapidated structures, high energy costs, poor housing conditions and a large percentage of low income residents. I am looking at ways to produce a value chain that would either retro-fit some of the current homes or rebuild energy efficient homes to infill declining neighborhoods. I would like to develop a work force of local residents who could become skilled at retro-fits, however, I am not having any luck finding a retro-fitter that could do some training. ANC is about to start a construction program so there could be a good tie in there. I feel that it is important to educate the populous on being more energy efficient, however, I'm not sure how to go about doing that either. Unfortunately, the majority of the residence seem to believe that it is the City's fault that their energy bills are so high and the only way to wipe out that stigma is to show them how to reduce energy usage and improve the quality of housing. Funding for energy education and retro fit education would be nice.

Next topic. I believe that the best way to improve the housing situation in Osceola is to start with the residents themselves. Pride of ownership, pride of rental property, reduction of litter and general neighborliness would be in order. On a recent webinar through Community Matters, we were introduced to a program that is very successful in Garland, TX. I would like to see some funding for producing similar programs in towns and cities across Arkansas. Here is the link to their program http://www.ci.garland.tx.us/gov/lq/pcd/vitalnbhds/office/default.asp

Third idea - It would be nice to see more funding going to sustainable energy solutions. Solar power, wind power, recycled oil power, personal generators power by waste products...think outside the box. It would be nice if every resident could decide how they wanted to power their home and have if be affordable. Green energy is still too expensive for the average consumer, but in the big scheme of things, every community needs to be more self-sustaining. What projects are currently underway to reduce the expenses of hauling food and supplies across the country? There are some very viable ideas in the book, *Deep Economy* by Bill McKibben. It is nice that as a country we are not forced to use some of these guidelines, however, it is always good to stay ahead of the game.

Thanks for all you do.

Best regards,
Debra Felske

Appendix G

Arkansas Democrat Gazette

STATEMENT OF LEGAL ADVERTISING

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HEARING

pending in the Court, in said County, and at the dates of the several publications of said advertisement stated below, and that during said periods and at said dates, said newspaper was printed and had a bona fide circulation in said County; that said newspaper had been regularly printed and published in said County, and had a bona fide circulation therein for the period of one month before the date of the first publication of said advertisement; and that said advertisement was published in the regular daily issues of said newspaper as stated below.

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Notary Public

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NOTARY PUBLIC - ARKANSAS
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Arkansas Democrat Gazette
STATEMENT OF LEGAL ADVERTISING
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Legal Notice

NOTICE OF PUBLIC HEARING AND PUBLIC COMMENT PERIOD ON THE 5-YEAR CONSOLIDATED PLAN FOR THE STATE OF ARKANSAS, ADMINISTRATION OF THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM, THE HOME PROGRAM, THE EMERGENCY SHELTERS GRANT PROGRAM AND THE HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS PROGRAM.

The State of Arkansas anticipates receiving approximately $26,772,626 in grant funds from the U.S. Department of Housing and Urban Development during the 2013 program year. The amount includes approximately $16,337,316 for the Community Development Block Grant Program to be administered by the Arkansas Economic Development Commission, approximately $7,725,281 for the HOME Program to be administered by the Arkansas Development Finance Authority, approximately $2,166,647 for the Emergency Solutions Grants Program to be administered by the Arkansas Department of Human Services, and approximately $543,382 for the Housing Opportunities for Persons with Aids Program to be administered by the Arkansas Department of Health. The Arkansas fiscal year begins on July 1, 2013 and ends on June 30, 2014.

The State's long range housing, community and economic development goals were articulated in the 2010 Consolidated Plan, which covers the period from 2010 through 2015. Each year, the State prepares an Annual Update of the Consolidated Plan. The Annual Update forecasts how the State will use its HUD grant funds during the upcoming program year.

The State has completed a draft of the Consolidated Plan for the 2013 Program Year and hereby presents the draft for public review and comment. The comment period will extend for 30 days beginning on March 17, 2014, and ending at 4:30 p.m. on April 16, 2014. Public comments will be considered in the final draft of the Consolidated Plan, which will be submitted to the U.S. Department of Housing and Urban Development on May 1, 2014. To be considered in the final plan, written comments must be received during the 30-day public comment period. Written comments may be addressed to: Consolidated Plan Annual Update, Grants Management Division, Economic Development Commission, 900 W. Capitol, Suite 400, Little Rock, Arkansas 72201. The deadline to submit comments to the Economic Development Commission at the above address is 4:30 p.m. on April 16, 2014.

Copies of the Consolidated Plan are available and may be reviewed at the County Judge's office in each county courthouse, at the library of each two-year and four-year college. You may view the plan online at www.arkansasedc.com.

In addition, public hearings will be conducted at the following locations:

Date April 3, 2014, Location Little Rock State Library, 900 W. Capitol, Suite 200, Time10:30 a.m.

Date April 4, 2014, Location Springdale Springdale City Council Room, 201 Spring St., Time 10:30 a.m.

Date April 10, 2014, Location Dumas, Community Center, 18 Belmont St., Time 10:30 a.m.

Date April 14, 2014, Location Arkadelphia, Parks and Recreation Building, 2555 Twin Rivers Dr., Time 10:30 a.m.

Date April 15, 2014, Location Jonesboro, Municipal Center, 300 S. Church St., Time 10:30 a.m.

All hearing locations are wheelchair accessible. Persons needing interpreters or other accommodations are requested to telephone the Economic Development Commission at 501-682-1211 so that arrangements can be made in advance.

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