



City of Chico
2016-2017
CAPER
CDBG & HOME
Funds

The Consolidated Annual Performance and Evaluation Report (CAPER), which has been prepared for submittal to the U.S. Department of Housing and Urban Development (HUD), reports on specific federal housing and community development assistance allocated by the City of Chico for the period of July 1, 2016 through June 30, 2017. The CAPER provides a summary of progress in carrying out the strategic plan and the action plan components of the Five-Year Consolidated Plan 2015-2019. This report covers the first year of the Consolidated Plan period.

Community Development Department

Housing Division
P.O. Box 3420
Chico, CA 95927
(530) 879-6300

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

This CAPER report is the second of five annual reports on the City's 2015-2019 Consolidated Plan (ConPlan) and reports on the use of Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) funds for the Program Year July 1, 2016 to June 30, 2017 (FY16). The CDBG Financial Summary Report—PR26 is attached.

All CDBG Public Service activities, Economic Development activities, Code Enforcement and Program Administration/Program delivery activities were successfully completed and their related expenditures drawn for FY2016. There was a 12% increase from FY15 in people provided with overnight emergency shelter and businesses counseled exceeded the established goal by 31%. Modest progress toward Rental Accessibility improvements has been made and it is anticipated that total ConPlan goals will be reached by 2019. Homeowner Housing Rehabilitation, including sewer lateral connections, re-roofs and solar installations fell 13 short of the goal of 35. Design of the E. 10th Street Drainage project is well-underway.

Excellent progress was made in the HOME program, including the completion of two homeownership units for low-income families, the completion of the 14-unit permanent, supportive Valley View Apartments. Though it was expected that an increase of households served by the Tenant Based Rental Assistance Program would occur during FY16, there was a reduction in households served due to a lack of available housing units. Twenty-nine households were served versus the projected 45.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Assist Small Businesses	Economic Development	CDBG: \$50,000	Businesses assisted	Businesses Assisted	400	203	50.75%	75	99	132.00%
Create Low Income Affordable Housing Opportunities	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	HOME: \$5,000	Rental units constructed	Household Housing Unit	14	14	100.00%	14	14	100.00%
Create Low Income Affordable Housing Opportunities	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	CDBG: \$	Rental units rehabilitated	Household Housing Unit	25	5	20.00%			

Create Low Income Affordable Housing Opportunities	Affordable Housing Public Housing Homeless Non-Homeless Special Needs	HOME: \$119,883	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	175	76	43.43%	45	29	64.44%
Implement Solutions to Chronic Homelessness	Affordable Housing Homeless	CDBG: \$ / HOME: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0		0	0	
Implement Solutions to Chronic Homelessness	Affordable Housing Homeless	CDBG: \$ / HOME: \$	Public service activities for Low/Moderate Income Housing Benefit	Households Assisted	0	0		0	0	
Implement Solutions to Chronic Homelessness	Affordable Housing Homeless	CDBG: \$ / HOME: \$	Rental units rehabilitated	Household Housing Unit	1	0	0.00%			
Implement Solutions to Chronic Homelessness	Affordable Housing Homeless	CDBG: \$ 27,800	Homeless Person Overnight Shelter	Persons Assisted	4000	1850	46.25%	752	979	130.19%
Implement Solutions to Chronic Homelessness	Affordable Housing Homeless	CDBG: \$ / HOME: \$	Overnight/Emergency Shelter/Transitional Housing Beds added	Beds	50	0	0.00%	0	0	

Implement Solutions to Chronic Homelessness	Affordable Housing Homeless	CDBG: \$ / HOME: \$	Housing for Homeless added	Household Housing Unit	5	0	0.00%			
Improve and Revitalize Low-Income Neighborhoods	Affordable Housing Public Housing Non-Housing Community Development	CDBG: \$ 8,055	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	80	0	0.00%			
Improve and Revitalize Low-Income Neighborhoods	Affordable Housing Public Housing Non-Housing Community Development	CDBG: \$ 79,187	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	9000	2305	25.61%	750	457	60.93%
Improve and Revitalize Low-Income Neighborhoods	Affordable Housing Public Housing Non-Housing Community Development	CDBG: \$ 17,100	Rental units rehabilitated	Household Housing Unit	0	0		5	2	40.00%

Improve and Revitalize Low-Income Neighborhoods	Affordable Housing Public Housing Non-Housing Community Development	HOME: \$120,000	Homeowner Housing Added	Household Housing Unit	10	4	40.00%	2	2	100.00%
Improve and Revitalize Low-Income Neighborhoods	Affordable Housing Public Housing Non-Housing Community Development	CDBG: \$139,507	Homeowner Housing Rehabilitated (solar and sewer)	Household Housing Unit	125	38	30.40%	35	24	68.57%
Improve and Revitalize Low-Income Neighborhoods	Affordable Housing Public Housing Non-Housing Community Development	CDBG: \$118,437	Housing Code Enforcement/Foreclosed Property Care	Household Housing Unit	3650	1426	39.07%	735	715	97.28%
Improve and Revitalize Low-Income Neighborhoods	Affordable Housing Public Housing Non-Housing Community Development	CDBG: \$ / HOME: \$	Other	Other	0	0		0	0	

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

CDBG funds were used effectively to achieve the high priority goals of preventing homelessness, implementing solutions to chronic homelessness, assisting small businesses, and improving low-income neighborhoods.

Public Service funding contributed to the prevention of homelessness and solutions to homeless by the provision of: childcare for 92 children allowing parents to work or obtain education to improve their earning potential and prevent homelessness; meals delivered in-home to 221 elderly and disabled individuals; shelter and assistance for 979 homeless adults and children to move into transitional or permanent housing; transitional shelter and support for 84 adults with children on the path to self-sufficiency; and adult day health care and services to 60 disabled adults, allowing for respite of their caregivers and contributing to keeping them in their homes rather than institutionalized.

Economic Development funding was provided for the micro-enterprise counseling effort through the Small Business Development Center at Butte Community College. The program provided counseling to 94 businesses, 25 of which were new. Additionally, the City continued its funding of a mini-seed program to assist the expansion of five businesses and retain nine full-time and three part-time jobs.

Improvement of low- and moderate-income neighborhoods was achieved through CDBG-funded code enforcement in those areas of the city where at least 51% of the residents are low-moderate income and such enforcement, along with other city improvements and services, is expected to arrest the decline of the area. See Attachment 1 for a map of Code Enforcement activity for 2015-16.

Neighborhood improvement and maintenance of housing owned or rented by low-income households was also achieved through the housing rehabilitation program and the Rental Accessibility program. CDBG grants were provided to facilitate connection to city sewer for 15 low-income homeowners living within the State mandated Nitrate Compliance Area. Three low-income homeowners received grants for roof replacements. CDBG provided leverage for four homeowners to receive solar installations or upgrades to their homes. Two disabled tenant households were provided with accessibility improvements to allow them access to and within their units.

Public Improvements-The design of the E. 10th Street drainage project is nearing completion, with construction anticipated within the next year. This project is to be funded over multiple years.

The City’s use of HOME funds provided local leveraging needed for the Valley View Apartment project to be competitive and receive low income

housing tax credits. This project has completed construction and is providing permanent supportive housing to 14 extremely low-income individuals. Two self-help houses were completed by Habitat for Humanity for two low-income families. The partnership with the Housing Authority of Butte County and the participating social service providers allowed the successful assistance of 38 households with HOME through the Tenant Based Rental Assistance program.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG	HOME
White	1,285	28
Black or African American	132	5
Asian	26	0
American Indian or American Native	101	0
Native Hawaiian or Other Pacific Islander	13	0
Total	1,557	33
Hispanic	245	6
Not Hispanic	1,312	27

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

The City encourages equal participation in all programs and projects whether self-administered or administered through outside agencies and organizations. For rental or homeownership projects with five or more units, the City requires developers to submit an Affirmative Fair Housing Marketing Plan and project monitoring includes review of their Annual Affirmative Marketing Analysis Report, as applicable. Equal Housing Opportunity and Fair Housing logos and posters are required at each rental site.

Under a Voluntary Compliance Agreement, the City is actively working with HUD's Office of Fair Housing and Equal Opportunity (FHEO) to implement policies that provide equal access to programs by individuals who have limited English proficiency, and by those who may have impairments that prevent meaningful access to CDBG or HOME funded programs. A Four-Factor Analysis for the needs of Limited English Persons was completed and a Language Access Plan was developed. The City hosted a Section 504 training in October 2016 and HUD Fair Housing & Equal Opportunity staff provided the presentation. Access to a Language Line is now available at City offices.

The City and sub-recipients of CDBG and HOME funding have modified their demographic collection to comply with the five race categories in compliance with HUD guidance.

There were 535 female heads of households served during the project year; 945 disabled persons, and 329 elderly persons assisted.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	CDBG	1,060,027	666,389
HOME	HOME	787,282	267,725
HOPWA	HOPWA		
ESG	ESG		
Other	Other		

Table 3 - Resources Made Available

Narrative

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
City of Chico	100	100	

Table 4 – Identify the geographic distribution and location of investments

Narrative

CDBG and HOME funds were utilized throughout the City of Chico.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The City was able to leverage a substantial amount of funding during the Program Year as indicated below.

The Valley View project leveraged \$6,847,655 from State HOME, State CalHFA, low income tax credit equity, a local housing trust fund and City land lease to \$305,800 in CDBG and HOME funds.

For each CDBG dollar spent on solar installation activity, \$4.66 was leveraged from other sources.

The Habitat for Humanity 20th Street project leveraged \$474,977, including other federal and non-federal funds, to \$120,000 in HOME funds.

The City maintains approximately \$9.1 million in match credit. This credit is derived from previous Low-and Moderate-Income Housing funds of the former Redevelopment Agency, the value of land donations/leases, private donations and grants made to housing projects.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	8,744,509
2. Match contributed during current Federal fiscal year	404,977
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	9,149,486
4. Match liability for current Federal fiscal year	34,805
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	9,114,681

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
Habitat 20th St/848	06/30/2017	124,443	0	270,000	0	10,534	0	404,977

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period \$	Amount received during reporting period \$	Total amount expended during reporting period \$	Amount expended for TBRA \$	Balance on hand at end of reporting period \$
11,453	20,159	29,847	23,291	1,764

Table 7 – Program Income

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Dollar Amount	0	0	0	0	0	0
Number	0	0	0	0	0	0
Sub-Contracts						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0
	Total	Women Business Enterprises	Male			
Contracts						
Dollar Amount	0	0	0			
Number	0	0	0			
Sub-Contracts						
Number	1	1	0			
Dollar Amount	772	772	0			

Table 8 - Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition

Parcels Acquired		0	0			
Businesses Displaced		0	0			
Nonprofit Organizations Displaced		0	0			
Households Temporarily Relocated, not Displaced		0	0			
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

Table 10 – Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	45	29
Number of Non-Homeless households to be provided affordable housing units	37	26
Number of Special-Needs households to be provided affordable housing units	19	16
Total	101	71

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	45	29
Number of households supported through The Production of New Units	16	16
Number of households supported through Rehab of Existing Units	40	26
Number of households supported through Acquisition of Existing Units	0	0
Total	101	71

Table 12 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The tenant based rental assistance goal of 45 fell short by sixteen households. Additional service providers participated in the program in order to serve additional participants, but the scarcity of available units in the community has made it difficult for service providers and participants to secure housing.

The overall Housing Rehabilitation program goal was 35; 24 households were served. This program includes the sewer connection and solar installation activities. Fifteen households were connected to city sewer and several additional grants have been processed since the end of the program year and will be counted in the FY17 program year. Often it takes longer than expected to receive contractor bids to award grants and complete the projects. It was anticipated that 15 households would be assisted through the solar installation activity, but it took a bit longer than expected to get the activity off the ground. It is currently making good progress toward established goals and will continue in FY17.

As anticipated, two homeownership units were completed and four additional units are in predevelopment. The fourteen anticipated permanent supportive rental units are complete and occupied.

Discuss how these outcomes will impact future annual action plans.

Most of the outcomes have not deviated substantially from the goals. The lack of housing units available to clients of the Tenant Based Rental Assistance Program is concerning. Providers are conducting outreach to rental associations to inform them of the issue. Additional outreach will be conducted to assist more eligible homeowners connect to city sewer.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	4	31
Low-income	4	1
Moderate-income	13	1
Total	21	33

Table 13 – Number of Households Served

Narrative Information

The HOME-funded TBRA program housed 29 extremely low-income households and the Valley View project housed two extremely low-income households with HOME funds (an additional 12 units are housing extremely low-income households with mental health illness). The Habitat 20th Street project

provided one low-income and one moderate income household with housing. CDBG assisted all three categories of household income through the Housing Rehabilitation activities including sewer connections, solar/roof installations and Rental Accessibility Program.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

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

The City works with local agencies to provide a continuum of services to shelter the homeless, transition the homeless to permanent housing, and to prevent homelessness. The City is a member of the Greater Chico Homeless Taskforce and provides administrative support to the taskforce. Taskforce members made two presentations to the Chico City Council during the program year to explain the issues, progress made and challenges faced in dealing with homelessness. The City is also a voting member of the Butte County Continuum (COC) of Care Council. CDBG funds are available through the administrative cap to support the administration of the COC. The COC has implemented a pilot Coordinated Entry system and anticipates expanding it.

City staff participated in planning and facilitation of the Point-in-Time count in January 2017. The City's Police Target Team has been joined by a Butte County Behavioral Health case worker on a part-time basis to direct people on the street to appropriate resources.

Addressing the emergency shelter and transitional housing needs of homeless persons

The Chico Community Shelter Partnership (CCSP) continues to operate the Torres Community Emergency Shelter and received an allocation of \$27,800 through the public services component of the CDBG program for operating expenses. In 2016-17, the Shelter averaged 114 guests per night, similar to an increase of 19% since 2015-2016. The number of children served in the program year increased by 41%; from 103 in 2015-2016 to 145 in 2016-2017. Seventy-five families were served, as well. The Shelter's stated capacity is 140, but upon re-evaluation by the City's Building Official and Fire Marshall, it was determined that the facility could accommodate up to 192, though operationally, CCSP limits capacity to 160. This has been especially helpful, as this was the first year in which the Shelter met capacity on numerous occasions.

The Community Action Agency of Butte County operates the Esplanade House, which provided transitional housing for 84 adults with children during the program year. The City provided \$22,987 in CDBG Public Service funding for operational support of the facility.

City Staff has attended various workshops and made site visits to explore possibilities for addressing the increased homeless population in our community. City and County officials have increased dialogue around this issue.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after 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); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

The City's Tenant-Based Rental Assistance program provides short-term rental assistance (12 to 24 months) to very-low and extremely-low-income and special needs families at-risk of homelessness, who are working towards family self-sufficiency with an established social services provider. The City contracts with the Housing Authority of Butte County to administer this program. In program year 2016, the City expended \$119,883 in HOME funds to assist 29 extremely-low-income households.

CDBG Public Service funds in the amount of \$15,700 were also provided to the Chico Community Children's Center to provide childcare for 92 children so that families may work or gain education to improve employment to prevent homelessness.

Additionally, the Coordinated Assessment System, currently at the pilot stage, will assist low income individuals and families to avoid becoming homeless after discharge from institutions or systems of care. This System will perform a uniform assessment accessible by housing and service providers in order to direct individuals to appropriate services.

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

The CDBG Public Service funds provided to the Torres Shelter and the Esplanade House assist those entities in successfully moving many individuals and families from homelessness to permanent housing.

Several privately funded organizations have increased capacity to transition homeless men, women and children from the streets and shelters to transitional and permanent housing. The Jesus Center, Salvation Army, Stairways and Chico Housing Action Team are among those organizations.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

The City continues to work with the Housing Authority of the County of Butte (HACB) and other private housing and social service agencies in order to foster public housing improvements and resident initiatives.

The City of Chico does not administer public housing, though the HACB accomplished the following: 1) Work accomplished at multiple sites to ensure ADA compliance for site accessibility, paths of travel, etc. 2) Water- and electrical-based energy conservation work in process, replacing light fixtures and installing low-flow water devices throughout the public housing portfolio. 3) Significant landscape improvements made across multiple sites to reduce water consumption. 4) Work with County Library to design and implement early- and e-learning at public housing sites.

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

The Housing Authority Resident Advisory Board was organized and assembled to review and comment on proposed revisions to agency one- and five-year plans, including capital improvements, and to review agency administrative policies regarding program administration. Residents are provided the opportunity to comment on proposed changes to annual Utility Allowance schedule, as well as Schedule of Charges for Maintenance work.

Actions taken to provide assistance to troubled PHAs

N/A

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken 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. 91.220 (j); 91.320 (i)

The City continues to implement the goals of the 2014 Housing Element of its General Plan. Additionally, the City has adopted the following land use policies:

- Housing density bonus or incentives for development of housing for very low-, low- or moderate-income households--if the prescribed percentage of units are made affordable, developers are eligible for a density bonus of up to 35% and may request up to three incentives or concessions.
- Transitional and permanent supportive housing is allowed by right in all residential zones.
- Modifications for accessibility may deviate from standard development standards with the approval of the public works director
- Small lot subdivisions--to allow small lot single-family housing development in new and existing neighborhoods to provide compact development and efficient infill

The impact fee structure may need to be addressed in consideration of micro-housing type projects.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

The City continued to fund the Rental Accessibility Program and entered into an agreement with the Disability Action Center to administer the program. The program provides for accessibility upgrades to rental units occupied by disabled tenants.

Existing multi-family properties have been surveyed regarding number and use of accessible units. Households that need accessible unit features are prioritized for those units. A list of accessible units within the community has been provided to the Disability Action Center so that they may make appropriate referrals.

The City continues to allocate funds to the Small Business Development Center to assist local small business owners with business plans, training in marketing strategies, bookkeeping, budgeting, etc. Additionally, seed monies are provided to 3CORE to assist small entrepreneurs start and expand their businesses. There was a 32% increase in the number of businesses assisted, compared to the Annual Plan goal.

The North Valley Housing Trust has been established, is supported by the City and provided funding to

the Valley View project. The Affordable Housing Resource Guide is updated and is available on the City's website and at City Hall. The City continues its non-HUD funded Lease Guarantee program, administered by the Housing Authority of the County of Butte, which has successfully assisted seven households with poor credit obtain stable rental housing.

The City is an active participant in the Greater Chico Homeless Task Force to advocate for the needs of homeless families and individuals, and those at risk of homelessness. The Task Force provides a venue for collaboration of various community groups to provide outreach to those experiencing homelessness in the community. It also acts as an incubator for new ideas to address homelessness.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

Participants in HOME and CDBG-funded housing programs are provided with information on lead hazards, as applicable. All housing units built before 1978 to be rehabilitated with CDBG or HOME funds are tested for lead hazards, unless no paint will be disturbed. The City has implemented a lead-based paint hazard reduction program pursuant to 24 CFR Part 35. The City contracts with a consulting firm to conduct risk assessments, supervise construction activity and perform clearance testing, as necessary. The City requires contractors performing lead-hazard reduction work or disturbing lead-based paint to have the appropriate certifications.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The City continues to provide funding for micro-enterprise counseling and assistance, tenant-based rental assistance, subsidized childcare and funding for transitional housing programs which provide a safety net for very-low income families.

- The micro-enterprise counseling program assisted 94 small businesses in 2016-17 by training them in basic business skills such as book-keeping and accounting, marketing and sales, record-keeping, research and development and business planning.
- An additional five businesses were assisted through the seed fund.
- The City provided funding for affordable child care through a CDBG public services grant. In 2016-17, 92 children received subsidized childcare.
- The City provides temporary housing assistance to participants in the HOME Tenant Based Rental Assistance program. Twenty-nine households received assistance in 2016-17.
- The City provided public services funding for transitional housing services provided by Community Action Agency/Esplanade House. This transitional housing service provides a safety net for very-low income families who are in crisis and have recently experienced homelessness. This service allows them to stabilize their lives and their income by providing

them with low-cost subsidized housing and supportive services so that they may regain their independence. The Esplanade House served 84 households during the program year.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City continues to work with non-profit groups to the extent possible, to improve the organizational capacity of housing and service organizations. Chico is somewhat limited due to its geographic isolation, and local nonprofits continue to feel the effects of reductions in public funding which have translated to reductions in staff. There continues to be increased collaboration among the non-profits and City Departments. The City was recently able to certify an additional Community Housing Development Organization; Habitat for Humanity of Butte County.

City support staff continues to be trained to assist in the administration of the CDBG program.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

The City encouraged private sector participation in all 2016-17 HOME and CDBG funded activities. All construction contracts for the housing rehabilitation and sewer connection programs are made available to private sector contractors. The Habitat for Humanity Homeownership Program utilizes private grants, in-kind donations, Youth Build and owner participation in the production of single family homes.

The Tenant-Based Rental Assistance Program provided assistance and security deposit grants for "at risk" tenants. The success of the program depends very much on the participation of private sector landlords. The City works in cooperation with the Housing Authority of the County of Butte and private non-profit social service providers to successfully implement the program.

Administrative funding to the COC assists the planning of the Coordinated Assessment System.

Several nationally known experts on the topic of homelessness came to Chico to educate leaders and the public regarding issues of homelessness and possible solutions. The Local Government Committee, comprised of City and County elected officials and their respective staff members met to discuss the issues of homeless and garner additional financial resources for administration of the Continuum of Care.

The City, County Department of Behavioral Health, the North Valley Housing Trust Fund, the Housing Authority, a local non-profit and private developer collaborated to complete the Valley View Apartment project to provide 14 units of affordable housing for homeless individuals, or those at risk of homelessness with mental health issues.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

Fair Housing education for community members and housing professionals through agreements with Legal Services of Northern California and North Valley Property Owners Association. Four educational workshops were presented during FY16. In addition, City staff has provided many referrals on Fair Housing and tenants' rights to the appropriate agencies. The City has also monitored Fair Housing practices in City and former Redevelopment Agency-funded housing projects. Affirmative Marketing policies are followed in all HOME-assisted projects and formal plans are in place, as applicable.

Direct marketing of the sewer connection program was conducted to low-income homeowners in Census tract 6.04.

City staff has implemented changes required per the Voluntary Compliance Agreement with HUD's office of Fair Housing and Equal Opportunity, including:

- Enhanced demographic collection and analysis
- Development of a Language Access Plan
- Implementation of a Language Line available at all public counters throughout the City offices
- Modification of contracts and agreements
- Section 504 training

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City's Housing Division is responsible for monitoring the continued affordability of projects assisted by the City and/or the former Redevelopment Agency. Assisted rental projects submit annual reports and certifications of occupancy which document household size and annual income. The affordability restrictions are a minimum of 30 years for HOME-funded projects and in most cases the period has been 55 years, due to the involvement of RDA funds and/or tax credits.

Home ownership assistance is monitored annually for occupancy by the assisted family. The applicable resale or recapture provision is enforced.

Organizations are also monitored through site visits and/or desk monitorings and through submissions of reports that are required by their grants.

The City is required to submit an annual Consolidated Annual Performance and Evaluation Report to HUD for its CDBG and HOME grant. In addition, the City is required by HUD to submit a five-year Consolidated Plan and an Annual Plan for all proposed activities. The Consolidated Plan for 2015-2019 was submitted and approved.

As the Housing Successor to the former Redevelopment Agency, the City has assumed the rights and obligations to enforce all existing loans, grant and various covenants previously executed by the RDA. The City's Housing Division strives to track and monitor all agreements for compliance through an extensive reporting and oversight process.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The City published a Public Notice on September 1, 2017 in the Chico Enterprise-Record which notified the public that the Consolidated Annual Performance and Evaluation Report (CAPER), was available for

review. Copies of the CAPER were made available at the City's Housing Division, and on the City's website. The public was encouraged to submit written or verbal comments on the CAPER during the 15-day comment period. Information was included for individuals who need special accommodation in order to comment. No comments were received.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The City does not plan to make any changes in the program objectives as outlined in the Consolidated Plan at this time.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

No on-site inspections of affordable rental projects were required during this program year. On site inspections will occur in FY17 at three projects. Self-certification forms were received from all HOME-funded projects: Avenida Apartments, 1200 Park, Campbell Commons, Walker Commons, Esplanade House and North Point Apartments. Financials were reviewed for 1200 Park Ave, Avenida Apartments and North Point Apartments; there were no issues of concern.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

The City requires that the appropriate affirmative fair housing marketing policies are followed by organizations managing and developing HOME units. Habitat for Humanity has increased its efforts to reach minority populations. The City has implemented a Language Access Plan and translation is available by phone, as necessary. Construction contracts include provisions to require solicitation of bids from minority- and women-owned businesses and to comply with Section 3 requirements, as applicable.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

Program income in the amount of \$1,210 was applied to the homeownership project on 20th Street; one Hispanic, White and one Hispanic, African American family was assisted with these funds.

Program income in the amount of \$23,291 was applied to Tenant Based Rental Assistance program and assisted 29 extremely-low income households.

Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES

**ONLY: Including the coordination of LIHTC with the development of affordable housing).
91.320(j)**

As described earlier, the City has partnered to support the development of rental housing for homeless individuals or at-risk of homelessness with mental health issues. The City continues to support Habitat for Humanity for the provision of homeownership units and is in discussion regarding the development of additional rental housing. The City continues to provide support to the North Valley Housing Trust in its efforts to secure and provide financing to affordable housing projects.