

Town of Apple Valley

DRAFT

2nd Year Action Plan for FY 2018-2019

(July 1, 2018 – June 30, 2019)

March 19, 2018



Town of
Apple Valley

**Town of Apple Valley
14955 Dale Evans Parkway
Apple Valley, CA 92307**

Executive Summary

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

1. Introduction

The Town of Apple Valley serves as the lead agency for coordinating the Consolidated Planning and submission process, while the City of Victorville serves as a participating jurisdiction. Each jurisdiction is responsible for administering its own CDBG program, while the Town of Apple Valley administers the HOME program for both jurisdictions. However, HOME objectives and goals were determined by both jurisdictions through an extensive analysis of housing needs for lower income residents, as specified by the program regulations. Each jurisdiction is also responsible for preparing its own Annual Action Plan and Consolidated Annual Performance Evaluation Report (CAPER).

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.

Objectives and outcomes

The Consolidated Plan addresses the needs, priorities, goals, and allocation strategies for CDBG and HOME funding for program years July 1, 2017 to June 30, 2021.

Section 101(c) of the authorizing statute sets forth the primary objective of the program as the development of viable communities by the provision of decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. The statute further states that this is to be achieved in the CDBG program by ensuring that each funded activity meets one of three named national objectives. Those three objectives are identified as: benefiting low- and moderate-income persons; preventing or eliminating slums or blight; and meeting urgent needs. For the Consortia's 2017-21 ConPlan, the following national objectives will be met:

Benefiting low- and moderate-income persons; and

Preventing or eliminating slums or blight.

Based on the aforementioned objectives, the Consortia will achieve the following outcomes:

Provide suitable living environments for Apple Valley's residents;

Enhance the quality of life for residents by encouraging decent and affordable housing for residents within the consortium; and,

Expand economic opportunities.

Funding Priorities

Based on an extensive public participation process, the needs assessment and housing market analysis, the Town has determined to direct its funding to the following priorities:

Supportive services for the homeless and at risk homeless

Human services

Need to increase economic development and employment opportunities.

Housing programs

Accessibility and Mobility

Funding for these priorities will assist in achieving the above objectives and outcomes. More details on the priority funding are described in Section SP 25 Priority Needs.

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 U.S. Department of Housing and Urban Development assesses the Jurisdictions management of CDBG & HOME program funds, the Consortia's compliance with the ConPlan and the extent to which the Consortia is preserving and developing decent affordable housing, creating a suitable living environment and expanding economic opportunities. Overall, the Consortia has performed satisfactorily in addressing its priority needs and carrying out the programs described in the previous 5 Year ConPlan.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

From November 1 through December 19, 2017 the Consortia held a series of community stakeholder meetings, community forums, workshops and surveys to afford citizens and local and regional organizations representing low-and-moderate income persons the maximum feasible opportunity to provide input on housing and community development needs of the Consortia. The Community Priority Needs Assessment Survey was conducted to solicit input from residents and employees working in Apple Valley and Victorville. The questionnaire polled respondents about the importance of needs in their neighborhoods for various types of improvements that can potentially be addressed by the use of federal funds, such as CDBG and HOME allocations. The survey asked respondents to rank the level of need in five (5) different categories. The survey was available in English and in Spanish, as recommended in our Citizen Participation Plan. To date, 83 online and 5 hard copies of the survey have been received. Two community forums and a public hearing were also conducted to solicit input from residents and community stakeholders.

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.

Consortium Survey

The questionnaire polled respondents about the level of need in their neighborhoods for various types of improvements that can potentially be addressed by the use of federal funds, such as CDBG and HOME allocations. The survey asked respondents to rank the level of need in five (5) different needs categories. The following summarizes the highest needs in the five categories:

The complete questionnaire and results are attached.

Community Meetings

Two community forums and a public hearing were conducted to solicit input from residents and community stakeholders regarding the prioritization of needs. A survey was also posted online as well as electronically to solicit input from the community. Priorities were ranked to assist in the determination of proposals to be funded for 2018-19.

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

All comments and views were accepted. A complete list of comments from all community meetings will be attached.

7. Summary

Consortia staff developed a detailed participation plan that is part of this ConPlan. As required by HUD, nonprofits and community residents were provided adequate opportunity to review and comment on the original Citizen Participation Plan and on substantial amendments to the plan, if necessary. Citizens were engaged through community meetings, surveys, public hearings, and individual meetings. Citizens who participated in the process received extensive information about the ConPlan, the citizen participation process, the HUD requirements for an entitlement city, the amount of funding that the Consortia anticipates receiving and how those funds can be used by the Consortia. Residents were given the opportunity to provide Consortia staff with their input on the prioritization of community needs.

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

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

The following are the agencies/entities 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	APPLE VALLEY	Housing
HOME Administrator	APPLE VALLEY	Housing

Table 1 – Responsible Agencies

Narrative

The Town of Apple Valley serves as the lead agency for coordinating the Consolidated Planning and submission process, while the City of Victorville serves as a participating jurisdiction. Each jurisdiction is responsible for administering its own CDBG program, while the Town of Apple Valley administers the HOME program for both jurisdictions. The City of Victorville’s Housing Department is also responsible for the preparation of its Annual Action Plan, Consolidated Annual Performance and Evaluation Report (CAPER).

Consolidated Plan Public Contact Information

Orlando Acevedo

Assistant Director, Economic Development and Housing

Apple Valley, California 92307

o 760.240.7915

oacevedo@applevalley.org

Liliana Collins
Development Specialist
14343 Civic Drive, Victorville, CA 92392
760-243-6312
lcollins@victorvilleca.gov

AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

In the preparation of the ConPlan, the Consortia has consulted with public and private departments and agencies and social service and non-profit organizations to understand the community's needs and available resources. The Consortia met with several department representatives to provide information about the ConPlan and its processes. Department staff provided input on how CDBG resources could be used and leveraged to provide services. Focus group participants highlighted the priority needs in general terms and specific to their target population. The Town also consulted with the same group of participants regarding the 2017 Assessment of Fair Housing which resulted in goals and activities directly tied to this Consolidated Plan

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(l)).

Public and Assisted Housing Providers

The County of San Bernardino's Housing Authority is the principle provider of public and assisted housing within the jurisdiction. To enhance coordination between the agency, the Consortia developed an 18 question housing authority questionnaire, with the purpose of assessing the public housing needs of the jurisdiction as well as the service needs of current public assisted residents. The questionnaire and responses is an attachment to the ConPlan.

According to the Housing Authority of the County of San Bernardino's questionnaire, the most immediate needs of residents of public housing or Housing Choice Vouchers is the need for additional funding to assist wait list residents, as evidenced by the over 40,000 families on Housing Choice Voucher and Public Housing waiting lists combined.

The Consortia will continue to coordinate with the San Bernardino County Housing Authority to provide public housing assistance for its below moderate residents.

Private and governmental health, mental health and service agencies

The Consortia is committed to enhancing coordination among private and governmental health, mental health and services agencies. The jurisdictions will also continue to coordinate with health social service agencies through the provision of technical assistance workshops during the Request for Funding stages of the Consolidated Planning Process.

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.

To help prevent homelessness and protect at-risk populations, the Consortia supports and participates in the San Bernardino County Continuum of Care System and the San Bernardino County Homeless

Partnership to provide assistance to persons at risk of becoming homeless. As part of the Consortia's stakeholder meetings in preparation of this ConPlan, several COC members stated that additional shelter and related services to meet the needs of the homeless population and support the development of a continuum of care system on a region-wide basis should be a priority for the Consortia.

The Consortia plans to fund CoC member agencies over the 5-year planning period to assist in 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.

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 Consortia is not a direct recipient of ESG funding. However, the Consortia is a participating jurisdiction in the COC and works closely with the homeless system to create funding policies and procedures for ESG.

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Town of Apple Valley
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	In order to obtain a comprehensive assessment of the needs and priorities within the community, the Consolidated Plan process included consultation with Consortium residents, service providers and selected departments from each member jurisdiction. Focus groups were conducted with nearly 30 organizations representing special needs populations, affordable housing and economic development. Key one-one-one interviews were also conducted. A complete list of organizations is provided as an attachment.
2	Agency/Group/Organization	City of Victorville
	Agency/Group/Organization Type	Other government - Local

<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy</p>
<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>In order to obtain a comprehensive assessment of the needs and priorities within the community, the Consolidated Plan process included consultation with Consortium residents, service providers and selected departments from each member jurisdiction. Focus groups were conducted with nearly 30 organizations representing special needs populations, affordable housing and economic development. Key one-one-one interviews were also conducted. A complete list of organizations is provided as an attachment.</p>

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

No agency type was excluded form the final stakeholder list

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	County of San Bernardino	The County of San Bernardino is a Continuum of Care applicant and conducts homeless counts, surveys of the homeless population, and strategic planning to end homelessness. Consistent with the goals of the CoC, the Consortia will provide support to nonprofits that meet the social services needs of the Consortia residents with an emphasis on the homeless.
Housing Element	Town of Apple Valley/ City of Victorville	Based on the Regional Housing Needs Allocation (RHNA) set forth by the State of California, The Housing Element is the Consortia's chief policy document for the development of affordable and market rate housing. Consistent with this policy document, the Consortia will maintain and enhance the quality of existing residential neighborhoods through and, promote and encourage fair housing opportunities for all economic segments of the community, regardless of age, sex, ethnic background, physical condition, or family size.

Table 3 – Other local / regional / federal planning efforts

Narrative

The Consortia’s collaborative and cooperative planning partnerships with governmental, nonprofit and private entities are done to ensure that the Consortia’s below moderate income residents’ needs and issues are comprehensively evaluated and thoroughly addressed. Aside from these partnerships, other departments within the Consortia are involved in collaborating and cooperating with state and federal entities in planning efforts.

AP-12 Participation - 91.401, 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

Consortia staff developed a detailed participation plan that is part of this ConPlan. As required by HUD, nonprofits and community residents were provided adequate opportunity to review and comment on the original Citizen Participation Plan and on substantial amendments to the plan, if necessary. Citizens were engaged through community meetings, surveys, public hearings, and individual meetings. Citizens who participated in the process received extensive information about the ConPlan, the citizen participation process, the HUD requirements for an entitlement city, the amount of funding that the Consortia anticipates receiving and how those funds can be used by the Consortia. Residents were given the opportunity to provide Consortia staff with their input on the prioritization of community needs. Each of these efforts, including review of HUD Data and relevant policy documents, assisted the Consortia in its goal setting efforts.

From November 28 through December 8, 2016 the Consortia's Housing staff held a series of community stakeholder meetings, community forums, and surveys to afford citizens and local and regional organizations representing low-and-moderate income persons the maximum feasible opportunity to provide input on housing and community development needs of the Consortia. The Community Needs Assessment Survey was conducted to solicit input from residents and employees working in Victorville. The questionnaire polled respondents about the level of need in their neighborhoods for various types of improvements that can potentially be addressed by the use of federal funds, such as CDBG and HOME allocations. The survey asked respondents to rank the level of need in six (6) different categories: Overall need, public facilities, infrastructure and neighborhood improvements, public services, economic development and housing. The survey was made available in hard copy at Town Hall, the Apple Valley Library as well as in electronic format via Survey Monkey on the Town's website and promoted via social media. The survey was available in English and in Spanish, as recommended in our Citizen Participation Plan. To date, 108 online and 31 hard copies of the survey have been received.

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 Meeting	Non-targeted/broad community	<p>The Consortia actively encouraged low- and moderate-income residents, persons of color, persons with disabilities and non-English-speaking residents to attend community meetings and hearings. In accordance with the Citizen Participation Plan, the Consortia provided access and assistance to all residents. This includes: interpreters for non-English-speaking citizens; information provided through workshops, churches, the school district, and local</p>	<p>Supportive services for the homeless and at risk homeless. Support the development of one stop resource centers to assist homeless persons to acquire the necessary documentation and consultation (mental health, physical health and nutrition, job skills training, identification, social security and disability benefits, etc.) to achieve reentry into employment and housing; food and nutrition services; utility assistance; support the Homeless Outreach</p>	All comments were accepted	
---	----------------	------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------	--

			<p>community centers; and utilize sites for the public meetings that are accessible for persons with disabilities. All public meetings were conducted in the evening hours and were held at convenient and accessible locations that accommodate persons with disabilities.</p>	<p>Proactive Enforcement (HOPE) program; support public safety efforts; provide resource directories for available services; provide community resource directory for all available services; encourage collaboration between agencies, faith based organizations and other stakeholders to unify services; support efforts to increase volunteerism in public service programs. Human services Support programs that encourage</p>		
--	--	--	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--

				<p>the development of responsible, motivated and educated youth; support the development of arts, music and culture in the community; encourage programs that promote a healthy lifestyle; develop public facility amenities that facilitate community involvement and recreation; disseminate fair housing information through literature, media, referrals and workshops; encourage programs designed to unite youth, seniors, veterans and disabled</p>		
--	--	--	--	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--

				<p>persons in mentoring and caregiving. Need to increase economic development and employment opportunities Increase job opportunity through education and job training programs; encourage business development through business practices and fundamental s education: collaborate with state, county and local agencies that offer trade skills training and basic job search techniques; encourage local education facilities to offer</p>	
--	--	--	--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--

				<p>education and training that will lead to employment opportunities in the community; support job creation through business friendly policies and practices. Housing programs Transitional shelters; affordable housing for multi-family, single family, veterans; rehabilitation - owner occupied and rental; down payment assistance; code enforcement activity to improve neighborhood aesthetics and values; reduce overcrowding in occupied properties;</p>		
--	--	--	--	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--

				<p>consider establishing rent control for affordability; encourage collaboration between public agencies, developers, investors and other stakeholders to develop a wide-range of housing development . Accessibility and Mobility Develop and support efforts to improve mobility in the community; identify and remove barriers that impede accessibility in the community; support transit systems, mass and specialized, that enable residents to</p>		
--	--	--	--	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--

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)
				access destinations for employment, education, recreation and other essential purposes; support collaborative efforts to improve community and regional transit.		

2	Public Hearing	Non-targeted/broad community	<p>The Consortia actively encouraged low- and moderate-income residents, persons of color, persons with disabilities and non-English-speaking residents to attend all public hearings. In accordance with the Citizen Participation Plan, the Consortia provided access and assistance to all residents. This includes: interpreters for non-English-speaking citizens. All public hearings and meetings were conducted in the evening hours and were held at convenient</p>	No comments received from citizens at public hearing.	All comments were accepted.	
---	----------------	------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------	-----------------------------	--

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)
			and accessible locations that accommodate persons with disabilities.			
3	Newspaper Ad	Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	Not applicable	No comments received	Not applicable	

4	Internet Outreach	Non-targeted/broad community	<p>The questionnaire polled respondents about the level of need in their neighborhoods for various types of improvements that can potentially be addressed by the use of federal funds, such as CDBG and HOME allocations. The survey asked respondents to rank the level of need in six (6) different categories. The survey was available in English and in Spanish, as recommended in our Citizen Participation Plan. To date, 108 online and 31 hard copies of the survey have been received. Three</p>	<p>The questionnaire polled respondents about the level of need in their neighborhoods for various types of improvements that can potentially be addressed by the use of federal funds, such as CDBG and HOME allocations. The survey asked respondents to rank the level of need in six (6) different needs categories. The following summarizes the highest needs in the six categories: CATEGORY HIGH EST NEED Overall Need Improve Consortia</p>	All comments were accepted	
---	-------------------	------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------	--

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)
			community forums and ten stakeholder meetings were also conducted to solicit input from residents and community stakeholders.	facilities, parks, libraries Community Development Needs Youth Centers Infrastructure and Neighborhood Improvements Street Improvements Public Service Neighborhood Cleanup Housing Code Enforcement Activities Economic Development Jobs Growth The complete questionnaire and results are attached.		

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

One of the main obstacles to meeting community needs is inadequate resources. As with most of the priority goals, the needs far outweigh the Consortia's available resources; that are not sufficient to address all of the needs of low- and moderate-income persons or special needs residents in the Consortia. It is anticipated that Federal and private funding sources for housing and community development programs will remain limited until the current economic conditions eventually recover. Even under these circumstances, the Consortia strives to make progress in implementing its public improvement and community service projects and programs as well as meeting the established objectives.

FY 2018-2019, the Consortia is estimated to receive CDBG allocations totaling \$1,723,946 (AV \$541,977; VV \$1,181,969) and a HOME allocation of \$535,113, based on 2017-2018 grant allocations. HUD has not approved the final budget and states that the grant amounts may change depending upon HUD's actual appropriation. The following section summarizes the major sources of funding available to carry out housing and community development activities in the Consortia, and specifically identifies the Consortia's first year and projected funding levels over the

five-year plan period for formula grant CBDG program.

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	541,977	81,000	93,936	716,913	1,747,607	Total amount is based on FY 18-19 CDBG allocation; the anticipated program income; reprogrammed prior year CDBG funds The expected remaining amount is based on a 4 year projection of CDBG allocated funding from FY 17-18 to FY 21-22

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	535,113	60,000	0	595,113	21,404,452	Total amount is based on FY 18-19 HOME allocation and the previous year's program income for the Consortia. The expected remaining amount is based on a 4 year projection of HOME allocated funding from FY 18-19 to FY 21-22

Table 2 - 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

Available public resources to serve low- and moderate-income households will need to be distributed across the spectrum of needs and heavily leveraged when possible. This means providing funds for homebuyer assistance, housing rehabilitation, and the creation or development of new housing serving the target groups. The Consortia will actively pursue additional State and federal funding sources to leverage CDBG Funds.

In addition, the Consortia is expected to receive \$535,113 in HOME funding which can be leveraged with CDBG funding if used for affordable housing. The Consortia will leverage HOME funding if future eligible projects are presented during the 5-year planning process. The HOME Program requires a 25-percent match based on fund expenditure. The HOME statute provides a reduction of the matching contribution requirement under three conditions: 1) Fiscal distress; 2) Severe fiscal distress; and 3) Presidentially-declared major disasters covered under the Stafford Act. The Consortia has been identified by HUD as a fiscally distressed jurisdiction and has been granted a 100-percent match reduction for FY 2017-2018. The Consortia expects this designation to occur in 2018-2019 planning period as well.

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

Not Applicable

Discussion

Anticipated resources comprised of allocation, anticipated program income and reprogrammed funds from prior years.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Provide suitable living environments	2017	2021	Homeless Non-Homeless Special Needs	R/ECAP	Supportive services for homeless and at risk of h Human services Accessibility and Mobility	CDBG: \$84,613	Public service activities for Low/Moderate Income Housing Benefit: 1749 Households Assisted
2	Affordable Housing	2017	2021	Affordable Housing	R/ECAP	Housing programs	CDBG: \$30,000 HOME: \$535,113	Homeowner Housing Rehabilitated: 24 Household Housing Unit
3	Expand Economic Opportunities	2017	2021	Non-Housing Community Development	R/ECAP	Need to increase economic development and employe	CDBG: \$100,000	Businesses assisted: 48 Businesses Assisted
4	Further Fair Housing Objectives in Consortia	2017	2021	Non-Homeless Special Needs	R/ECAP	Human services	CDBG: \$10,000	Public service activities for Low/Moderate Income Housing Benefit: 35 Households Assisted

Table 3 – Goals Summary

Goal Descriptions

1	Goal Name	Provide suitable living environments
	Goal Description	Support the development of "one stop" resource centers to assist homeless persons to acquire the necessary documentation and consultation (mental health, physical health and nutrition, job skills training, identification, social security and disability benefits, etc.) to achieve reentry into employment and housing; food and nutrition services; utility assistance; support the Homeless Outreach Proactive Enforcement (HOPE) program; support public safety efforts; provide resource directories for available services; provide community resource directory for all available services; encourage collaboration between agencies, faith based organizations and other stakeholders to unify services; support efforts to increase volunteerism in public service programs.
2	Goal Name	Affordable Housing
	Goal Description	Transitional shelters; affordable housing for multi-family, single family, veterans; rehabilitation- owner occupied and rental; down payment assistance; code enforcement activity to improve neighborhood aesthetics and values; reduce overcrowding in occupied properties; consider establishing rent control for affordability; encourage collaboration between public agencies, developers, investors and other stakeholders to develop a wide-range of housing development
3	Goal Name	Expand Economic Opportunities
	Goal Description	Increase job opportunity through education and job training programs; encourage small business development through business practices and fundamentals education: collaborate with state, county and local agencies that offer trade skills training and basic job search techniques; encourage local education facilities to offer education and training that will lead to employment opportunities in the community; support job creation through business friendly policies and practices.
4	Goal Name	Further Fair Housing Objectives in Consortia
	Goal Description	Develop and support efforts to improve mobility in the community; identify and remove barriers that impede accessibility in the community; support transit systems, mass and specialized, that enable residents to access destinations for employment, education, recreation and other essential purposes; support collaborative efforts to improve community and regional transit.

AP-35 Projects - 91.420, 91.220(d)

Introduction

The Action Plan must provide a concise summary of the eligible programs or activities that will take place during the program year to address the priority needs and specific objectives identified in the Strategic Plan. In the template, each eligible program/activity is called a project.

#	Project Name
1	Assistance League of Victor Valley
2	Family Assistance Program
3	VV College District Foundation, Public Safety Career Pathway Training
4	Manufactured Home/SFR Disposition Program
5	VV Community Services Council- Senior/Adult Disabled Needs Program
6	Cedar House Life Change Centers- Oasis House
7	TOAV, Eco Dev, Small Business/Entrepreneur Incubator Project
8	TOAV Code Enforcement-Community Outreach Deterring Eyesores
9	Moses House Ministries- Resources and Referrals for Families
10	Victor Valley Domestic Violence- A Better Way
11	Church for Whosoever- CFW Literacy Center
12	High Desert Homeless Services- Shelter Services
13	Inland Fair Housing/Mediation Board- Fair Housing Services
14	HD Community Foundation/Orenda- Orenda Veteran's Project
15	TOAV Park and Rec- Mendel Park Restroom Project
16	TOAV Park and Rec- James Woody Park Parking Lot Resurface
17	TOAV Park and Rec- James Woody Park Security Cameras
18	CDBG Program Administration
19	CDBG Rehabilitation Administration 14H
20	AV HOME Program Administration
21	AV HOME CHDO
22	AV HOME Residential Rehabilitation Loan Program (RRLP)
23	VV HOME Program Administration
24	VV HOME CHDO
25	VV HOME Senior Housing Repair Program (SHRP)

Table 4 – Project Information

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

The primary obstacle to meeting the needs of the most underserved groups in the Consortia (primarily low-income families, seniors, youth, and the homeless) is the general lack of funding resources available to the public and private agencies providing the services to meet those needs. The economic downturn

that began in late 2007 has impacted both private foundations and public agencies as donations have declined along with public funding. Continued state budget shortfalls have caused the State of California to reduce funding for local aid to cities, significantly impacting the funding of local programs.

In addition, cities across California are grappling with ramifications of Assembly Bill 1X26, which, in conjunction with a December 2011 California Supreme Court decision, eliminated redevelopment agencies (RDAs) and the associated diversion of property tax increment revenue to RDAs (known as tax increment or redevelopment funds). Redevelopment funds have represented one of the largest funding sources for affordable housing in California (redevelopment law required that 20 percent of the funds must be spent for affordable housing), and were utilized to revitalize blighted areas and foster economic development in redevelopment project areas.

At the federal level, entitlement grants have not kept up with inflation and have been reduced over the years, further decreasing funds available to provide services to meet needs within the Consortia. With inflation, lower incomes, and the growing needs of low-income persons and special needs groups, the limited funding resources is a significant obstacle to meeting underserved needs in the Consortia.

AP-38 Project Summary
Project Summary Information

1	Project Name	Assistance League of Victor Valley
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Human services
	Funding	CDBG: \$10,000
	Description	This program will provide clothing kits (\$100-\$125) to low-income, elementary and pre-school children through a partnership with Kohl's department store. Eligible children, identified by the schools as "in need", under the supervision of Kohls staff and Assistance League volunteers are able to select appropriate clothing and supplies for school.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	100 low income youth who are referred by school staff/administrators will be assisted.
	Location Description	School children attending Apple Valley elementary schools and pre-schools
	Planned Activities	The Agency is proposing to serve 100 children (youths) with complete clothing and grooming/hygiene kit as described above.
2	Project Name	Family Assistance Program
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Human services
	Funding	CDBG: \$10,000

	Description	This program will provide transitional housing for four families of domestic violence that have completed the shelter program and are ready to move toward independent living. This housing will be available for 18 months per family. Along with the housing, the families will participate in sessions involving counseling, goals, job training, financial classes and other resources to become self-sufficient. During their stay, clients will pay 30% of their income each month to FAP. These funds will be saved and made available to the client at the term of their residency for use as security deposit, rent and utility deposits for their own place.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	6 low income households
	Location Description	Transitional housing site (4 plex), 16022 Sago Rd, Apple Valley, CA 92307
	Planned Activities	6 households
3	Project Name	VV College District Foundation, Public Safety Career Pathway Training
	Target Area	R/ECAP
	Goals Supported	Expand Economic Opportunities
	Needs Addressed	Need to increase economic development and employe
	Funding	CDBG: \$50,000
	Description	This program would financially assist low income Apple Valley residents with tuition for coursework, fees for physical fitness testing and scholarships for eligible students for advanced training coursework. Successful participants in this program receive industry recognized certification and opportunity for further career pathway degree programs (EMT or Fire Academy) or potential employment within certain public safety industries
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Provide scholarships to 15 low income students to attend public safety training facility for preparation for employment (EMT / Fire Academy) within public safety industries.

	Location Description	19190 Navajo Rd, Apple Valley, CA 92307
	Planned Activities	15 students
4	Project Name	Manufactured Home/SFR Disposition Program
	Target Area	R/ECAP
	Goals Supported	Affordable Housing
	Needs Addressed	Housing programs
	Funding	CDBG: \$30,000
	Description	This program would provide for the donation of units that have been released by owners/heirs to the Town in lieu of selling through their own efforts in order to pay existing Town loans. Though assistance was provided to rehabilitate units for the benefit of the owner, the units generally do not have enough value to make the selling process worthwhile. These units will be donated to the Housing Authority or one of a number of non-profits that can assist qualified households with affordable housing
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Program will provide 3 housing units per year that will be available to agencies providing transitional/affordable units to low income households.
	Location Description	Townwide
	Planned Activities	3 units for affordable housing
5	Project Name	VV Community Services Council- Senior/Adult Disabled Needs Program
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Human services
	Funding	CDBG: \$10,000

	Description	Free minor home repairs related to health and safety issues may be provided to low income (<80%AMI) senior citizens, age 62 + or verified adult seriously disabled persons. Examples include plumbing, electrical, roof, heater, swamp cooler repair, winterization and handicap accessibility. Materials for repairs typically range up to \$300. Contractors may be used for items that need expertise beyond the volunteer pool's abilities. Transportation will be provided by appointment to and from necessary locations such as grocery stores, medical appointments, banks, pharmacies, etc. for those who cannot drive. Transportation may be provided by volunteers or staff with their own vehicles. A 16 passenger bus is also available. Transportation is limited to the high desert. Volunteer handymen, drivers and retired contractors who have been cleared by the Department of Justice. Drivers are covered by the organization's auto endorsement liability policy. The visiting program provides socialization visits to homebound and residents of care facilities. Friendly visits to care facilities and home bound residents are conducted by staff and volunteers, sometimes with comfort dogs.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	85 seniors/ adult disabled will be assisted
	Location Description	Townwide
	Planned Activities	Minor home repairs, necessary transit services, visiting program for homebound seniors and residents of care facilities
6	Project Name	Cedar House Life Change Centers- Oasis House
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Human services
	Funding	CDBG: \$6,000

	Description	CHLCC operates Oasis House in Unincorporated Apple Valley to provide stable, safe housing for homeless transitional age youth (TAY) in the Victor Valley. This program provides housing/support and also counseling through Department of Behavioral Health (DBH). Residents are provided with housing and meals. Future services are planned in education and job training.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	12 low income transitional age youth
	Location Description	23120 Chia Rd, Apple Valley, CA 92308 (unincorporated area)
	Planned Activities	Room and board for transitional age youth, TAY
7	Project Name	TOAV, Eco Dev, Small Business/Entrepreneur Incubator Project
	Target Area	R/ECAP
	Goals Supported	Expand Economic Opportunities
	Needs Addressed	Need to increase economic development and employe
	Funding	CDBG: \$50,000
	Description	This program will provide funding to design and construct an incubator office space to provide headquarters facility for small businesses. The completed facility will offer tenants shared resources including office and storage space, equipment, supplies, meeting and networking space, collaborative events and programs, business development and technical assistance resources. This program will: foster establishment, stabilization and expansion of small businesses in order to add jobs for low income persons; provide technical training and technical assistance or other support services to increase capacity of subrecipients to carry out business activities.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	Assist 5 businesses through incubator format offering shared resources and lower overhead to enable growth and the addition of jobs available to low income persons

	Location Description	Town of Apple Valley- location to be determined
	Planned Activities	assist 5 businesses through incubator project
8	Project Name	TOAV Code Enforcement-Community Outreach Deterring Eyesores
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Human services
	Funding	CDBG: \$54,000
	Description	This program would increase code enforcement patrol within the Apple Valley low/mod census tract areas and initiate an additional 1000 code enforcement cases over normal enforcement.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	1000 families in low income census areas
	Location Description	Low income census tract areas of Apple Valley
	Planned Activities	Code enforcement patrols
9	Project Name	Moses House Ministries- Resources and Referrals for Families
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Human services
	Funding	CDBG: \$8,297
	Description	This program will assist single mothers who are pregnant or with a child under age six. Services include providing a one-time assistance with resources and referrals and also providing long term case management until the youngest child is age six. Moses House (lead agency) and Rose of Sharon (sub-contractor) will collaborate to reduce the chance of duplication of services.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	375 persons- single mothers with children under the age of six or pregnant
	Location Description	15180 Anacapa Rd, Victorville, CA 92392
	Planned Activities	assistance with resources/referrals, case management, parenting and life skills classes
10	Project Name	Victor Valley Domestic Violence- A Better Way
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Supportive services for homeless and at risk of h
	Funding	CDBG: \$7,000
	Description	This program will provide emergency shelter, transitional housing and outreach services to victims/families of domestic violence. Clients will have access to a safe environment and participate in education programs and counseling to enable better life choices leading to a safer living environment for those families. Other services include case management, peer support, group counseling and "Victim Impact" - a class focusing on domestic violence issues.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	20 shelter and 1000 program clients
	Location Description	14114 Hesperia Rd, Victorville, CA 92395
	Planned Activities	Shelter and supportive services
11	Project Name	Church for Whosoever- CFW Literacy Center
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Human services
	Funding	CDBG: \$5,000

	Description	The Literacy Center assists primarily Kindergarten through 2nd grade level (pre-school and 3rd through 6th grade can be referred) at-risk students, referred by the school district. Participation in a twice weekly after school literacy program will be overseen/instructed by the program director (retired school teacher- 40 years of experience) between the hours of 3:30 p.m. - 5:30 p.m. Reading, writing and math skills are developed through one on one and group sessions. Transportation will be available to students attending Desert Knolls Elementary and Phoenix Academy schools. Students from other schools that can be transported by their parents are also served.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	25 Low income at risk youth and their families
	Location Description	18628 Seneca Rd, Apple Valley, CA 92307
	Planned Activities	Tutoring in reading, writing and math through one on one and group formats
12	Project Name	High Desert Homeless Services- Shelter Services
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Supportive services for homeless and at risk of h
	Funding	CDBG: \$10,000
	Description	High Desert Homeless Services provides shelter and related services to low to moderate income homeless families and individuals at no charge. The organization provides extensive, ongoing case management services to include life skills, budgeting and parenting classes in an effort to ensure success in securing employment and stable housing. In addition, the shelter provides food, clothing, showers and laundry facilities. Computers and Internet are available to assist in seeking employment and completing online employment applications.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	60 homeless clients
	Location Description	14049 Amargosa Rd, Victorville, CA 92392
	Planned Activities	Shelter and supportive services
13	Project Name	Inland Fair Housing/Mediation Board- Fair Housing Services
	Target Area	R/ECAP
	Goals Supported	Further Fair Housing Objectives in Consortia
	Needs Addressed	Accessibility and Mobility
	Funding	CDBG: \$10,000
	Description	This program will provide fair housing and landlord/tenant services to include: processing complaints, investigation, assist with filing complaints to government agencies, training, and workshops. Educational information will be disseminated to AV residents. IFHMB will provide technical assistance to Town staff in implementing new AFFH activities.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	35 clients facing fair housing issues
	Location Description	Townwide
	Planned Activities	processing complaints and followup, outreach, workshops
14	Project Name	HD Community Foundation/Orenda- Orenda Veteran's Project
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Human services
	Funding	CDBG: \$5,000

	Description	This program provides room and board, resource navigation, employment preparation and benefit referrals to disabled and homeless veterans in a family type setting. Clients are charged \$500/month for room and board.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	16 homeless veterans
	Location Description	21468 Chimayo Rd, Apple Valley, CA 92308
	Planned Activities	Provide room and board
15	Project Name	TOAV Park and Rec- Mendel Park Restroom Project
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Human services
	Funding	CDBG: \$115,000
	Description	This project provides for the purchase and installation of a permanent ADA accessible restroom with direct access.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	2500 residents utilize the facilities at this park annually
	Location Description	21860 Tussing Ranch Rd, Apple Valley, CA 92308
	Planned Activities	Build restroom facility
16	Project Name	TOAV Park and Rec- James Woody Park Parking Lot Resurface
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Human services
	Funding	CDBG: \$143,750

	Description	This project will fund engineering, grading and replacement/ resurfacing of existing asphalt parking areas. Construction to include ADA improvements and striping.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	23,000 residents utilize park annually
	Location Description	13467 Navajo Rd, Apple Valley, CA 92308
	Planned Activities	Replace/resurface existing parking lots
17	Project Name	TOAV Park and Rec- James Woody Park Security Cameras
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Human services
	Funding	:
	Description	This project will fund installation of security camera system that will monitor activity throughout James Woody Park. The installation will be web based allowing remote monitoring.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	23000 residents in this low mod area park will benefit from the increased safety and improved uses of the park
	Location Description	13467 Navajo Rd, Apple Valley, CA 92308
	Planned Activities	Security camera system installation
18	Project Name	CDBG Program Administration
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Human services
	Funding	CDBG: \$108,395
	Description	Funds are used in the administration of the CDBG/HOME programs.

	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	n/a
	Location Description	n/a
	Planned Activities	
19	Project Name	CDBG Rehabilitation Administration 14H
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Housing programs
	Funding	CDBG: \$84,471
	Description	Funds are utilized to pay costs directly associated with the Town rehabilitation programs that are not tied to an active file. Examples include customer service, marketing, program development, warranty actions, subordination and payoff demands, monitoring, etc.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	50
	Location Description	n/a
	Planned Activities	Funds are utilized to pay costs directly associated with the Town rehabilitation programs that are not tied to an active file. Examples include customer service, marketing, program development, warranty actions, subordination and payoff demands, monitoring, etc.
20	Project Name	AV HOME Program Administration
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Housing programs
	Funding	HOME: \$36,655
	Description	Funds are used in the administration of the CDBG/HOME programs.

	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	n/a
	Location Description	n/a
	Planned Activities	Funds are used in the administration of the CDBG/HOME programs.
21	Project Name	AV HOME CHDO
	Target Area	R/ECAP
	Goals Supported	Affordable Housing
	Needs Addressed	Housing programs
	Funding	HOME: \$29,699
	Description	Minimum 15% allocation to be assigned to CHDO eligible housing developer for the development of affordable housing.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	One low income household will be assisted
	Location Description	Townwide
Planned Activities	Minimum 15% allocation to be assigned to CHDO eligible housing developer for the development of affordable housing. Property to be selected at a later date	
22	Project Name	AV HOME Residential Rehabilitation Loan Program (RRLP)
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Housing programs
	Funding	HOME: \$170,694

	Description	This project will provide 0% interest loans for a term of 30 years for repair work to single-family owner-occupied homes. The maximum loan is generally \$20,000. However, the amount can be increased by the program administrator to a maximum of \$30,000 for emergency repairs that pose a substantial threat to health and safety or for significant code repairs. Manufactured homes on leased land may be assisted to a maximum of \$10,000 or the equity value as determined by a property valuation. Manufactured homes will be secured by a ten year 0% interest deferred loan that is forgivable at the end of the term. Properties that are in default may be considered for recapture by the Town and deeded with an affordability covenant to eligible non-profit agencies to be used for housing clients that are participating successfully in transitional programs.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	7 low income households to be assisted with rehabilitation/repairs to their primary residence
	Location Description	Townwide
	Planned Activities	Repairs/rehabilitation for single family residences to replace major building components, remedy health, safety and code issues and address deferred maintenance to prevent deterioration.
23	Project Name	VV HOME Program Administration
	Target Area	R/ECAP
	Goals Supported	Affordable Housing
	Needs Addressed	Housing programs
	Funding	HOME: \$16,856
	Description	Funds are used in the administration of the HOME program
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	n/a
	Location Description	n/a

	Planned Activities	n/a
24	Project Name	VV HOME CHDO
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Housing programs
	Funding	HOME: \$50,568
	Description	Minimum 15% of allocation to be assigned to CHDO eligible housing developer for the development of affordable housing
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	One low income household
	Location Description	Citywide, to be identified at a later date
	Planned Activities	Funds will assist low income households with housing
25	Project Name	VV HOME Senior Housing Repair Program (SHRP)
	Target Area	R/ECAP
	Goals Supported	Provide suitable living environments
	Needs Addressed	Housing programs
	Funding	HOME: \$290,641
	Description	This program will provide a grant to senior home owners to provide for construction services to make necessary repairs to remedy health, safety and code issues.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	22 low income senior households will be assisted with necessary repairs to their homes
	Location Description	Citywide
	Planned Activities	22 low income senior households will be assisted with necessary repairs to their homes

AP-50 Geographic Distribution - 91.420, 91.220(f)

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

It is the Consortia's intent to fund activities in the areas most directly affected by the needs of low-income residents and those with other special needs. By the 2nd year of the ConPlan implementation period, the Consortia will program HOME funding to provide a Residential Rehabilitation Loan Program to qualifying R/ECAPs homeowners to address health, safety, code issues and necessary repairs. This programming will continue in years 3 to 5 based on funding availability.

Geographic Distribution

Target Area	Percentage of Funds
R/ECAP	0

Table 5 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The Consortia will use a place-based strategy during the planning period. The geographic distribution of funding is predicated somewhat on the nature of the activity to be funded. The Annual Action Plan directs investment geographically to an area benefit neighborhood. The area benefit category is the most commonly used national objective for activities that benefit a residential neighborhood. An area benefit activity is one that benefits all residents in a particular area, where at least 51% of the residents are low and moderate income persons. Public infrastructure improvements are an area benefit activity when they are located in a predominately low- and moderate-income neighborhood.

Discussion

the Consortia will program HOME funding to provide a Residential Rehabilitation Loan Program to qualifying R/ECAPs homeowners to address health, safety, code issues and necessary repairs. This programming will continue in years 3 to 5 based on funding availability.

Affordable Housing

AP-55 Affordable Housing - 91.420, 91.220(g)

Introduction

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	4
Special-Needs	0
Total	4

Table 6 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	0
Rehab of Existing Units	4
Acquisition of Existing Units	0
Total	4

Table 7 - One Year Goals for Affordable Housing by Support Type

Discussion

The Town currently operates the Residential Rehabilitation program through CDBG and HOME funds. In the past, the Town was successful in obtaining Neighborhood Stabilization Program grant funds that have also contributed to this program, purchased existing units for rehabilitation and land for future affordable housing projects. Since many of these programs do not provide adequate funding to administer the projects, and some with no administrative funding at all, the Town's general fund provides some relief to cover these costs.

AP-60 Public Housing - 91.420, 91.220(h)

Introduction

Between 1/1/2016 and 12/31/2016, 159 voucher holders leased up in Victorville and 50 voucher holders leased up in Apple Valley. The average housing assistance payment is \$570.32.

The Housing Authority of the County of San Bernardino (HACSB) has been one of the leading providers of affordable housing in the County of San Bernardino for over 70 years. San Bernardino County is the largest county by land area in the contiguous United States consisting of 24 cities and covering over 20,000 square miles of land. By population, it is the twelfth largest county in the nation, with more residents than 15 of the country's states. The population of San Bernardino County has grown by almost five percent between 2010 and 2013 and is expected to continue to rise over the next several years. HACSB serves in excess of 30,000 people, most of whom are seniors, disabled individuals and children. Information provided by HUD indicates that the total number of Housing Choice Vouchers for the County of San Bernardino is 6,508, with 4,660 being "portable" vouchers where the tenant may use them for any HUD-approved participating property. A total of 54 of the portable vouchers were special purpose vouchers for Veterans Supportive Housing and none were for the Family Unification Program or for disabled persons.

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

This question is not applicable. There are no supply of public housing developments within the Consortia at this time

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

This question is not applicable. There are no supply of public housing developments within the Consortia at this time

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

This question is not applicable. There are no supply of public housing developments within the Consortia at this time

Discussion

During the development of the ConPlan, the San Bernardino County Housing Authority was surveyed. According to the survey, there are no current requests on file for public housing tenants within the

Consortia. However, approximately 1% of public housing applicants and 7% of Housing Choice Voucher applicants on the wait list have requested the need for accessible units on their pre-applications. The types of accessibility features requested by these households are not identified. Design features that meet the needs of people with mobility impairments may not meet the accessibility needs of persons with other types of disabilities such as sensory, cognitive, self-care, or independent living difficulties. Persons with these types of disabilities may require a different set of accessible design features.

AP-65 Homeless and Other Special Needs Activities - 91.420, 91.220(i)

Introduction

The Action Plan must describe the jurisdiction's one-year goals and the specific actions steps it will undertake in the program year to carry out the homeless strategy outlined in SP-60 homelessness Strategy.

The Action Plan must also describe the jurisdiction's one-year goals and specify the activities it will undertake to serve the housing and supportive service needs of non-homeless populations who require supportive 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

One Year Goal

The Consortia's one year goal is to provide suitable living environments for the Consortia's residents by engaging in street outreach and engagement activities in order to reach homeless populations.

Actions

The Consortia will work closely with the Homeless Outreach and Proactive Enforcement (H.O.P.E.). The program is a proactive approach intended to ultimately reduce calls for service and other resources currently required to deal with the homeless population. A community policing philosophy will be used to link the homeless population with resources and service providers throughout the County. The objective is to stop the revolving door of arrest, incarceration, and then release regarding homeless

related crimes.

Addressing the emergency shelter and transitional housing needs of homeless persons

One Year Goal

The Consortia's one year goal is to provide suitable living environments for the Consortia's residents by partnering with agencies that support homeless populations and reviewing policy relating to emergency shelter and transitional housing needs.

Actions

- High Desert Homeless Services. This program provides shelter and related services to LMI homeless families and individuals at no charge. Helps fund portion of the salary for a night manager, shelter supervisor and maintenance man; a portion of utilities and other administrative operations. The organization provides extensive, ongoing case management services to include life skills, budgeting and parenting classes in an effort to ensure success in securing employment and stable housing. In addition, the shelter provides food, clothing, showers and laundry facilities. Computers and Internet are available to assist in seeking employment and completing online employment applications. This project will provide a 24-hour residential program for homeless families and individuals for up to 120 days. **High Desert Homeless Services is expected to serve 60 Apple Valley-based persons.**
- The Consortia will continue to work jointly with the San Bernardino County's Continuum of Care (COC), which provides funding and a network of resources for homeless abatement. The COC provides emergency shelter, supportive services, transitional housing and permanent housing. Victorville commits staff to the COC planning and implementation process, and provides the COC Steering Committee critical information regarding the types of resources and programs provided to assist the homeless.

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

One Year Goal

The Consortia's one year goal is to provide suitable living environments for the Consortia's residents by funding and partnering with agencies that support homeless and at-risk of homeless populations.

Actions

AP will fund the following:

- High Desert Homeless Services. This program provides shelter and related services to LMI homeless families and individuals at no charge. Helps fund portion of the salary for a night manager, shelter supervisor and maintenance man; a portion of utilities and other administrative operations. The organization provides extensive, ongoing case management services to include life skills, budgeting and parenting classes in an effort to ensure success in securing employment and stable housing. In addition, the shelter provides food, clothing, showers and laundry facilities. Computers and Internet are available to assist in seeking employment and completing online employment applications. This project will provide a 24-hour residential program for homeless families and individuals for up to 120 days. **High Desert Homeless Services is expected to serve 60 Apple Valley-based persons.**
- A Better Way Shelter and Outreach Services. This program funds a portion of salary and benefits for one child care worker. The Program will provide emergency shelter, transitional housing and outreach services to victims/families of domestic violence. Clients will have access to a safe environment and participate in education programs and counseling to enable better life choices leading to a safer living environment for those families. Other services include case management, peer support, group counseling and 'Victim Impact'- a class focusing on domestic violence issues. The program is expected to serve 20 Apple Valley based persons this year.
- Transitional Housing. This program will provide transitional housing for four families of domestic violence that have completed the shelter program and are ready to move toward independent living. This housing will be available for 18 months per family. Along with the housing, the families will participate in sessions involving counseling, goals, job training, financial classes and other resources to become self-sufficient. During their stay, clients will 'pay' 30% of their income each month to FAP. These funds will be saved and made available to the client at the term of their residency for use as security deposit, rent and utility deposits for

their own place. Through this program, Family Assistance Program is expected to serve 6 households this year.

- The Consortia will participate in the San Bernardino County's Continuum of Care. (COC), which provides funding and a network of resources for homeless abatement. The COC provides emergency shelter, supportive services, transitional housing and permanent housing. Victorville commits staff to the COC planning and implementation process, and provides the COC Steering Committee critical information regarding the types of resources and programs the Consortia currently funds that assist the homeless.

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.

One Year Goal

The Consortia's one year goal is to provide suitable living environments for the Consortia's residents by partnering with agencies that support homeless and at-risk of homeless populations.

Actions

The Consortia will continue to work with and refer residents to the County's Department of Behavioral Health which has several programs to assist homeless residents with mental health needs, such as, the mentally ill homeless program (30 days of basic needs, case management, employment, and outreach services to homeless mentally ill adults), the housing program operated in conjunction with the Housing Authority (provides mental health services and long term permanent housing for homeless mentally ill or mentally ill/substance abuse residents), and the employment program (provides employment skills evaluations, pre-employment services, job coaching and collateral services to residents with mental

health needs).

Discussion

Locally, the Consortia works with High Desert Homeless Services, Inc. (HDHS). The organization is a private, non-profit 501(c) (3) organization, located in Victorville that has been assisting homeless persons since June 1988. The mission of HDHS is to assist residents of the Victor Valley and High Desert area of San Bernardino County who have been displaced from long-term housing due to natural disaster or loss of income, and to assist non-residents by providing short-term emergency shelter.

AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

The Consortia briefly describes the actions it will take during the next year to reduce barriers to affordable housing. Jurisdictions should refer back to MA-40 in the Market Analysis and SP-55 in the Strategic Plan when writing this section

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

- By the end of FY 2018/2019, the cities and Consortia will expand their efforts in providing financial literacy services and advocate for an increase of supply of affordable ownership housing by hosting a minimum of two (2) financial literacy and access of financing for homeownership workshops. During FY 2017-2022, the cities will increase their participation in financial literacy and new-home buyer workshops. As projects are reviewed by staff, distribution of Low/Mod housing shall be promoted to blend in with the existing residential neighborhoods and shall not be concentrated in any single area of each respective city in order to more fully integrate all income levels.

Discussion

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

This section will describe the jurisdiction's planned actions to carry out the following strategies outlined in the Consolidated Plan:

- Foster and maintain affordable housing
- Evaluate and reduce lead-based paint hazards
- Reduce the number of poverty-level families
- Develop institutional structure
- Enhance coordination

In addition, this section will identify obstacles to meeting underserved needs and propose actions to overcome those obstacles.

Actions planned to address obstacles to meeting underserved needs

A major obstacle for the Consortium in meeting underserved needs is the lack of adequate financial resources to meet the growing needs of low and moderate income persons. The Consortia will continue to expand its housing programs to meet the growing need for affordable housing. In addition, the City will continue to use CDBG funding to support public service agencies that address the special needs of the underserved, including the homeless, the potential homeless, the youth, seniors, female-headed families, victims of domestic violence, and the disabled. The Consortia is also proactively seeking additional resources to meet the underserved needs. Federal, state, and local resources expected to be made available to address the needs identified in the Consolidated Plan.

Actions planned to foster and maintain affordable housing

The Consortia will utilize a number of policies intended to provide additional flexibility in housing site planning and promote more intense development where appropriate. The Consortia's Housing Sites

Inventory Program helps ensure that the Consortia continuously monitors available sites in the area that may be appropriate for residential uses. A density floor is another tool that can be used to promote the maximum use of residential land. The density floor would establish a minimum density requirement within a given residential land-use designation. The availability of developable acreage in upper density ranges allows for the development of certain types of housing.

The Consortia will also continue to consider alternate forms of residential development, including various types of small-lot, single-family subdivisions; mobile home parks that allow owner-occupied spaces; senior citizen multifamily housing developments offering various degrees of care and assistance; mixed-use residential, office and commercial developments.

Additionally, to encourage developers to pursue projects providing low- and moderate-income housing, California has provided regulations to govern the approval process, permitting greater density for affordable housing projects that include additional incentives to the developer. The Consortia utilizes this Density Bonus Ordinance to encourage developers interested in additional density or incentives to develop a portion of their market rate project as affordable to low- and moderate-income households to meet the state housing requirements.

Redevelopment funding was a critical tool that the Consortia used to encourage and support the preservation and creation of affordable housing that primarily benefited low- and moderate-income households. The Consortia will seek alternative funding from state and federal sources to make up for the shortfall caused by the dissolution of the jurisdiction's redevelopment agency by the state.

Finally, the Consortia will continue to expand its housing programs to meet the growing need for affordable housing through the use of HOME funds. Specifically, the Consortia will support the following projects through HOME funding in FY 18-19:

- Rehabilitation Loan Program
- Support of CHDO project (Allocation of will be awarded once a qualified CHDO has been

identified)

Actions planned to reduce lead-based paint hazards

The Town will continue to maintain policies and procedures to increase access to housing without LBP hazards. Funding is not provided until it is determined properties are free of LBP hazards. Types of properties covered include: a) federally owned housing being sold; b) housing receiving a federal subsidy that is associated with the property, rather than with the occupants (project based assistance); c) public housing; d) housing occupied by a family (with a child) receiving a tenant based subsidy (such as a voucher or certificate); e) multifamily housing for which mortgage insurance is being sought; and, f) housing receiving federal assistance for rehabilitation, reducing homelessness, and other special needs.

Actions planned to reduce the number of poverty-level families

The consortia anti-poverty strategy utilizes existing County job training and social service programs to increase employment marketability, household income, and housing options. Below are the Goals, Programs and Policies for reducing the number of Poverty-Level Families within the Consortia:

Goal: To reduce poverty level percentage below 2013 levels by the end of 2021.

Policy #1: To continue to support and coordinate with public and private efforts aimed at preventing and reducing poverty level incomes.

Policy #2: To conduct outreach with public and private agencies whose mission is to reduce poverty level incomes.

Program: The Consortia will implement the above policies by increasing job opportunity through education and job training programs; collaborating with state, county and local agencies that offer trade skills training and basic job search techniques; encouraging local education facilities to offer

education and training that will lead to employment opportunities in the community; and supporting job creation through business friendly policies and practices.

In FY 18-19, in addition to the Town's efforts, Victorville plans to fund the following projects which are designed to reduce the number of poverty-level families:

- Court Appointed Special Advocates of San Bernardino County (C.A.S.A.): C.A.S.A
- Desert Manna Desert Manna: Food Bank Distribution Center
- High Desert Homeless Services: Homeless Shelter and Homeless Related Services
- High Desert Transitional Living Connection: HDTLC/Gateway Food Pantry and Clothes Closet and the Gateway Community
- Inland Fair Housing and Mediation Board: Fair Housing Program Services
- Legal Aid Society of San Bernardino: Legal Aid
- Moses House Ministries: Employment Development Program
- Moses House Ministries and Rose of Sharon Pregnancy Center: Resources and Referrals for Families
- San Bernardino Sexual Assault Services: Victorville Sexual Assault Crisis Program
- St. John of God Health Care Services and Victor Valley Community Services Council:

Homeless Prevention and Intervention Services

- Victor Valley Domestic Violence: A Better Way
- Victor Valley Family Resource Center : Solutions for Homelessness
- City of Victorville - Community Services Department: 6th Street Prep After School Enrichment

Program

- City of Victorville - Community Services Department: Sunset Ridge Summer Program
- City of Victorville - Police Department: Crime Free Multi Housing
- City of Victorville - Public Works Department: Graffiti Abatement

Actions planned to develop institutional structure

Listed below are specific actions that the City plans to take in FY 18-19 to develop institutional structure:

- The Consortia will continue to foster and maintain relationships with other agencies to establish an institutional structure that maximizes its resources. The City's institutional structure will consist of public agencies, for-profit agencies, and non-profit organizations.
- To address housing needs, The Consortia will continue to partners with the Town of Apple Valley to form a Consortium to receive HOME funds.
- The Consortia will continue to work with the County of San Bernardino to provide affordable housing opportunities to extremely low and low income renters in Victorville.
- The Consortia will continue to work with the San Bernardino Office of Homeless Services, as well as Victor Valley Domestic Violence, Family Assistance Program, and High Desert Homeless Services to address homeless issues.
- The Consortia will also work with the agencies and internal departments listed in AP-38 to bridge any identified gaps in the service delivery system. We receive quarterly

reports from the agencies and internal departments we fund about the ongoing services they provide.

- The Consortia anticipates holding public meetings to solicit input regarding needs of the community.

These efforts provide for regional collaboration to better serve our community and enhances coordination between public and private housing and social service agencies

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

Public and Assisted Housing Providers

The County of San Bernardino's Housing Authority is the principle provider of public and assisted housing within the jurisdiction. To enhance coordination between the agency, the Consortia developed an 18 question housing authority questionnaire, with the purpose of assessing the public housing needs of the jurisdiction as well as the service needs of current public assisted residents. The questionnaire and responses is an attachment to the ConPlan.

According to the Housing Authority of the County of San Bernardino's questionnaire, the most immediate needs of residents of public housing or Housing Choice Vouchers is the need for additional funding to assist wait list residents, as evidenced by the over 40,000 families on Housing Choice Voucher and Public Housing waiting lists combined.

The Consortia will continue to coordinate with the San Bernardino County Housing Authority to provide

public housing assistance for its below moderate residents.

-
-
-

Private and governmental health, mental health and service agencies

The Consortia is committed to enhancing coordination among private and governmental health, mental health and services agencies. The jurisdictions will also continue to coordinate with health social service agencies through the provision of technical assistance workshops during the Request for Funding stages of the Consolidated Planning Process.

Discussion

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

Introduction

This section addresses the program-specific requirements for the Annual Action Plan. The Consolidated Plan Final Rule contains requirements regarding program-specific narratives in the Action Plan for CDBG and HOME.

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	81,000
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:	81,000

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.	100.00%

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

as follows:

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:

Acquisition with or without rehabilitation. Housing that is for acquisition by a family must meet the affordability requirements of this paragraph.

(1) The housing must be single family housing.

(2) The housing must be modest housing as follows:

(i) In the case of acquisition of newly constructed housing or standard housing, the housing has a purchase price for the type of single family housing that does not exceed 95 percent of the median purchase price for the area, as described in paragraph (a)(2)(iii) of this section.

(ii) In the case of acquisition with rehabilitation, the housing has an estimated value after rehabilitation that does not exceed 95 percent of the median purchase price for the area, described in paragraph (a)(2)(iii) of this section.

(iii) If a participating jurisdiction intends to use HOME funds for homebuyer assistance or for the rehabilitation of owner-occupied single-family properties, the participating jurisdiction must use the HOME affordable homeownership limits provided by HUD for newly constructed housing and for existing housing. HUD will provide limits for affordable newly constructed housing based on 95 percent of the median purchase price for the area using Federal Housing Administration (FHA) single family mortgage program data for newly constructed housing, with a minimum limit based on 95 percent of the U.S. median purchase price for new construction for nonmetropolitan areas. HUD will provide limits for affordable existing housing based on 95 percent of the median purchase price for the area using Federal FHA single family mortgage program data for existing housing data and other appropriate data that are available nation-wide for sales of existing housing, with a minimum limit based on 95 percent of the state-wide nonmetropolitan area median purchase price using this data.

(3) The housing must be acquired by a homebuyer whose family qualifies as a low-income family, and the housing must be the principal residence of the family throughout the period described in paragraph (a)(4) of this section. If there is no ratified sales contract with an eligible homebuyer for the housing within 9 months of the date of completion of construction or rehabilitation, the housing must be rented to an eligible tenant in accordance with § 92.252. In determining the income eligibility of the family, the participating jurisdiction must include the income of all persons living in

the housing. The homebuyer must receive housing counseling.

RECAPTURE PROVISION IN DISCUSSION BELOW

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:

Periods of affordability. The HOME-assisted housing must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion. The per unit amount of HOME funds and the affordability period that they trigger are described more fully in paragraphs (a)(5)(i) (resale) and (ii) (recapture) of this section.

Homeownership assistance HOME amount per-unit	Minimum period of affordability in years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

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:

Not Applicable

Recapture. Recapture provisions must ensure that the participating jurisdiction recoups all or a portion of the HOME assistance to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability. The participating jurisdiction may

structure its recapture provisions based on its program design and market conditions. The period of affordability is based upon the total amount of HOME funds subject to recapture described in paragraph (a)(5)(ii)(A)(5) of this section. Recapture provisions may permit the subsequent homebuyer to assume the HOME assistance (subject to the HOME requirements for the remainder of the period of affordability) if the subsequent homebuyer is low-income, and no additional HOME assistance is provided.

(A) The following options for recapture requirements are acceptable to HUD. The participating jurisdiction may adopt, modify or develop its own recapture requirements for HUD approval. In establishing its recapture requirements, the participating jurisdiction is subject to the limitation that when the recapture requirement is triggered by a sale (voluntary or involuntary) of the housing unit, the amount recaptured cannot exceed the net proceeds, if any. The net proceeds are the sales price minus superior loan repayment (other than HOME funds) and any closing costs.

(1)Recapture entire amount. The participating jurisdiction may recapture the entire amount of the HOME investment from the homeowner.

(2)Reduction during affordability period. The participating jurisdiction may reduce the HOME investment amount to be recaptured on a prorata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period.

(3)Shared net proceeds. If the net proceeds are not sufficient to recapture the full HOME investment (or a reduced amount as provided for in paragraph (a)(5)(ii)(A)(2) of this section) plus enable the homeowner to recover the amount of the homeowner's downpayment and any capital improvement investment made by the owner since purchase, the participating jurisdiction may share the net proceeds. The net proceeds are the sales price minus loan repayment (other than HOME funds) and closing costs. The net proceeds may be divided proportionally as set forth in the following mathematical formulas:

<http://www.ecfr.gov/graphics/ec12oc91.007.gif>

(4)Owner investment returned first. The participating jurisdiction may permit the homebuyer to recover the homebuyer's entire investment (downpayment and capital improvements made by the owner since purchase) before recapturing the HOME investment.

(5)Amount subject to recapture. The HOME investment that is subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to buy the dwelling unit. This includes any HOME assistance that reduced the purchase price from fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value of the property (i.e., the development subsidy). The recaptured funds must be used to carry out HOME-eligible activities in accordance with the requirements of this part. If the HOME assistance is only used for the development subsidy and therefore not subject to recapture, the resale option must be used.

