



**City of Homestead  
2008 CAPER  
CDBG, CDBG R, NSP**

**2008 – 2012 Consolidated Plan**

**DRAFT**



## Executive Summary

The funding year 2008 represents the first year of entitlement funding for the City of Homestead. A summary of expenditures by activity line item is summarized as follows:

### Activity Breakdown

Description	NSP	CDBG 08	CDBG-R	Total
	141-1010	141-0801	141-1011	
Administration	107,354.26	111,658.70	2,235.46	221,248.42
Rental Property	6,747.66			6,747.66
Demolition	1,869.80			1,869.80
Down Payment Assistance	41,522.60			41,522.60
Acquisition/Purchase Rehab	8,304.52			8,304.52
Inspections	2,700.00			2,700.00
<b>Total</b>	<b>168,498.84</b>	<b>111,658.70</b>	<b>2,235.46</b>	<b>282,393.00</b>

There are three programs under the umbrella of the 2008 CDB program, and they are as follows:

Program	Amount
Community Development Block Grant (CDBG)	\$781,545
CDBG Recovery Funding	\$212,274
Neighborhood Stabilization Program (NSP)	\$2,887,010
<b>Total</b>	<b>\$3,880,829</b>

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In 2008, CDBG, CDBG R and NSP funds were allocated to the following activities:

### 2008 CDBG

Wittkop Park	\$600,000
South Dade Weed and Seed	\$10,250
Association for Retarded Citizens	\$5,780
American Red Cross	\$9,000
enFAMILIA	\$10,970
Administration	\$145,545
<b>TOTAL CDBG 2008</b>	<b>\$781,545</b>

In 2008, \$111,658.70 was spent on the Administration activity, versus the \$145,545 budgeted. The balance of \$33,886.30 in unused 2008 Administration will be added to Wittkop Park.

## **CDBG R**

2008 CDBG R Imps.	\$183,406
CDBG R Administration	\$28,868
<b>CDBG R TOTAL</b>	<b>\$212,274</b>

## **Neighborhood Stabilization Program (NSP)**

### **By Activity:**

Rental Rehabilitation	\$721,752.00
Demolition	\$100,000.00
Down Payment Assistance	\$888,278.50
Purchase Rehabilitation	\$888,278.50
Administration	\$288,701.00
<b>TOTAL</b>	<b>\$2,887,010.00</b>

The 2008 program year saw a great deal of planning and activity in Community Development. For years, Homestead has implemented CDBG programs through the state, but this is the first full year of funding directly from HUD. As 2008 began, Homestead also received funding from a new source: the Neighborhood Stabilization Program. This is a new program designed to purchase foreclosed properties and make them available to families who earn 120 percent or less of area median income. In order to incorporate this funding into the 2008 Action Plan, the City adopted a substantial amendment, wrote an NSP plan, and began project implementation. Although the groundwork was laid in 2008 and through most of 2009, no houses were purchased at the end of the fiscal year on September 30, 2009.

The next new challenge came to the city through the CDBG R (Recovery) funding. This program is part of an economic stimulus package and was designed to implement "shovel ready" City projects. The City received \$212,274 from CDBG R, and the project identified was the Washington Avenue Streetscape Project. The City held a bid opening for this project on September 18, 2009, and the project is currently under construction.

In addition to these new programs, the City also had \$781,593 in entitlement CDBG funding. Originally, the Action Plan for 2008 was for one major public facility, William F. Dickenson Multigenerational Community Center, and funding for several, small non-profit public facilities. As 2008 progressed, it became clear that the Dickenson Center Project was moving faster than could be accommodated with CDBG environmental requirements, and the City was able to identify other funds for the facility and began the efforts to reprogram the funds.

Through a series of meetings with the staff and the public, the City embarked on an effort to find another suitable project for the CDBG funds. One result from these

inquiries was Wittkop Park, which is located at 505 NW 9<sup>th</sup> Street. This is a neighborhood park surrounded by a predominately low-to-moderate income community. The existing park is poorly developed, and what little equipment exists is old and in need of replacement.

The last activity proposed by the City for 2008 was \$36,000 in funding to made available through an application process to non-profit service providers in the City of Homestead. The City conducted an application process and funded three applicants: South Dade Weed and Seed, Association for Retarded Citizens, and enFAMILIA. No funds were disbursed in 2008 for these organizations, but funding approval has been granted and the City is ready to proceed with the award agreements.

## **General Questions**

### *Assessment of One Year Goals and Objectives, Evaluation of Program Effectiveness*

The City's goal was focused on community development activities. Under the Consolidated Plan, the goal was to complete one Senior Center and one Public Facility. Although the City did not meet the goal this year, it has identified eligible projects and is working to implement them in 2009. Significant progress was made, however, an amendment was required to move funding from the William Dickenson Community Center to Wittkop Park. Because Wittkop Park required additional funding, the project could not proceed until 2009 CDBG funds were programmed as well.

The \$36,000 in public facilities funding was also combined with \$40,000 in 2009 CDBG funds to create one application cycle. This was application cycle was completed in the summer of 2009, and contracts are currently being prepared for five non-profit organizations.

As a matter of self evaluation, this process could be improved by better coordination with other funding agencies and interdepartmental coordination. One of the issues with the Community Center was that the construction schedule could not accommodate the CDBG requirements, such as environmental reviews. The City had to begin construction long before CDBG clearance could be obtained or risk losing other funding sources. In the end, however, the City was able to obtain other sources of financing for this project. As a result, the City identified an outdated City asset, Wittkop Park, to receive CDBG funding. In the end, this proved to be a better project and garnered wide community support.

### *Affirmatively Furthering Fair Housing*

Impediments to fair housing choice in the City are a lack of information regarding fair housing for both professionals and residents, as well as information concerning the City's Fair Housing Ordinance.

To that end, the City has undertaken several actions to address these concerns, as follows:

- The City has published advertisements in local newspapers explaining fair housing and providing information for people that may have experienced fair housing issues.
- The City has disbursed Spanish-language Fair Housing information to City Hall and City offices (English language material has been ordered but not yet received).
- The City is undertaking a review of its current Fair Housing Ordinance that was adopted in 1991.
- The Fair Housing Logo appears on the City's website and community development correspondence and advertisements.
- The City is undertaking an Analysis of Impediments to Fair Housing to review the effectiveness of the Fair Housing Ordinance and to determine what steps may be taken to further fair housing goals.

The Fair Housing Ordinance prescribes complaint procedures in the event a resident believes that a fair housing violation has occurred. There were no reports of fair housing complaints in 2008, nor were any outstanding from previous years.

The City has worked to address unmet need by partnering with HUD to take advantage of new funding sources. The CDBG R and NSP programs infused \$3,099,284 of additional Federal funds into the City. These resources are allowing the City to construct infrastructure improvements on Washington Avenue and to extend assistance to homebuyers.

HUD funds in the CDBG R program were leveraged with Florida Department of Transportation Funds (FDOT) funding. The breakdown is as follows:

CDBG R:	\$183,406.00
FDOT:	\$192,522.79
<b>TOTAL:</b>	<b>\$375,928.79</b>

### **Managing the Process**

The City managed the CDBG program process in compliance with all applicable rules and regulations. The City CDBG functions are managed through the Finance Department and the City Manager's office. Any proposed projects or applications for funding are thoroughly reviewed at the staff level before final approval by the City Council. The City also utilizes the services of consultants to help implement CDBG activities.

All activities funded with CDBG are in accordance with the Comprehensive Plan and current EAR.

## Citizen Participation

The charts below summarize the total CDBG allocated and spent to date for 2008:

In 2008, funds were allocated to the following activities:

### 2008 CDBG

Wittkop Park	\$600,000
South Dade Weed and Seed	\$10,250
Association for Retarded Citizens	\$5,780
American Red Cross	\$9,000
enFAMILIA	\$10,970
Administration	\$145,545
<b>TOTAL CDBG 2008</b>	<b>\$781,545</b>

### CDBG R

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CDBG R Administration	\$28,868
<b>CDBG R TOTAL</b>	<b>\$212,274</b>

### Neighborhood Stabilization Program (NSP)

#### By Activity:

Rental Rehabilitation	\$721,752.00
Demolition	\$100,000.00
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Administration	\$288,701.00
<b>TOTAL</b>	<b>\$2,887,010.00</b>

#### NSP Activities Allocated By ZIP Code (Part of Total Above):

33030	Demolition	\$100,000.00
33030	Down Payment Assist.	\$266,483.55
33030	Purchase Rehab.	\$266,483.55
33033	Down Payment Assist.	\$453,022.04
33033	Purchase Rehab.	\$453,022.04
33035	Down Payment Assist.	\$168,772.92
33035	Purchase Rehab.	\$168,772.92
<b>TOTAL BY ZIP CODE:</b>		<b>\$1,876,557.00</b>

An advertisement was run in the Miami Herald on Monday, November 16, 2009 notifying the public of the CAPER. A public meeting was held at City Hall on Thursday,

November 19, 2009, and the CAPER was posted on the City's web site. No public comments have been received at this time.

### **Institutional Structure**

The City of Homestead manages the CDBG program through the Finance Department and the City Manager's office. The City has worked hard this year to create linkages across the departments to assist in implementation of the new Federal programs. While the City has had CDBG funds for many years, the relationship is now different because the City receives funding directly through HUD, rather than through the Florida Department of Community Affairs.

### **Monitoring**

The City is just beginning to implement its new housing and community development strategies, so it has not had much opportunity for monitoring subrecipients. However, there have been some preliminary steps taken to ensure program compliance. When the City received applications for public facilities from non-profit organizations, the City thoroughly reviewed all applications to determine the activities national objective, activity eligibility, and beneficiaries.

As the projects progress, the City will ramp up its compliance efforts, which will include executing a contract, reviewing plans and specifications, monitoring construction, and documenting beneficiary data.

### **Lead-Based Paint**

Under the City's programs, lead-based paint hazards are evaluated in residential structures built before 1978. The City will undertake such reviews when residential units are identified as possible purchases through the NSP, or if any residential structures are assisted through the CDBG program.

Management of lead-based paint includes several steps. First, the age and use of the property is determined. If the property was built prior to 1978 and is residential, a qualified firm is selected to perform a lead analysis. If lead is present, the paint is either encapsulated or stripped. The course of action for lead abatement is based on the extent of lead present and the estimated cost of repairs. Generally, minor amounts of lead are encapsulated, and more extensive contamination required paint removal.

### **Housing Needs**

The City amended the 2008 Action Plan to obtain NSP funding in the amount of \$2,887,010. These funds will be used to purchase foreclosed houses and provide affordable housing to eligible families (families who earn 120% or less of AMI). In FY 2008, no NSP funds were actually expended. However, the City has identified rental housing providers and is working with them to acquire rental units.

## **Public Housing Strategy**

The Homestead Housing Authority (HHA) operates a number of public housing facilities in the City of Homestead targeted to farmworker housing. The HHA is actually based in unincorporated Miami Dade County. While the HHA operates some facilities within the City, it does not offer housing to any population besides agricultural workers. The programs appear to operate very well. The City has met with representatives of the HHA and, at this time, they have not indicated interest in City CDBG entitlement or NSP funding. The Rental Rehabilitation RFP was made available to the HHA during the application period.

## **Barriers to Affordable Housing**

There are several barriers to affordable housing in the City. The first is the price of houses and the second is the relatively low wages earned by the typical resident of Homestead. In order to overcome barriers to affordable housing, the City began implementation of the CDBG's NSP. The City believes that this program will help mitigate barriers to affordable housing.

## **HOME/ADDI**

The City of Homestead does not receive HOME or ADDI funds.

## **Homeless Needs**

The City of Homestead does not directly administer homeless funds. However, the City's efforts with NSP are intended to provide some relief to the issue of homelessness. Specifically, the City issued a Request for Proposal for rental housing under NSP. Specifically, the RFP is targeted to provide rental housing to people who earn less than 50 percent of AMI. The NSP has allocated \$721,752 in funding for this program. The low income group targeted is traditionally the most at risk for homelessness.

Homeless programs are coordinated through Miami Dade County, the City of Homestead actively supports the efforts of the County and the Continuum of Care. The City is committed to meeting with Continuum of Care representatives to ensure intergovernmental coordination with the delivery of homeless services.

## **Specific Homeless Prevention Elements**

The City has started implementation of the NSP, in part, to help prevent homelessness. The majority of activities for homeless prevention in Dade County are coordinated at the County level.

## **Emergency Shelter Grants (ESG)**

The City of Homestead does not receive ESG funding.

### Community Development

The majority of the City's CDBG Entitlement and CDBG R efforts have been directed to Community Development.

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The \$36,000 in public facilities funding was also combined with \$40,000 in 2009 CDBG funds to create one application cycle. This application cycle was completed in the summer of 2009, and contracts are currently being prepared for five non-profit organizations.

The City did not displace any residents or trigger the requirements of the URA in 2008. In addition, there were no economic development activities or job creation activities in 2008. There may be some job retention or creation under CDBG R, however, that activity was not under construction in 2008.

## **Anti Poverty Strategy**

The City has undertaken homeownership activities through the NSP that may help alleviate poverty. By providing stable, affordable homeownership and rental properties, certain families living close to the poverty line may receive enough assistance to help lift them out of poverty. As the City navigates the NSP to deliver assistance to residents, the efficacy of the program for this purpose will be evaluated.

## **Non-Homeless Special Needs**

The City has not provided funding for non-homeless special needs. A portion of the NSP funding, the Rental Rehabilitation Program in the amount of \$721,752, may be used for this population. The clientele for this program has not yet been determined, however.

## **Specific HOPWA Objectives**

The City of Homestead does not receive HOPWA funds. However the City is committed to full cooperation with the City of Miami to provide HOPWA services to Homestead residents. The City of Miami received \$12,370,000 in 2008 to implement two programs: Long-Term Rental Assistance and Project-Based Programs. Most of the assistance is provided through the Long-Term Rental Assistance Program, and is administered County wide.

Over the next year, the City of Homestead will coordinate with the City of Miami to determine the number of rental units funded with HOPWA in the City of Homestead as well as the estimated need. In addition, the City will determine any actions that may be taken to enhance interagency coordination and to improve service delivery.