



Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Durham, North Carolina is an entitlement community under the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant Program (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grants Program (ESG), and Housing Opportunities for Persons With AIDS (HOPWA) Program. As a HUD entitlement community, the City is required to prepare an Annual Action Plan every funding year. The goal of the Plan is to extend and strengthen partnerships between the public and private sectors to provide decent housing, establish and maintain a suitable living environment, and expand opportunities primarily for low- and moderate-income persons. The Annual Action Plan describes how the City intends to invest its CDBG, HOME, ESG, and HOPWA funds during Fiscal Year (FY) 2023-2024, which covers the period beginning July 1, 2023 and ending June 30, 2024. This Plan also identifies actions that the City will pursue to further the strategies and priorities in the Five-Year Consolidated Plan for 2020-2025. This Annual Action Plan represents the third year of the 2020-2025 Consolidated Plan.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items, or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis, or the strategic plan.

Four (4) priorities have been identified by the City of Durham for the period of FY 2023-2024 for the Community Development Block Grant Program (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grants Program (ESG), and Housing Opportunities for Persons With AIDS (HOPWA). The corresponding goals and strategies for each priority are identified in the 2020-20205 Consolidated Plan. The four (4) priorities are as follows:

Homeless Priority

Homelessness is a significant challenge in Durham, particularly as housing costs continue to rise. To address this challenge, the City will provide funding for organizations and programs that conduct outreach to unsheltered individuals, emergency shelter, homelessness prevention, rapid rehousing, and other critical services as part of Durham's Homelessness Continuum of Care. HIV/AIDS is a serious challenge for the Durham Eligible Metropolitan Statistical Area (EMSA) that includes Durham, Orange, Chatham, Granville, and Person Counties. The City will work with a network of agencies to provide emergency housing assistance, long term rental assistance, case management, supportive services, and to support the creation of new housing options for these households.

Housing Priority

The City of Durham is facing a growing affordable housing crisis. The City will provide support to preserve existing affordable housing units and to create new affordable rental and for sale units. The City will also support home repair and rehabilitation programs designed to address health and safety concerns, improve energy efficiency, and enable existing low-income homeowners to remain safely in their homes. In addition, the City will provide down payment assistance to enable low-income households to purchase homes.

Economic Development Priority

There is a need to increase employment, self-sufficiency, education, job training, technical assistance, and economic empowerment of low- and moderate-income residents in the community. Efforts to support and encourage new job creation, job retention, employment, and job training services are prioritized in the plan. Also, support for business and commercial growth through expansion and new development through technical assistance programs and low interest loans are prioritized.

Administration, Planning, and Management Priority

There is a continuing need for planning, administration, management, and oversight of Federal, state, and local funded programs. The plan prioritizes the overall coordination of the process to provide program management and oversight for the successful administration of Federal, state, and local funded

programs, including planning services for special studies, environmental clearance, fair housing, and compliance with all Federal, state, and local laws and regulations.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Each year the City prepares its Consolidated Annual Performance Evaluation Report (CAPER) which summarizes the housing and community development activities and accomplishments of the City for the previous fiscal year. The CAPER describes how the City used CDBG, HOME, ESG, and HOPWA funds. The City submits its CAPER to HUD within ninety (90) days of the start of the new program year. Prior to its submission to HUD, the CAPER is made available for public review and comments for at least 15 days. Copies of the CAPER are available online at <http://durhamnc.gov/445/Community-Development>.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

In preparing the FY 2023-2024 Annual Action Plan, the Community Development Department followed the schedule below:

- March 20, 2023: First "Needs" Public Hearing was advertised in both the Herald Sun and Que Pasa Newspapers. The public hearing notice was also sent via a department's general listserv and posted on the Department's webpage here: <http://durhamnc.gov/445/CommunityDevelopment> and the City of Durham website here: [Calendar • Durham, NC • CivicEngage \(durhamnc.gov\)](#)
- May 1, 2023: Second "Needs" Public Hearing advertised in both the Herald Sun and Que Pasa Newspapers the week of April 10, 2023. During the week of April 3, 2022, the public hearing notice was also sent via a department's general listserv and posted on the Department's webpage here: <http://durhamnc.gov/445/Community-Development> and the City of Durham website here: [Calendar • Durham, NC • CivicEngage \(durhamnc.gov\)](#)
- April 5-May 5, 2023: Draft Annual Action Plan and Funding Chart on public display.
- May 1, 2023: Public Hearing on Draft Annual Action Plan and adoption of Plan.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

See attached comments. All comments and views were accepted and reflected in the attachment.

6. Summary of comments or views not accepted and the reasons for not accepting them

Not applicable. All comments and views were accepted and reflected in the attachment.

7. Summary

Plan objectives, past performance, citizen participation, and summary of public participation are reflected in the plan.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	Durham	Community Development Department
HOPWA Administrator	Durham	Community Development Department
HOME Administrator	Durham	Community Development Department
ESG Administrator	Durham	Community Development Department

Table 1 – Responsible Agencies

Narrative (optional)

The City of Durham's Community Development Department is the administrating agency for the CDBG, HOME, ESG, and HOPWA programs. The Community Development Department prepares the Five-Year Consolidated Plans, Annual Action Plans, Environmental Review Records (ERR's), the Consolidated Annual Performance Evaluation Reports (CAPER), monitoring, pay requests, contracting, and oversight of the programs on a day-to-day basis.

Consolidated Plan Public Contact Information

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AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

Each year, as a part of the application process (CDBG, HOME, ESG and HOPWA) local agencies/organizations are invited to submit proposals for grant eligible activities and to participate in the consultation process through attending public hearings or responding directly to the correspondence or surveys.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The City of Durham Community Development Department serves as the Continuum of Care Lead Agency and, in that role, serves as staff of the Homeless Services Advisory Committee (HSAC), the Continuum of Care (CoC) leadership board. HSAC meetings are publicly announced via the City of Durham and Durham County’s official meetings calendar, on official websites and are published in local newspapers. Thirteen of 29 positions on the HSAC are appointed through open application processes. Meetings of the HSAC are open to the public and include opportunities to make public comments to the HSAC. The email addresses of HSAC members are publicly available through the CoC website here:

<https://www.durhamnc.gov/4934/Durham-NC-Continuum-of-Care-CoC>. Full CoC meetings are held twice annually and are publicly announced via the City’s and Durham County’s official meetings calendar. Much of the activity of the CoC is focused on enhancing coordination of services and housing opportunities between public and assisted housing providers, private and governmental health, mental health and service agencies, and other community organizations and institutions.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City of Durham’s Community Development Department continues to act as the Lead Agency for the CoC, a responsibility it accepted in 2011. The CoC’s primary decision-making group is the Homeless Services Advisory Committee (HSAC). An Inter-local Agreement between the City of Durham and Durham County was signed in 2012 that delineates the responsibilities and decision-making authority of the HSAC, the City’s responsibilities as the CoC Lead Agency, and Durham County’s responsibilities for providing services to homeless people and those with special needs. Durham’s CoC agencies comprise several partner agencies that provide emergency shelter, transitional housing, rapid re-housing, and permanent supportive housing to homeless people. As the CoC Lead Agency, the Community Development Department is involved in all community-wide efforts to coordinate services and housing for homeless persons and those at risk of homelessness. The City is increasing investments to improve the CoC’s coordinated entry, assessment, prioritization, and referral processes for households

experiencing homelessness, to reduce the need for emergency shelter by expanding homeless “diversion” activities, and to strengthen partnerships and collaborations with private landlords to increase the supply of housing units available to people experiencing homelessness.

Chronic Homelessness: The Durham Continuum of Care has adopted a prioritization policy (per CPD-1611). The policy prioritizes the most vulnerable persons experiencing chronic homelessness for permanent supportive housing opportunities as they become available in the jurisdiction. Monthly meetings review a “By Name List” of those who are currently chronically homeless to ensure that the most vulnerable persons are offered permanent housing opportunities before others with less vulnerability.

Veterans: The Durham CoC maintains a by-name-list of homeless veterans. The List is reviewed twice per month with the Veteran Service Providers and Homeless Service Providers to ensure people are connected to appropriate housing and supportive services. Community stakeholders meet to house Veterans through the pool of homeless housing resources available in the community. In 2016 the Durham CoC was recognized for having ended chronic veteran’s homelessness in the CoC in an awards ceremony at the White House in Washington, DC. **Families:** Community stakeholders use a By Name List of families who are experiencing homeless to identify housing options including Rapid Rehousing, Permanent Supportive Housing, and Housing Choice Vouchers for families that are not able to secure housing options with their own resources. Families that are identified as being unsheltered are prioritized for emergency shelter if permanent housing options are not available. Most homeless families are referred for rapid rehousing assistance.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City prepares a “Regional Application” for the State ESG that includes project applications for State sub-recipients within the County. The CoC’s Governing Board, the Homeless Services Advisory Committee (HSAC), makes recommendations to the State for the distribution of State ESG funds in Durham County and makes recommendations to the Durham City Council for the distribution of ESG entitlement funds. Both City and State ESG sub-recipients in Durham are evaluated locally based on their performance on measures and standards adopted by the CoC Governing Board. Funding recommendations for both ESG jurisdictions are reviewed and approved by the Homeless Services Advisory Committee. The HSAC recommendations are then shared with the community’s unbiased review panel, the Citizens Advisory Committee, which is appointed by the City Council and Board of County Commissioners, prior to final submission to the State or contracts submitted to the Durham City Council. The CoC’s HMIS implementation is partially funded with a CoC grant and is supplemented by City funds to reduce the cost burden of homeless service providers. The HMIS is part of a regional multi-

CoC HMIS implementation. Policies and procedures for the operation and administration of the HMIS are managed by the HMIS Lead Agency in consultation with the participating CoCs.

2. Describe Agencies, groups, organizations, and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Durham
	Agency/Group/Organization Type	Housing PHA Services-Persons with HIV/AIDS Other government - County Other government - Local Community Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Agencies, groups, stakeholders, and organizations were consulted via meetings.

Identify any Agency Types not consulted and provide rationale for not consulting

Agencies providing a full range of services in and around the City of Durham were consulted or contacted to request comments/input. No particular agency types were not consulted for input.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	City of Durham	The homeless housing planning section of the plan aligns with the Durham Continuum of Care Governance Charter and the annual Continuum of Care submission to the HUD SNAPS office.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

Consultation and coordination of the plan is in alignment with the Consolidated Plan.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal setting

The development of the City's Annual Action Plan also encouraged citizen participation through publications of public notices in English and Spanish at preliminary public hearings to receive comments on the draft Annual Action Plan. Organizations serving LMI persons are encouraged to attend federal funding workshops to understand the application process, ask questions, and provide suggestions/recommendations concerning the process. Potential applicants are provided with a timeframe to submit or ask additional questions prior to the application submission deadline. The Department works in coordination with the City's Public Affairs Office to publicize information concerning projects and programs supported by the City of Durham using traditional print and Social Media outlets for greater coverage.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/broad community Residents of Public and Assisted Housing	Needs Public Hearing – March 20, 2023: Summary of response attached to Plan	Summary of comments attached to Plan	Not applicable	https://youtu.be/2qgAeAx9C0Y?t=3253

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
2	Newspaper Ad	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Residents of Public and Assisted Housing	Not applicable	Not applicable	Not applicable	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

The City of Durham expects to receive \$2,038,871 in CDBG funds, \$1,317,035 in HOME funds, \$182,563 in ESG funds, and \$1,066,328 in HOPWA funds for the FY 2023 program year. The City anticipates that it will receive \$100,000 in CDBG Program Income (PI) and \$100,000 in HOME Program Income (PI) for FY 2023. The City’s FY 2023 program year starts on July 1, 2023 and ends on June 30, 2024. The accomplishments of these projects/activities will be reported in the FY 2023 Consolidated Annual Performance and Evaluation Reports (CAPERs).

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	2,038,871	100,000	0	2,138,871	2,161,129	The Community Development Block Grant (CDBG) Program allocates annual grants to larger cities and urban counties to develop viable communities by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low- and moderate-income persons.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	1,317,035	100,000	0	1,417,035	782,965	The HOME Investment Partnerships Program (HOME) provides formula grants to States and localities that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. Home match by dollars spent by the application of DHF funds on the Willard Street Apartments project. An 82-unit Willard Street Apartments, built on a former City-owned site, welcomed its first in March of 2021. Matching funds in the amount of \$359,999.99.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	1,066,328	0	0	1,066,328	0	The Housing Opportunities for Persons With AIDS (HOPWA) Program is the federal program dedicated to the housing needs of people living with HIV/AIDS. Under the HOPWA Program, HUD makes grants to local communities, states, and nonprofit organizations for projects that benefit low-income persons living with HIV/AIDS and their families.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	182,563	0	0	182,563	162,437	The Emergency Solutions Grants (ESG) program provides formula grants to support essential services related to emergency shelter and street outreach, emergency shelter operation and renovation, short-term and medium-term rental assistance for individuals and families who are homeless or at risk of homelessness, housing relocation and stabilization services for individuals and families who are homeless or at risk of homelessness, and homeless management information systems (HMIS); ESG match is spent on ESG eligible activities. The ESG funds are matched with local City Dedicated Housing Funds (DHF). The City has allocated \$200,000 per year as a match for the ESG funds. These DHF funds have been used to provide Rapid Rehousing services. 7.5% will be used to cover City administrative salaries.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Admin and Planning Overnight shelter Rapid re-housing (rental assistance) Other	0	0	0	0	0	
Other	public - federal	Admin and Planning STRMU Other	0	0	0	0	0	
Other	public - federal	Public Services Other	0	0	0	0	0	

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City of Durham will match the ESG funds awarded by HUD with City funds dedicated to ESG-eligible homeless services. Both ESG and City funds will be awarded through a competitive request for proposals process. In addition, the City anticipates that the investment of other federal funds in housing related activities will leverage additional public or private capital, including (but not limited to) home mortgages from private lenders, in the case of funds used for homebuyer assistance, and/or Low Income Housing Tax Credit equity, state or city funds or private debt financing in the case of affordable housing development, rehabilitation and preservation projects.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City is working closely with the Durham Housing Authority (DHA) to support the development or redevelopment of several DHA owned properties in central Durham that are part of the multiyear DHA Downtown Durham and Neighborhood Plan (DDNP).

In the near term, this includes the redevelopment of 519 E. Main Street and Liberty Street public housing properties in downtown Durham as a mixed-income, mixed-use community. Redevelopment activities are expected to extend to additional DHA owned properties in future years. The focus next phase of the DDNP Project includes Commerce Street Apartments, Elizabeth Street Apartments, Fayette Place, Dillard Street and Forest Hill Heights.

In addition, the City is prioritizing the construction of affordable housing on surplus City-owned property. The City awarded a two-acre parcel in downtown Durham next to the City's main bus station to a partnership between two affordable housing developers, DHIC and Self Help. To date, they have completed an 82-unit affordable family project and are starting work on an adjacent 51-unit affordable senior project. In addition, the City awarded eight vacant lots to Habitat for Humanity and Durham Community Land Trustees (DCLT) to support the development of six for sale homes and two rental homes. The City has identified other vacant lots that it intends to make available for the development of affordable housing in the future.

Discussion

The City is working closely with DHA to support the redevelopment of several DHA properties in downtown and central Durham. These efforts are intended to ensure that DHA can provide high quality, affordable housing for current and future residents, to expand the overall supply of affordable housing in Durham, and to integrate this affordable housing into vibrant mixed-income communities. These efforts include the City of Durham being Co-Applicant to the recently awarded HUD Choice Neighborhood (CNI) grant award.

The City is prioritizing the development of affordable housing on surplus City owned property. To date, the City has made a two-acre lot in downtown Durham available for multifamily rental development and awarded eight smaller lots to developers for single family/duplex housing development.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Reduce homelessness and increase stability	2020	2024	Homeless	Citywide	Homeless Priority	ESG: \$168,871	Tenant-based rental assistance / Rapid Rehousing: 75 Households Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 300 Beds
2	Affordable rental housing and home ownership	2020	2024	Affordable Housing	Citywide	Housing Priority	CDBG: \$570,788 HOME: \$1,317,035	Rental units rehabilitated: 6 Rental units created: 2 Rehabilitated: 1 Household Homeownership units rehabilitated: 9
3	Provide support to people living with HIV/AIDS	2020	2024	Affordable Housing	Citywide	Housing Priority	HOPWA: \$1,034,339	Tenant-based rental assistance / Rapid Rehousing: 175 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Overall Coordination	2020	2024	Program Administration	SOUTHSIDE	Administration, Planning, and Management Priority	CDBG: \$200,000 HOPWA: \$31,989 HOME: \$100,000 ESG: \$13,692	Other: 1 Other

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Reduce homelessness and increase stability
	Goal Description	Homelessness is a significant challenge in Durham, particularly as housing costs continue to rise. To address this challenge, the City will provide funding for organizations and programs that provide outreach to unsheltered individuals, emergency shelter, homelessness prevention, rapid rehousing, permanent supportive housing, and other critical services as part of Durham’s Homelessness Continuum of Care.
2	Goal Name	Affordable rental housing and home ownership
	Goal Description	The City of Durham is facing a growing affordable housing crisis. The City will provide funding to support site preparation, including demolition, infrastructure development and construction of new affordable rental and for sales homes, as well as the rehabilitation of existing housing to preserve long term affordability. The City will also support will support down payment assistance and related housing counseling programs serving low-income homebuyers and home repair and rehabilitation programs designed to address health and safety concerns, improve energy efficiency, and enable existing low-income homeowners to remain safely in their homes.

3	Goal Name	Provide support to people living with HIV/AIDS
	Goal Description	HIV/AIDS is a serious challenge for the Durham Eligible Metropolitan Statistical Area (EMSA) that includes Durham, Orange, Chatham, Granville, and Person Counties. The City will work with a network of agencies to provide emergency housing assistance, long term rental assistance, case management, supportive services, and to support the creation of new housing options for these households.
4	Goal Name	Overall Coordination
	Goal Description	The City will provide program management and oversight for the successful administration of federal, state and locally funded programs, including planning service for special studies, environmental clearance, fair housing, and compliance with federal, state, and local laws and regulations.

Projects

AP-35 Projects – 91.220(d)

Introduction

To address the identifiable housing and community development needs of the City of Durham, the proposed FY 2023 One-Year Plan proposes the following:

Projects

#	Project Name
1	ESG23 Durham (2023-24)
2	FY 23/24-CDBG-Section 108 Loan Payment (108) (2023)
3	FY 23/24-CDBG-Public Services (2023)
4	FY 23/24-CDBG-Administration (AD) (2023)
5	FY 23/24-CDBG-Public Facilities and Improvements (2023)
6	FY 23/24-CDBG-Affordable Housing Development (2023)
7	FY 23/24-HOME-Affordable Housing Development (2023)
8	FY 23/24-HOME-Durham County Consortium (CNSRT) (2023)
9	FY 22/23-HOME-Community Housing Development Organization (CHDO) (2023)
10	FY 22/23-HOME-Administration (AD) (2022)
11	2022 - 2025 Durham Housing Authority NCH22F004 (DHA)
12	2022 - 2025 Durham County NCH22F004 (DSS)
13	2022 - 2025 Durham, NC NCH22F004 (COD)

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The allocations and priorities were established by discussions with City and County decision makers, stakeholder meetings, and public meetings. Obstacles to addressing underserved needs would be finding more federal resources to accomplish those activities and having local resources to pair with them to make successful projects.

AP-38 Project Summary
Project Summary Information

1	Project Name	ESG23 Durham (2023-24)
	Target Area	Citywide
	Goals Supported	Reduce homelessness and increase stability
	Needs Addressed	Housing Priority
	Funding	ESG: \$182,563
	Description	FY 2023/2024 ESG funds will be awarded through a Request for Proposals with the goal of assisting 75 people with Rapid Rehousing assistance. The City will allocate 7.5% of the ESG award for City Admin (\$13,692).
	Target Date	8/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	Estimate of 75 people will be assisted with ESG Rapid Rehousing Funding
	Location Description	Citywide
	Planned Activities	Rapid Rehousing assistance for people experiencing homelessness
2	Project Name	FY 23/24-CDBG-Section 108 Loan Payment (108) (2023)
	Target Area	Citywide
	Goals Supported	Overall Coordination
	Needs Addressed	Administration, Planning, and Management Priority
	Funding	CDBG: \$568,083
	Description	FY 23/24 Funding for the planned Section 108 Loan Interest and Principal Payment in the amount of \$568,083
	Target Date	2/1/2024
	Estimate the number and type of families that will benefit from the proposed activities	NA
	Location Description	NA
	Planned Activities	Funding for the planned Section 108 Loan Interest and Principal Payment
3	Project Name	FY 23/24-CDBG-Public Services (2023)
	Target Area	Citywide

	Goals Supported	Reduce homelessness and increase stability
	Needs Addressed	Homeless Priority
	Funding	CDBG: \$300,000
	Description	FY 23/24 Public Services to support for activities designed to increase the quantity and quality of supportive services provided in temporary shelters provided to homeless people, by paying for essential supportive services for people experiencing homelessness. Funding may also be used for supportive services for households exiting homelessness to permanent housing.
	Target Date	12/31/2025
	Estimate the number and type of families that will benefit from the proposed activities	300 Households are estimated to be assisted.
	Location Description	Citywide
	Planned Activities	Homeless shelter provisions and other homeless support as part of dedicated homeless assistance
4	Project Name	FY 23/24-CDBG-Administration (AD) (2023)
	Target Area	Citywide
	Goals Supported	Overall Coordination
	Needs Addressed	Administration, Planning, and Management Priority
	Funding	CDBG: \$200,000
	Description	FY 23/24 Funding for City of Durham Community Development Staff Salaries. Up to 20% of the CDBG allocation can be used to support administration. The City will allocate less than the allowable 20% for this annual action plan at \$200,000 for staff salaries to support other CDBG eligible projects.
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	NA
	Location Description	Citywide
	Planned Activities	CDBG Administration - Community Development staff salary support.

5	Project Name	FY 23/24-CDBG-Public Facilities and Improvements (2023)
	Target Area	Citywide
	Goals Supported	Community and Economic Development
	Needs Addressed	Economic Development Priority
	Funding	CDBG: \$500,000
	Description	FY 23/24 Public Facilities and Improvements. Funding to support infrastructure, transportation and facade improvements that improve quality of life for residents of low-income neighborhoods in the amount of \$500,000. Funding is planned to support public facilities and infrastructure activities to include, but not limited to, installation of signalized pedestrian crossing upgrades, pedestrian safe routes and signs, improved sidewalks, and other street improvements. Matrix Code: 03K - Street Improvements and Matrix Code: 03E – Neighborhood Facilities.
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 50,000 persons are expected to be assisted with improved access to public facilities and infrastructure. Of those 15,000 persons assisted, it is estimated that at least 25,500 persons (51%) will be below 80% Area Median Income. Matrix Code: 03K - Street Improvements and Matrix Code: 03E – Neighborhood Facilities
	Location Description	Citywide-Improvements will be completed in low- and moderate-income census tracts throughout the City of Durham that are primarily residential in nature.
Planned Activities	Funding to support infrastructure, transportation and facade improvements that improve quality of life for residents of low-income neighborhoods in the amount of \$500,000. Funding is planned to support public facilities and infrastructure activities to include, but not limited to, installation of signalized pedestrian crossing upgrades, pedestrian safe routes and signs, improved sidewalks, and other street improvements. Matrix Code: 03K - Street Improvements and Matrix Code: 03E – Neighborhood Facilities.	
6	Project Name	FY 23/24-CDBG-Affordable Housing Development (2023)
	Target Area	Citywide
	Goals Supported	Affordable rental housing and home ownership
	Needs Addressed	Housing Priority
	Funding	CDBG: \$570,788

	Description	FY 23/24 CDBG - Grants and loans to support site preparation, pre-development, infrastructure development and construction of new affordable rental and for sales homes; rehabilitation of existing rental housing to preserve long term affordability; rehabilitation of owner-occupied homes and down payment assistance in the amount of \$570,788. Any amount of Program Income receipted during this program year that is above or below the estimated amount projected will be added or subtracted from this project.
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	Estimate of Units rehabilitated: 3 Estimate of Units created: 9
	Location Description	Citywide
	Planned Activities	Grants and loans to support site preparation, pre-development, infrastructure development and construction of new affordable rental and for sales home; rehabilitation of existing rental housing to preserve long term affordability; rehabilitation of owner-occupied homes and down payment assistance.
7	Project Name	FY 23/24 HOME-Affordable Housing Development (2023)
	Target Area	Citywide
	Goals Supported	Affordable rental housing and home ownership
	Needs Addressed	Housing Priority
	Funding	HOME: \$1,040,456
	Description	FY 23/24 HOME - Grants and loans to support site preparation, pre-development, infrastructure development and construction of new affordable rental and for sales home; rehabilitation of existing rental housing to preserve long term affordability; and down payment assistance in the amount of \$1,040,456. Any amount of Program Income receipted during this program year that is above or below the estimated amount projected will be added or subtracted for this project.
	Target Date	6/30/2025

	Estimate the number and type of families that will benefit from the proposed activities	Estimated Rental Units Created: 11 Estimated Down Payment Assistance Provided: 2 homebuyers assisted
	Location Description	Citywide
	Planned Activities	Grants and loans to support site preparation, pre-development, infrastructure development and construction of new affordable rental and for sales home; rehabilitation of existing rental housing to preserve long term affordability; and down payment assistance.
8	Project Name	FY 23/24 HOME-Durham County Consortium (CNSRT) (2023)
	Target Area	Citywide
	Goals Supported	Affordable rental housing and home ownership
	Needs Addressed	Housing Priority
	Funding	HOME: \$79,023
	Description	FY 23/24 HOME Consortium Housing rehabilitation - Funds are targeted to Durham County to support homeowner rehabilitation program. Amount represents estimated FY 2023-2024 pro-rata share of \$79,023.
	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	Rehab and repair: Estimate of 1 homeowner assisted
	Location Description	Durham County (outside city limits) per the Consortium Agreement with Durham County
	Planned Activities	Funds are targeted to Durham County to support homeowner rehabilitation program.
9	Project Name	FY 23/24-HOME-Community Housing Development Organization (CHDO) (2023)
	Target Area	Citywide
	Goals Supported	Affordable rental housing and home ownership
	Needs Addressed	Housing Priority
	Funding	HOME: \$197,556

	Description	FY 23/24 CHDO housing development and preservation - HOME program requires grantees to reserve at least 15% of its annual grant to Community Housing Development Organization (CHDOs). City of Durham proposes to set-aside 15% for CHDOs. Funds will support affordable housing development and preservation.
	Target Date	6/30/2025
	Estimate the number and type of families that will benefit from the proposed activities	Rental units created: Estimate - 2
	Location Description	Citywide
	Planned Activities	City of Durham proposes to set-aside 15% for CHDOs. Funds will support affordable housing development and preservation.
10	Project Name	FY 23/24 HOME-Administration (AD) (2023)
	Target Area	Citywide
	Goals Supported	Overall Coordination
	Needs Addressed	Administration, Planning, and Management Priority
	Funding	HOME: \$100,000
	Description	FY 23/24 HOME Partial funding of City of Durham Community Development staff salaries. Up to 10% of HOME grant amount and program income may be used for administration.
	Target Date	6/30/2024
	Estimate the number and type of families that will benefit from the proposed activities	NA
	Location Description	NA
	Planned Activities	Partial funding of City of Durham Community Development staff salaries.
11	Project Name	2022 - 2025 To Be Determined Tenant Based Rental Assistance Provider
	Target Area	Citywide
	Goals Supported	Provide support to people living with HIV/AIDS
	Needs Addressed	Housing Priority

	Funding	HOPWA: \$332,134
	Description	FY 23/24 HOPWA - Funding in the amount of \$332,134 for Tenant Based Rental Assistance and Project Sponsor Administration (Administration of 7% of total amount).
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	Estimate of 40 Households to be assisted with Tenant Based Rental Assistance (TBRA).
	Location Description	Citywide
	Planned Activities	HOPWA Tenant Based Rental Assistance (TBRA) and Project Sponsor Administration
12	Project Name	2022 - 2025 Durham County NCH22F004 (DSS)
	Target Area	Citywide
	Goals Supported	Provide support to people living with HIV/AIDS
	Needs Addressed	Housing Priority
	Funding	HOPWA: \$702,205
	Description	FY 23/24 HOPWA - Funding in the amount of \$702,205 for a combination of Short-Term Mortgage Rent and Utility (STRMU) assistance, Supportive Services, and Project Sponsor Administration (Administration of 7% of total amount).
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	Supportive services: Estimate of 80 persons assisted Short-Term Mortgage Rent and Utility (STRMU): Estimate of 55 persons assisted
	Location Description	Citywide
	Planned Activities	Short-Term Mortgage Rent and Utility assistance, Supportive Services, and Project Sponsor Administration
13	Project Name	2022 - 2025 Durham, NC NCH22F004 (COD)
	Target Area	Citywide
	Goals Supported	Overall Coordination
	Needs Addressed	Administration, Planning, and Management Priority

Funding	HOPWA: \$31,989
Description	FY 23/24 HOPWA Program administration costs. A grantee may use up to 3% of HOPWA grant amount for administration of \$31,989.
Target Date	6/30/2024
Estimate the number and type of families that will benefit from the proposed activities	NA
Location Description	Citywide
Planned Activities	HOPWA Program Administration

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City of Durham will follow geographic restrictions under the Community Development Block Grant Program, which restricts activities to low-moderate income census tracts. The majority of CDBG activities will take place citywide based on activities benefiting LMI qualifying beneficiaries, census tracts, and block groups. Most of the FY 2023-2024 CDBG allocation will support citywide activities with a portion of the funding used to pay principal and interest associated with the Southside NRSA for the repayment of a Section 108 Loan.

Geographic Distribution

Target Area	Percentage of Funds
SOUTHSIDE	10
Citywide	90

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City of Durham allocates its CDBG, HOME, ESG, and HOPWA funds based on which activities will principally benefit low- and moderate-income persons. The City extended the Southside Neighborhood Revitalization Strategy Area (NRSA) for the term of its 2020-2025 Consolidated Plan (Con Plan). The NRSA Plan for Southside was approved by HUD in October 2011. The designation offers greater flexibility and relaxed regulatory restrictions on federal resources. Progress to date in the NRSA includes 48 single family homes of which 25 are affordable to households below 80% Area Medium Income (AMI). In addition, 217 rental units have been created, of which 138 are affordable to households below 60% of AMI. During the FY 2020-2025 Consolidated Plan period, the City of Durham plans to construct 12 new single-family homes affordable to households below 80% AMI in the Southside NRSA.

Discussion

Under the FY 2023 Community Development Program, the City of Durham expects to receive \$2,038,871 in CDBG funds and \$100,000 in program income. The City will budget \$200,000 for CDBG general administration. The balance of CDBG funds \$1,938,871 will be allocated to activities which principally benefit low- and moderate-income persons. No FY 2023 CDBG funds are allocated for the removal of slums and blight.

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

Like many cities across the County, the City of Durham is experiencing a dramatic escalation in housing prices in both the rental and for sale markets. Price increases, in migration and market-driven redevelopments are transforming many neighborhoods, all too often pushing out long-term lower-income residents. Communities of color have been disproportionately impacted by these changes. The City’s affordable housing, public housing, and community revitalization initiatives are focused on preserving affordability within Durham’s rapidly changing neighborhoods. Significant resources are being focused on the creation and preservation of affordable housing utilizing the federal CDBG and HOME programs, working with the community, enlisting the support of partners, and coordinating the efforts of local nonprofit and for-profit providers. Efforts will focus on increasing housing choice and options, ensuring that Fair Housing remain a primary focus, eliminating overcrowding, increasing homeownership opportunities, decreasing sub-standard and inadequate housing, as well as increasing the opportunities for investment of additional public and private resources in the community.

One Year Goals for the Number of Households to be Supported	
Homeless	375
Non-Homeless	30
Special-Needs	80
Total	485

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	80
The Production of New Units	13
Rehab of Existing Units	10
Acquisition of Existing Units	7
Total	110

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

The City will use several funding sources to support housing and neighborhood revitalization activities in the Southside project area and the preservation or creation of affordable housing throughout the City.

The following programs will be utilized:

- HOME Investment Partnerships Act Program
- Community Development Block Grant
- Emergency Solutions Grant
- Housing Opportunities for Persons With AIDS
- Community Development Block Grant Program Income
- HOME Program Income
- City of Durham affordable housing bond and housing bond program Income
- Housing Bond Program Income
- Low Income Housing Tax Credits (LIHTC)
- North Carolina Housing Finance Agency (NCHFA)
- City of Durham Dedicated Housing Fund (DHF)
- Neighborhood Revitalization Strategy Area (NRSA)

AP-60 Public Housing – 91.220(h)

Introduction

The Durham Housing Authority (DHA) continues to be the largest provider of affordable housing in Durham County, serving over 4,000 families. DHA is working to implement its new Goals and Objectives outlined in its new 5-Year Public Housing Authority (PHA) Plan that was adopted by its Board of Commissioners in January 2021. The agency's vision continues to be that of serving as the leading provider of affordable housing dedicated to building stronger Durham communities, with a mission to develop, own, manage, and contribute to diverse communities of choice. DHA's goals in its current 5-Year PHA Plan include:

1. **Financial Stability**
2. **Operational Efficiency**
3. **Resident Driven**
4. **Wraparound Resident Supports**
5. **Accountability**
6. **Recovery of the Public Housing Program & Retaining Housing Choice Voucher (HCV) Program High Performance**
7. **Develop Strong Communities of Choice**

DHA, an active partner in and with the City in the transformation and redevelopment of its affordable housing, has focused more recently on the DHA Downtown and Neighborhood Plan (DDNP) and the CNI project. DHA's Downtown and Neighborhood Planning (DDNP) initiative allowed DHA to produce preferred concept plans for the redevelopment of its downtown public housing communities as well as a few parcels of City land made available for affordable housing opportunities, a planning effort that would not have been possible without the continued engagement of residents. This is a 10-year redevelopment plan that will result in the production of over 2,500 units of housing, more green/open space, retail space, new streets, infrastructure, and parking in the downtown and/or neighboring areas. This redevelopment plan is an estimated \$470 million investment over the next ten years and is integral to DHA's goal to Develop Strong Communities of Choice.

DHA's strategy to address the housing needs of families within the jurisdiction is to:

- Reduce the number of public housing vacancies
- Increase voucher utilization
- Utilize the Rental Assistance Demonstration (RAD) Program to convert public housing to project-based assistance
- Leverage private and public funds including Low-Income Tax Credits and Tax-Exempt Bonds to create new senior and family housing opportunities.

DHA works in conjunction with the City's Consolidated Plan and Comprehensive plan to address the

City's affordable housing needs. It is DHA policy to serve customers without regard to race, color, religion, national origin, ancestry, age, sex, sexual orientation, having AIDS, physical handicap, or disability.

Actions planned during the next year to address the needs to public housing

DHA is focused on its Strategy for Addressing Housing Needs, as DHA is aware that renters have the most severe housing cost burdens, especially at the lowest-income levels at extremely low and very low-income families as well as elderly and disabled families. Citywide, there are approximately 16,500 low-income households. DHA has stated that the reasoning for the actions planned during the next year are based on goals to:

1. Sustain the affordable housing stock currently in existence in Durham.
2. Create viable solutions to address the quantity of households that are already rent burdened in Durham due to the excessive rental prices in the existing market.
3. Create housing in areas of opportunity in Durham.
4. Create additional affordable housing units.
5. Diversify the existing housing options.

The major driver of these activities is the continued implementation of the Downtown Neighborhood Plan and the use of the Rental Assistance Demonstration Program (RAD). Activities under this plan include, but are not necessarily limited to, the following:

1. Oversee the preparation of development program and concept plan(s), which includes community engagement
2. Undertake market/need/demand analysis
3. Identify, evaluate, and assist with negotiating property acquisition
4. Assist with project design (particularly from market and budget perspectives)
5. Prepare capital and operating cost budgets
6. Assist with zoning and other development approvals
7. Prepare applications for government assistance
8. Prepare marketing materials and coordinate marketing/application/pre-leasing/pre-sales process
9. Prepare financing applications and negotiate terms
10. Coordinate an acceptable procurement method and construction contract

DHA owns a portfolio of public housing properties being redeveloped under the DHA Downtown & Neighborhood Plan. DHA Downtown & Neighborhood Plan includes sites located at 519 E. Main Street, Liberty Apartments, Fayette Place, Forest Hills Heights, JJ Henderson, DHA's Central Office, as well as City sites on Rigsbee Avenue and Southside Phase III. More information about DDNP can be found on DHA's website. Conjointly with DHA's actions to provide affordable housing are its actions to helping residents on the path towards self-sufficiency. While there are several objectives DHA will work to

accomplish its priorities, the agency will focus on in the first phases of implementing its 5-Year PHA Plan.

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

DHA is revisiting its efforts to encourage Public Housing residents to become more involved in management and sees resident agency as a key priority. In DHA's new 5-Year PHA Plan, DHA has set a goal to be more resident driven, recognizing resident voice as one the key ways forward in the agency's recovery. Objectives under their goal to encourage resident agency include:

1. Educate the communities on resident councils, conduct resident outreach, and hold resident council elections with the goal of establishing at least one council for each property.
2. Establish a resident council training and orientation programs.
3. Implement a Responsive Customer Service Program.
4. Begin measuring and reporting customer satisfaction.
5. Improve use of social media as a means of communication to disseminate pertinent information to residents and program participants.
6. Implement a mass communication system for all program residents and participants by; and,
7. Tie Customer Satisfaction to Performance.

Taking additional actions to encourage public housing residents to become more involved in management by the diligent implementation of its Resident Council and Resident Council Training Programs. DHA has recognized the need to continue educating residents on Resident Councils, to continue to conduct outreach, and to work with communities to elect fully functioning Resident Councils. The Resident Council is a HUD and DHA recognized group of elected resident officers from all DHA public housing properties who have open communication with the Housing Authority and residents regarding issues that affect their community. Presidents of those Resident Councils also become members of the Resident Advisory Board, also advising on important PHA matters such as RAD conversion steps, Property Operations, and Agency Policy to name a few. DHA has a continued goal to work to determine appropriate ways to foster constructive relationships. Under DHA's work to revisit its efforts to empower its Resident Councils, each duly elected resident council receives individual and group training along with the opportunity to attend seminars and conferences throughout the United States based on the agency's available financial resources. This will allow residents to network with other public housing residents and DHA staff members to build new relationships and gain powerful insights on ways to improve their neighborhoods. Residents Councils are governed by DHA's the Agency's compliance requirements set forth in the Code of Federal Regulations and their approved by-laws.

DHA's Resident Services Department works to make assistance available to residents in areas such as: education, credit and finances, computers, homeownership, employment opportunities and job training.

Programs include its Family self-sufficiency Program (FSS). DHA has a stated goal to help first-time buyers develop and implement a homeownership plan tailored to their individual needs and circumstances. DHA will work with the local HUD Approved Housing Counseling Agencies to provide referrals for a range of services to help buyers get mortgage ready, find a home, choose a lender, and access special financing opportunities which include, but are not limited to: • Private Counseling Sessions • Homebuyer Workshop • Loan Prequalification and Application • Referrals for Finding a Home • Post-Purchase Counseling

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Durham Housing Authority was designated as Troubled in FY2018 (most recent year of designation) by the US Department of Housing and Urban (HUD). The FY 2018 PHAS score consisted of an audited Financial score of 25 (of 25), Physical score of 18 (of 40), Management score of 11 (of 25), and Capital Fund score of 5 (of10). The subsequent year DHA was designated as Substandard, a designation that is one step above Troubled. As a result of the Substandard designation, DHA developed a Recovery Plan proposal in January 2020, which was approved by HUD.

DHA has proposed solutions to resolve the source of its PHAS performance deficiencies and has begun taking steps to recover its performance. The Board of Commissioners of the Housing Authority of the City of Durham adopted a Recovery Plan Tracking Report. DHA hired a new Director of Housing Operations and implemented a Chief Operations Officer, and will be undergoing a reorganization to address the performance issues at its public housing sites. To address the low performance measures DHA is working to implement a maintenance overhaul plan and to develop a Comprehensive Repair and Capital Plan for all its existing Public Housing sites. The funding for this will derive from its annual operating budget and its existing Capital Funds.

To help alleviate the financial stress of funding staff resources, the City of Durham has provided operational (payroll) support in the amount of \$1,975,000 to the fund a major portion of DHA's DDNP development staff. The goal is to allow DHA to use its HUD operational funds to address its PHAS performance deficiencies. The City has agreed to provide \$58,905,847 in affordable housing bond funding for DHA DDNP development activities. The City is exploring ways in which its dedicated housing funds and affordable housing bond funding can be used to address physical deficiencies outside of the DDNP project. This is in the hope of addressing DHA Capital Fund deficiencies.

Discussion

The City of Durham has identified that there is a need for decent, safe, and sanitary housing to address the households affected by housing problems, severe housing problems, and housing cost burdens. The largest income group affected by housing problems is the extremely low-income household group. The Durham Housing Authority is an important part of the City of Durham's housing strategy. DHA is the primary assisted housing provider of housing for extremely low-income, very low-income, and low-income

residents of Durham. The City of Durham will work closely with the Housing Authority of the City of Durham and will seek to utilize Home Investment Partnership (HOME) and Community Development Block Grant (CDBG) wherever possible to support the DHA's housing strategy. The City may, when it has determined it is in the best interest of the City of Durham, designate the DHA to act as a subrecipient of these federal funds to carry out an eligible activity. The City and DHA are working to give preferences to segments of the population only as such a limitation or preference is described and in accordance with the City of Durham's Consolidated Plan.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City of Durham’s Community Development Department continues as the Lead Agency for the Continuum of Care (CoC), a responsibility it accepted in 2011. The CoC’s primary decision-making group is the Homeless Services Advisory Committee (HSAC). An Inter-local Agreement between the City of Durham and Durham County was signed in 2012 that delineates the responsibilities and decision-making authority of the HSAC, the City’s responsibilities as the CoC Lead Agency, and Durham County’s responsibilities for providing services to homeless people and those with special needs. Durham’s CoC members include several partner agencies that provide emergency shelter, transitional housing, rapid re-housing, and permanent supportive housing to homeless people and other community partners providing a variety of supportive services to people experiencing homelessness and those at risk of homelessness. The CoC continues to prioritize permanent supportive housing for chronically homeless people. Strengthening and expansion of the CoC’s coordinated intake and standardized assessment process is also underway to improve overall effectiveness. The City has allocated its ESG allocation to rapid rehousing activities for many years. In addition, the City has allocated \$200,000 annually for rapid rehousing activities from a portion of the General Fund that has been dedicated to the creation of affordable housing. The City plans to continue to produce units of permanent affordable housing and is coordinating with the Veterans Administration on plans for additional Veterans Affairs Supportive Housing (HUD-VASH) vouchers. The Housing Authority of the City of Durham (DHA) is an active member of the CoC. DHA partners with other organizations, such as Alliance Health, the local managed care organization for behavioral health needs, to provide TBRA in conjunction with supportive services to homeless individuals/families with severe and persistent mental health conditions. DHA offers preferences for the Housing Choice Voucher Program to families who are involuntarily displaced; homeless veterans; single, elderly or a person with disabilities who is chronically homeless; single persons who are elderly and disabled; homeless families with minor children; and rent cost burdened families. DHA Currently reserves 225 Housing Choice Vouchers for households experiencing homelessness that are referred to DHA by other members of the Durham CoC. DHA also has a preference for households experiencing homelessness for five percent of its public housing units. DHA tracks implementation of its preferences through the HUD Multi-Family Tenant Characteristics (MTCS) subsystems nationwide database. This data is transmitted each time a PHA processes a client receiving subsidized housing. As such, the PHA and HUD may create and download reports that provide demographic information for recipients of assisted housing.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

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

The Durham Continuum of Care (CoC) has used one community-wide prioritized list of chronically

homeless single adults since 2014. The CoC uses a By Name List (BNL) generated by the Homeless Management Information System (HMIS), supplemented by additions of people not yet in the HMIS. Chronically homeless people are prioritized, based on their vulnerability scores and length of time homeless, for Housing Choice Voucher (HCV) referrals when CoC permanent housing or other housing options are not available. The United State Interagency Council on Homelessness (USICH) recognized the CoC for ending chronic homelessness among veterans in 2016 using a BNL of homeless vets. In 2017, the CoC began using a similar HMIS BNL process to rapidly rehouse families, based on vulnerability scores & the length of time families are homeless. In 2019 Durham used local funds to start an Unsheltered Coordinating Agency (UCA). The UCA includes a Street Outreach team that works with those who are experiencing unsheltered homelessness. The Street Outreach team's goal is to engage people experiencing homelessness and assist them in entering emergency shelter or other permanent housing when options are available.

Addressing the emergency shelter and transitional housing needs of homeless persons

The Durham Continuum of Care (CoC) is implementing several strategies to ensure emergency shelter and transitional housing needs of homeless persons are met. Shelters provide case management and crisis intervention support after households enter the emergency shelter. People experiencing homelessness contact Entry Point Durham (EP) (Durham's Coordinated Entry Program). EP works with households experiencing homelessness to make the emergency shelter beds a place of last resort. Close to 20% of households are diverted from the two local emergency shelters. The City is in the process of starting a landlord engagement program to recruit new landlords and retain current landlords that work with persons exiting homelessness. TBRA projects also strengthen rapport with landlords/property managers with consistent communications and regular onsite visits, and assist tenants with education related to tenant rights and responsibilities.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The Durham Continuum of Care (CoC) uses By Name List (BNL) processes for three subpopulations (Veterans, Families, and Chronically Homeless People) to quickly rehouse them. Those who have returned to homelessness from these subpopulations are readily identified in the HMIS when they return to the BNL; in prioritization meetings, additional attention to the support needs of the returning households can then be provided. Rapid rehousing projects that, in compliance with the Coordinated Entry System (CES) policies, are rehousing households with more intense service needs are encouraged to implement intensive case management approaches with these households & to provide medium-term rental assistance, as needed. Projects referring homeless households for Housing Choice vouchers

available through the Durham Housing Authority, per CoC policy, are required to provide a minimum of 12 months of “crisis intervention support” to the landlord & tenant after the client has moved into permanent housing. Since FY18-19, the City of Durham has budgeted additional funds for homelessness diversion and eviction diversion; households at risk of returning to homelessness will have access to these resources along with those at risk of homelessness for the first time.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The Durham Continuum of Care (CoC) analyzed three years of private diversion assistance offered to families at the CoC’s largest publicly funded shelter. Identified risk factors for first time homelessness include a disabled head of household/adult without income or only minimal SSI; multiple evictions from housing, often after job loss; a history of substance use, mental illness, and/or domestic violence; a criminal background; large families headed by adults earning low wages; family disputes; and aging out of foster care (for transition age youth) Beginning at the end of Sept. 2019, a centralized, coordinated entry office at the County Dept. of Social Services was established to ensure that all households seeking emergency shelter are evaluated for homeless diversion assistance. Also, coordinated entry provides funds and legal assistance to prevent evictions for households at risk of homelessness. Legal Aid of North Carolina and the Duke Legal Clinic in partnership with the Durham County’s Department of Social Services provide short term intervention to assist people in avoiding eviction.

Discussion

The City will continue to provide funding for rapid rehousing and emergency shelter to ensure the needs of persons experiencing homelessness in Durham will be rehoused and the homelessness will be rare, brief, and non-recurring.

AP-70 HOPWA Goals– 91.220 (I)(3)

One-year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	55
Tenant-based rental assistance	40
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	95

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The City will monitor and review public policies for discriminatory practices and/or impacts on housing availability. The City of Durham completed an Analysis of Impediments to Fair Housing Choice concurrent with the preparation of the Consolidated Plan. The City is committed to removing or reducing barriers to the development of affordable housing whenever possible. The following goals were identified in the Analysis of Impediments to Fair Housing Choice to reduce the cost of housing to make it affordable:

1. Impediment #1 Goal: Promote and encourage the development of affordable rental housing units especially for households whose incomes are less than 50% of the median income.
2. Impediment #2 Goal: Promote and encourage the development of for-sale single family houses for low-income households.
3. Impediment #3 Goal: Promote the de-concentration of minorities outside the central and eastern sections of the City to reduce minority concentration.
4. Impediment #4 Goal: Improve the public’s knowledge and awareness of the Fair Housing Act, and related laws, regulations, and requirements.
5. Impediment #5 Goal: Increase the use of the Fair Housing Logo and disclaimer clause on all housing publications available in the City.
6. Impediment #6 Goal: Increase the number of accessible housing units that are decent, safe, sound, sanitary, and affordable to lower income households throughout the City.
7. Impediment #7 Goal: Revise the City-County Unified Development Ordinance and “Subsidized Housing Location Policy” to promote the development of various types of affordable housing.
8. Impediment #8 Goal: Approval rates for all originating home mortgage loans should be fair, unbiased, and impartial throughout the City, regardless of race and location.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

From the City's FY 2015-2020 AI specific to public policies, Impediment #7 identified restrictive language in the City-County Unified Development Ordinance. Impediment 7: PUBLIC POLICIES AND REGULATIONS – The City-County Unified Development Ordinance (UDO) appears to be restrictive in regard to the development of multi-family housing, group living, supportive care housing, and does not contain references to the Federal Fair Housing Act, Section 504, Americans with Disabilities Act, etc. Additionally, the City’s “Subsidized Housing Location Policy” needs to be revised. Goal: Revise the City-County Unified Development Ordinance and “Subsidized Housing Location Policy” to promote the

development of various types of affordable housing throughout the City. The strategies:

1. 7-A: Review and revise the definition of "Family" in the UDO to permit six (6) or less disabled persons to live together as a single-family unit. Consider revising the list of uses permitted by "right" in residential districts by removing "L-Permitted Subject to Limitations" and "M-Special Use Permit Required" for "Single-family detached homes," "Family Care Homes," "Group Homes," and other forms of supportive housing.
2. 7-B: Review the City-County Unified Development Ordinance to include a new subsection 1.2.4 "Affirmatively Further Fair Housing."
3. 7-C: Review and revise subsection 6.6 "Affordable Housing Density Bonus" provision to provide a better incentive to developers to construct new affordable housing in the City.
4. 7-D: Review and revise the City's "Subsidized Housing Location Policy" to promote and encourage the development of subsidized affordable housing outside

Discussion:

The City of Durham will fund the following affordable projects with FY 2023-2024 CDBG and HOME funds:

1. CDBG - Grants and loans to support housing rehabilitation, and down payment assistance
2. HOME - Grants and loans to support new construction and preservation of affordable rental housing, and down payment assistance

AP-85 Other Actions – 91.220(k)

Introduction:

The City of Durham has developed the following actions to address obstacles to meeting underserved needs, foster and maintain affordable housing, reduce lead-based hazards, reduce the number of poverty-level families, develop institutional structures, and enhance coordination between public housing, private housing, and social service agencies.

Actions planned to address obstacles to meeting underserved needs

Despite the City's best efforts and the efforts of service providers, there continue to be obstacles to meeting the underserved needs in the City of Durham. Some of these needs are addressing the housing shortage caused by continued population growth, a tight rental market and escalating housing costs exceeding household income growth, and the aging in place concerns for the growing elderly population. In addition, the COVID 19 pandemic and resulting economic downturn have led to widespread job and income losses that have disproportionately impacted low-income service workers. Under the FY 2023-2024 Plan the City will take the following actions:

1. Continue to leverage its financial resources and apply for additional public and private funds.
2. Continue to provide financial assistance for the creation and preservation of affordable housing opportunities, including housing opportunities for extremely low-income households, including those experiencing homelessness, as well as persons with mental and physical disabilities.
3. Continue to support public service activities that reduce homelessness.

Actions planned to foster and maintain affordable housing

The City of Durham will fund the following affordable housing projects with FY 2023-2024 CDBG, HOME, ESG, and HOPWA funds:

1. Grants and loans to support housing rehabilitation
2. Grants and loans to support new construction and preservation of affordable rental housing
3. Project Based Rental Assistance (PBRA), Tenant Based Rental Assistance (TBRA), Short-Term Mortgage and Utility (STRMU) assistance, and supportive services
4. Down payment assistance for low-income home buyers
5. Rapid rehousing, housing identification, placement, rental assistance, and case management

The Durham Housing Authority will continue to fund the following activities to foster and maintain affordable housing in the City of Durham:

1. Continue to provide Housing Choice Vouchers and public housing units

2. Continue rehabilitation and redevelopment of housing authority properties through the Rental Assistance Demonstration (RAD) Program.

Actions planned to reduce the number of poverty-level families

The City will continue to work with multiple partners to provide services to help alleviate poverty. During this program year the City will fund:

1. Public Service Activities
2. ESG Activities
3. HOPWA Activities
4. Housing Development and Rehabilitation Activities

In addition, the City of Durham Community Development Department serves as the lead agency for the Durham County Homelessness Continuum of Care.

Actions planned to develop institutional structure

The City of Durham has an effective working relationship with many community partners in the implementation of its housing and community development programs. The City's neighborhood revitalization strategies require the leveraging of resources from all areas of the community. This process of community involvement helps to strengthen the existing partnerships with housing, community development, and social service providers. These partnerships are important for several reasons, including the ability to gain new insight into problem solving, to build upon successful efforts and to leverage limited resources. By continuing to strengthen the network of residents, faith-based organizations, service providers, lenders, for-profit and non-profit developers, state, and federal agencies the City of Durham will achieve the goals included in the Consolidated Plan.

Actions planned to enhance coordination between public and private housing and social service agencies

The City of Durham is committed to continuing its participation and coordination with social service agencies, housing agencies, community and economic development agencies, county, federal, and state agencies, as well as with the private and non-profit sectors, to serve the needs of target income individuals and families in the City of Durham. As noted previously the City of Durham Community Development Department serves as the lead agency for the Durham County Homelessness Continuum of Care. In addition, the City solicits funding requests for CDBG, HOME, and ESG funds annually. The City Community Development Department provides help and technical assistance as needed to assist these public agencies that receive funding. For FY 2023-2024, the City will fund Program Administration

in the amounts outlined in the projects section of this plan to assist with these actions.

Discussion:

The accomplishments of these projects/activities will be reported in the FY 2023-2024 Consolidated Annual Performance and Evaluation Report (CAPER).

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

The City of Durham expects to receive an annual allocation of approximately \$2,038,871 in CDBG funds, \$1,317,035 in HOME funds, \$182,563 in ESG funds, and \$1,066,328 in HOPWA funds for FY 2023-2024. In addition, the City projects \$100,000 in CDBG Program Income and \$100,000 in HOME Program Income included as part of this plan. Since the City receives these entitlement allocations, the questions below have been completed as applicable.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

- | | |
|--|----------|
| 1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed | 0 |
| 2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan. | 0 |
| 3. The amount of surplus funds from urban renewal settlements | 0 |
| 4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan | 0 |
| 5. The amount of income from float-funded activities | 0 |
| Total Program Income: | 0 |

Other CDBG Requirements

- | | |
|---|--------|
| 1. The amount of urgent need activities | 0 |
| 2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. | 80.00% |

HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(I)(2)

- | | |
|---|----|
| 1. A description of other forms of investment being used beyond those identified in Section 92.205 is | |
| Annual Action Plan | 50 |
| 2023 | |

as follows:

The City of Durham does not intend to use any other forms of investment other than those described in 24 CFR 92.205(b). Not applicable.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The City's "Recapture Guidelines for Home Ownership" will be used.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The City's "Recapture Guidelines for Home Ownership" will be used.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City of Durham does not intend to refinance any existing debt for multi-family housing that will be rehabilitated with HOME funds.

Emergency Solutions Grant (ESG) Reference 91.220(l)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

See ESG Standards for Assistance for eligible program components here:
<https://www.durhamcoc.org/program-standards.html>

2. If the Continuum of Care has established a centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

If the Continuum of Care has established a centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system. The Coordinated Entry System is Durham, North Carolina's approach to organizing and providing services and assistance to people experiencing a housing crisis throughout the Durham Continuum of Care (CoC). People who are seeking homeless or homelessness prevention assistance are directed to defined entry points, assessed in a uniform and consistent manner, prioritized for housing and services, and then linked to available interventions in accordance with the intentional service strategy defined by

CoC Lead Agency staff. Each service participant's acuity level and housing needs are aligned with a set of service and program strategies that represent the appropriate intensity and scope of services needed to resolve the housing crisis. In 2017, the City of Durham, North Carolina initiated a process to improve the delivery of housing and crisis response services and assistance to/for people experiencing homelessness or at imminent risk of homelessness by refining the community's process for access, assessment, eligibility determination and referrals across the Continuum of Care. This process, the Coordinated Entry System, institutes consistent and uniform access, assessment, prioritization, and referral processes to determine the most appropriate response to each homeless person's immediate housing needs. This system of Coordinated Entry is not only mandated by the U.S. Department of Housing & Urban Development (HUD) and many other funders but is recognized nationally as a best practice. A Coordinated Entry System can improve efficiency within systems, provide clarity for people experiencing homelessness, and can help serve more people more quickly and efficiently with assistance targeted to address their housing needs. Building upon the local expertise in Coordinated Entry implementation for families experiencing homelessness since 2012, the City of Durham formalizes and codifies the policies and procedures to ensure compliance with the mandate from the Department of Housing and Urban Development (HUD) that every Continuum of Care establish and operate a coordinated entry process (24 CFR 578). This Coordinated Entry System Policies and Procedures document was created as an operational manual, providing guidance and direction for the day-to-day operations, management, oversight, and evaluation of Durham's coordinated entry implementation. The manual will be updated and revised on an ongoing basis as the actual application and practical experience of Coordinated Entry System design principles are refined and improved. In October 2018, a work group of key members of the Continuum of Care was formed to plan for a new project that would serve as the central point of entry into Durham's coordinated entry system for families and singles. Out of this planning process, a new vision from the Front Door of Durham's coordinated entry system was developed. Based on the vision developed by this Work Group between October 2018 and April 2019, major revisions to the Coordinated Entry Policies and Procedures were drafted. These new proposed Policies and Procedures were presented to the full CoC in June 2019 and approved by the Homeless Services Advisory Committee June 26, 2019. Additional details can be located here:

https://www.durhamcoc.org/uploads/1/3/3/3/13335995/ce_p_p_5-18-22.pdf

Identify the process for making sub-awards and describe how the ESG allocation is available to private nonprofit organizations (including community and faith-based organizations).

The City of Durham provides Subrecipient grants to nonprofits through a formal Request for Proposals.

3. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions

regarding facilities and services funded under ESG.

The CoC Committee membership is composed of two homeless or formerly homeless members (one from the City and one from the County).

4. Describe performance standards for evaluating ESG.

Performance Standards are established by the CoC and are examined each year as part of the CAPER.

Under the Emergency Solutions Grant Program, the City of Durham expects to receive \$182,563. The City intends to use these funds for Rapid rehousing for homeless households, including housing identification, placement, rental assistance, and case management, and 7.5% for general administration.