

DRAFT FFY2013 ACTION PLAN

MARCH 4, 2013

The City of Auburn is preparing to submit its 2013 Action Plan with request of funding to the U. S. Department of Housing and Urban Development. The Action Plan describes the one-year budget and proposed activities for the Community Development Block Grant, HOME Investment Partnerships Program, and other grant funds, activities that will carry out the goals and objectives of the Consolidated Plan.

This Draft 2013 Action Plan process provides for a 30-day comment period that begins March 4th and concludes on April 4th. All comments received by the public will be included in the package that is submitted to the City Council. Oral or written comments may be submitted to Reine Mynahan, Community Development, 60 Court Street, Suite 344, Auburn, ME 04210, tel. 333-6601 ext. 1330, e-mail rmynahan@auburnmaine.gov Comments may also be made during the public hearing held on April 1, 2013 during the City Council meeting. The meeting will be at 7 pm at Auburn Hall.

SCHEDULE FOR ADOPTION 2013 ACTION PLAN/BUDGET

30-day Comment Period	March 4 to April 4
Public Hearing	April 1
Adoption by City Council	May 6
Submission of 2013 Action Plan to HUD	May 14

2010-2014 CONSOLIDATED PLAN

In 2010 the City of Auburn adopted the 2010-2014 Consolidated Plan. The Consolidated Plan identifies many of the community's issues, establishes priorities, and describes how Community Development resources will address these needs. This Consolidated Plan sets forth goals, objectives, and performance benchmarks for measuring progress, and establishes a framework for assessing the tools Auburn will make available for revitalization. The goals, objectives, and strategies of the plan are as follows:

I. Goals for Auburn Community Development, 2010 to 2014

These are what the Auburn Community Development program intends to work towards in the five year Consolidated Plan period.

Goal 1: Quality affordable housing

Goal 2: Attractive neighborhoods

Goal 3: Economic opportunity

Goal 4: High quality of life for residents

II. Objectives for Auburn Community Development, 2010 to 2014

These are the measurable outcomes that the Community Development program will accomplish in the five year period.

Goal 1: Quality affordable housing

- a* 280 owner and rental units rehabilitated (120 units made lead safe)
- b* 80 owner and rental units weatherized
- c* 35 buyers assisted to purchase a home
- d* 40 new units of affordable family rental housing (HOME)
- e* 10 units of supportive rental housing for the homeless (HOME)
- f* 75 owners assisted to heat their homes
- g* 100 homeless or at-risk of homelessness assisted with security deposits (HOME)

Goal 2: Attractive neighborhoods

- a* 10,000 linear feet of improved streetscapes –
 - repaved sidewalks
 - landscaping
- b* 50 building exteriors improved
- c* 15 units of substandard housing demolished

Goal 3: Economic opportunity

- a* 10 businesses helped to improve their buildings, including exterior
- b* economic impact from Community Development activities quantified

Goal 4: High quality of life for residents

- a* residents assisted to access services that provide life and job skills training
 - 1,500 children, youth, and their families
 - 600 individuals
 - 400 homeless individuals
- b* 1 neighborhood community-building initiative supported.

III. Strategies for Auburn Community Development, 2010 to 2014

These are the ways that the Community Development program will accomplish its objectives.

Over a five year period, programs can come into existence and disappear. Thus, while the objectives above are constant, the ways to accomplish them are provisional, and may change from year to year.

The current strategies for accomplishing the objectives include:

- Low or no interest loans, often deferred for a period of time, and repaid into revolving loan funds, for the purposes of:
 - Assisting new owners to buy single family or multi-family homes;
 - Helping owners to rehabilitate and weatherize their homes;
 - Helping landlords to rehabilitate and weatherize buildings for low- and moderate-income tenants;
 - Assisting owners in target neighborhoods to improve the exterior of their homes;
 - Helping developers to build new affordable rental housing;
 - Providing security deposit help for homeless people;
 - Helping owners with heating bills; and
 - Helping small businesses improve their buildings.
- Neighborhood public improvements, such as:
 - Streetscape improvements, including repaved sidewalks and landscaping;
 - Pocket parks and playground equipment; and
 - Community building repairs.
- Staff counseling and advice to housing market participants:
 - Financial planning for homeowners;
 - Rehabilitation advice and construction monitoring;
 - Education for landlords and homeowners about lead hazards and testing; and
 - Relocation for residents displaced by Community Development activities.
- Grants for the purposes of:
 - Lead hazard removal from residential buildings and homes;
 - Start-up costs for low-income households;
 - Life and job skills training for residents; and
 - Neighborhood community-building initiatives.

Funding for the Community Development Program is primarily from two sources, Community Development Block Grant and HOME Investment Partnerships Program funds. These grants are entitlement grants—the City receives these each year. The grants are based on the Federal Fiscal Year (FFY). These grants are supported with other grants that are available from time to time. The following is a summary of resources for the period July 1, 2013 to June 30, 2014.

FFY2013 COMMUNITY DEVELOPMENT RESOURCES

Community Development Block Grant Funds: The proposed budget for FFY2013 is \$907,450 from the following sources of Community Development funds:

New Community Development Grant	\$438,729
Anticipated Program Income	284,800
Carry Over Funds	176,643
Reprogrammed Funds	7,278

Auburn HOME Funds: The proposed budget for FFY2013 is \$604,342 from the following sources of HOME funds:

New HOME Grant	\$177,889
Anticipated Program Income	40,500
Carry Over Funds	240,012
Reprogrammed Funds	145,941

Other Funds: The proposed budget for FFY2013 is \$66,500 from the following grants:

NSP-1 Prior Year Grant	\$ 2,500
NSP-3 Prior Year Grant	3,500
Lead Hazard Control Prior Year Grant	3,500

Lewiston HOME Funds: The proposed budget for FFY2013 is \$295,149 from the following of HOME funds: *

New HOME Grant	\$164,205
Anticipated Program Income	9,684
Carry Over Funds	121,230

TOTAL AUBURN **\$1,578,292**

TOTAL LEWISTON **\$295,149**

AUBURN COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Source of Funds: U. S. Department of Housing and Urban Development
70% of expenditures must benefit low-income households

Program Objective: Development of Viable Urban Communities

Provide decent housing, a suitable living environment, and expand economic opportunities

Eligible Activities

Acquisition	Demolition
Relocation	Public Improvements
Rehabilitation—commercial or residential	Public Services
Home Ownership Assistance	Lead Based Paint Reduction
Economic Development	Fair Housing Activities
Planning	Program Administration

COMMUNITY DEVELOPMENT BLOCK GRANT FY2013 BUDGET

PLANNING AND ADMINISTRATION	
PROGRAM ADMINISTRATION	116,000
HOUSING ADMINISTRATION	86,200
GOODS AND SERVICES	28,200
ECONOMIC DEVELOPMENT	
SMALL BUSINESS LOAN PROGRAM	30,000
AFFORDABLE HOUSING	
REHABILITATION LOAN PROGRAM	160,000
LEAD TESTING/CLEARANCE/TRAINING	5,000
COMMUNITY CONCEPTS INC./WEATHERIZATION	62,250
CURB APPEAL PROGRAM	100,000
PUBLIC IMPROVEMENTS	
MUNICIPAL BEACH IMPROVEMENTS	62,500
EDWARD LITTLE PARK IMPROVEMENTS	15,000
DEMOLITION	
DEMOLITION OF 61 WEBSTER STREET	57,300
NEW AUBURN RIVER TRAIL/DEMOLITION OF 9 BROAD AND 6 SECOND STREETS	110,000
PUBLIC SERVICES	
ANDROSCOGGIN HEAD START/FAMILY ADVOCACY	7,000
AUBURN RECREATION DEPARTMENT/RECREATION SCHOLARSHIPS	25,000
LITERACY VOLUNTEERS OF ANDROSCOGGIN COUNTY/ADULT LITERACY	8,000
SAFE VOICES/SOCIAL SERVICES	3,000
HEATING ASSISTANCE LOANS	20,000
TEDFORD HOUSING	5,000
GOOD NEIGHBOR START-UP	1,000
CATHOLIC CHARITIES/SEARCH	2,500
SENIORS PLUS/MEALS ON WHEELS	3,500
TOTAL BUDGET	\$907,450

FY2013 BUDGET DESCRIPTIONS

ECONOMIC OPPORTUNITY

1. Small Business Loan Program

BUDGET: \$30,000

PROJECT DESCRIPTION: Funds will be used to provide loans to small businesses or to start-up located in Auburn.

PROGRAM HIGHLIGHTS:

Loans approved by Community Development Loan Committee

- Company with 5 or fewer employees,
 - Business start-ups or existing businesses
 - \$15,000 maximum
 - Interest rate prime plus ½%
 - Term up to 10 years
 - Minimum 1 full-time equivalent job available to or taken by low-income persons or owner is low income
-

QUALITY AFFORDABLE HOUSING

2. Rehabilitation Loan Program

BUDGET: \$160,000 Rehab

PROJECT DESCRIPTION: Funds will be used to provide loans under the Rehabilitation Loan Program.

The Rehabilitation Program helps to maintain and upgrade the quality of housing, particularly in targeted areas and assists low-income property owners and investors with their housing problems. The program also helps to increase or stabilize the tax base, provides an economic stimulus for contractors and suppliers, eliminates lead hazards, and prevents properties from becoming blighting influences in the more densely populated neighborhoods.

PROGRAM HIGHLIGHTS:

Loans approved by Community Development Loan Committee

Spot Rehab Loan Program

Objective: Eliminate conditions detrimental to public health and safety/emergency repairs

- Target areas and city-wide
- No match required
- Owner-occupied
 - Income is under 65% of area median income
 - \$18,000 maximum
 - Loan payments are deferred to a future time
 - Interest rate 0%
- Owner-occupied and non-profits
 - Income is above 65% of area median income
 - \$18,000 maximum
 - Term up to 15 years
 - Interest based on income
 - 0-80% median income 0%
 - 80-100% median income 2%
 - 100-120% median income 4%
 - 120-above 6%
- Investor-owned
 - Target area only
 - \$18,000 maximum
 - Interest rate 6%
 - Eligibility based on severity of building's condition and building cash flow
 - Term up to 15 years
- Sewer Connection Assessment Grants
 - One-half of the assessment fee
 - Income below 80% median income

Residential Rehabilitation Loan Program

Objective: Improve the quality of housing

Target areas only

- Owner-occupied, investor owned, and non-profits
- \$25,000 for the first unit, \$20,000 for each additional unit
- Property must meet housing standards
- Interest rate 2%
- Term up to 25 years
- Leverages 25% private funds

Low Income/target areas and city-wide

- Owner-occupied
 - Income is under 80% of median income
 - Maximum \$25,000 for the first unit, \$20,000 for each additional unit
 - Interest rate 0%
 - Term up to 25 years
 - Buildings outside target area must have 51% low-income occupancy
 - No match required
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3. **Lead Testing and Clearance**

BUDGET: \$5,000

PROJECT DESCRIPTION: To provide funds to cover the cost of performing lead clearances for rehabilitation projects.

All rehabilitation projects must now comply with strict lead requirements to reduce the hazards caused by lead-based paint. One of the requirements imposed by Title X is that a property that is rehabilitated with federal funds must be lead safe that is documented through a clearance test. These funds pay for the contractor to take samples and have the sample analyzed by a certified lab.

4. **Community Concepts, Inc. Weatherization**

BUDGET: \$62,250

DESCRIPTION: Funds will be used to weatherize homes and pay for program salaries.

Funds will be used by Community Concepts, Inc. to weatherize 15 homes. This weatherization program is very comprehensive and includes wall and ceiling insulation, windows, doors, etc. An assessment is done to determine payback and only improvements which have a reasonable payback are undertaken. The City's funds are provided as a deferred loan to the customer—our funds are repaid when the property is sold. CCI is required to match the amount of our loan. Their match has been substantially higher than the minimum amount. The leveraged funds come from a Department of Energy that would not come to our community without this CDBG resource.

ATTRACTIVE NEIGHBORHOODS

5. Curb Appeal Program

BUDGET: \$100,000

DESCRIPTION: Funds will be used to improve residential and commercial properties in three target areas, Downtown, New Auburn and Union Street.

The program will improve the visual quality of properties in target areas by providing loans and grants on a competitive basis. Applicants will submit proposals which will be ranked based on degree of visual improvement, visual prominence of the building to be improved, and private investment. We do not anticipate all applications will be funded. These funds should assist 8 applicants.

6. Municipal Beach Park Improvements

BUDGET: \$62,500

PROJECT DESCRIPTION: Improvements will increase utilization of the municipal beach area.

The scope of work has not yet been identified. A water quality report has been issued, but not yet reviewed by the City Council. The status of this project has not yet been determined.

7. Edward Little Park Improvements

BUDGET: \$15,000

DESCRIPTION: Funds will be used to complete the improvements started in FY2012. These include park benches, trash receptacles and trees.

Last year the City Council budgeted \$25,000 for this park. This amount is inadequate to complete all of the improvements needed to revitalize the park. The FY2012 budget will be adequate to remove all existing improvements—deteriorated park benches and receptacles, an unused water fountain, and sidewalks, and replace with asphalt walks, loam and seed. The work will be undertaken by the Public Works Department. The FY2013 allocation will complete the project.

8. Demolition of Public Property

BUDGET: \$57,300

PROJECT DESCRIPTION: Demolition of 61 Webster Street

The City tax acquired the property at 61 Webster Street in 2011. The property was evaluated by our Housing Coordinator and Code Enforcement Officer who both agreed the building cannot be saved.

9. New Auburn River Trail

BUDGET: \$110,000

PROJECT DESCRIPTION: Relocation of tenants and demolition of 9 Broad Street and 6 Second Street.

These two properties will be purchased in the next few months, and the buildings demolished to make way for a park adjacent to Little Andy Park. The park will include a walking trail along the Androscoggin River.

HIGH QUALITY OF LIFE

10. Androscoggin Head Start and Child Care

BUDGET: \$7,000

PROJECT DESCRIPTION: Funds would provide social services for families enrolled in head start and licensed child care programs.

Services are available to economically disadvantaged children whose parents are working or in job training. These services assist families in meeting their basic needs, provide parent training, provide information and referrals, develop a strategy to maintain or attain economic independence, and provide crisis intervention. These services facilitate families' efforts to maintain or obtain financial independence from assistance and increase their quality of life. This service will assist 30 Auburn families.

11. Auburn Recreation Department

BUDGET: \$25,000

PROJECT DESCRIPTION: Funds will be used to provide scholarships for extremely-low and very-low income households who participate in Auburn's recreation programs.

The Recreation Department initiated registration fees to supplement the cost of programming. They maintain a policy that allows any child to participate regardless of their family's economic status. They have received an increasing number of requests for scholarship assistance. Scholarships will be limited to pre-school children through secondary school level whose household income is less than 50% of Area Median Income. This service will assist 125 children to participate in recreation programming.

12. Literacy Volunteers of America/Androscoggin

BUDGET: \$8,000

PROJECT DESCRIPTION: Funds will be used to help recruit, train and support volunteers to provide tutoring to illiterate adults and families.

The Adult Literacy Program provides one-on-one tutoring for reading, writing, and basic math for adults and families in Androscoggin County who are at the lowest two literacy levels. They also offer one-on-one tutoring for speakers of other languages. The focus is to help adults with low literacy skills and immigrants gain critical reading, writing, and math skills that apply to employability. They expect to serve 103 Auburn residents.

13. Safe Voices

BUDGET: \$3,000

PROJECT DESCRIPTION: Funds will be used to pay for a portion of salaries for shelter workers in order to maintain current level of staffing.

The shelter serves women and children who are victims of domestic violence. The 17-bed shelter is open 24 hours, 365 days each year with 2 day staff and one evening staff. Their clients are usually forced to leave behind most of their possessions and many lose their jobs when they come to the shelter. Staff provides technical assistance and emotional support that allows women and children who become homeless to begin again. They also develop safety plans and extend case management services, advocacy, parenting support, housing assistance, job search assistance and referrals to other service providers. The shelter expects to provide services to 18 woman and children from Auburn.

14. Heating Assistance Loans

BUDGET: \$20,000

DESCRIPTION: To provide an additional resource to assist low-income homeowners to pay for heating fuel.

Loans of \$750 and \$1,000 will be offered to low-income homeowners to supplement their personal resources to heat their homes. Funds must be used within a three-month period in a

heating season and may be used to pay for oil, natural gas, propane, wood, pellets, or electric heat. Staff expects to assist 30 households.

Loans are approved by Auburn's Social Services Director based on income.

PROGRAM HIGHLIGHTS:

Objective: Supplement personal resources to heat home

- Program administered in collaboration with Auburn's Social Services Department
- Funds available November – March
- Funds must be used within 3 months of loan closing
- Less than \$10,000 liquid assets
- Interest rate 2%
- Loans are deferred until time of transfer
- Income is under 50% median income/loan is \$1,000
- Income is between 50-80% median income/loan is \$750

15. Tedford Housing

BUDGET: \$5,000

DESCRIPTION: Funds will be used to pay for residential attendant services for a supportive housing project in Auburn.

Tedford Housing operates a permanent supportive housing for formerly homeless single adults. Services will help these individuals to improve quality of life and remain living independently. They serve 6 Auburn residents.

16. Good Neighbor Start-up

BUDGET: \$1,000

DESCRIPTION: To provide grants to assist low-income homebuyers with housing start-up costs.

The Good Neighbor Program offers \$1,000 or \$500 grants to low-income households who are purchasing a home. The grant may be used to purchase a stove or refrigerator, lawnmower, minor home improvements such as painting, moving costs, and utility connections. The program would serve 1 household.

17. Catholic Charities/Search

BUDGET: \$2,500

DESCRIPTION: Funds will be used to assist elderly clients and those with disabilities with support services to help them remain independent.

This program is administered through volunteers and helps clients to remain independent and reduce isolation. Volunteers make telephone reassurance calls, home visits, and assist with home and yard chores, provide transportation to appointments, help with paperwork, socialization, and referrals to other programs. The program serves 50 Auburn residents.

18. Seniors Plus

BUDGET: \$3,500

DESCRIPTION: To provide nutritious meals to homebound older adults and adults with disabilities helping them to remain in their own homes as long as possible.

The program provides 12,589 meals to Auburn residents. The number of adults in need of this service is growing. There are now 15 Auburn residents on a waiting list to receive this service. The cost is \$2,000 per person for a full year's worth of meals. The program will serve 80 Auburn residents.

END OF COMMUNITY DEVELOPMENT BUDGET

HOME INVESTMENT PARTNERSHIPS PROGRAM

Source of Funds: U. S. Department of Housing and Urban Development

Objective: Housing

- Expand supply of decent, safe, sanitary and affordable housing
- Strengthen public-private partnerships
- Development of rental housing

Eligible Activities

- Rehabilitation
- Rental housing
- Homebuyer assistance
- Tenant-based rental assistance

100% of these funds must be spent on housing activities that benefit low-income households

AUBURN HOME INVESTMENT PARTNERSHIPS PROGRAM FY2013 BUDGET

SALARIES	
PROGRAM ADMINISTRATION	\$25,500
PROJECT DELIVERY COSTS	45,000
GOODS AND SERVICES	2,500
AFFORDABLE HOUSING	
HOMEBUYER ASSISTANCE	110,000
HOMEBUYER/YOUTHBUILD	40,000
HOMEOWNER REHABILITATION	369,831
TENANT BASED RENTAL ASSISTANCE/SECURITY DEPOSITS	11,511
TOTAL BUDGET	\$604,342

FY2013 BUDGET DESCRIPTIONS

1. Homebuyer Assistance

BUDGET: \$110,000

PROJECT DESCRIPTION: Funds will be used to provide loans to make housing affordable for income eligible applicants.

2. Homebuyer Assistance/Youthbuild

BUDGET: \$40,000

PROJECT DESCRIPTION: The Community Development Department will partner with Goodwill Industries for the Youthbuild Program and Auburn Housing Development Corporation to redevelop a tax-acquired property at 73 Paul Street. The property will be donated to Auburn Housing Development Corporation, a local CHDO, who will hold title until the property is sold to a low-income household. Funds will be used to purchase materials and some contracted construction services.

3. Homeowner Rehabilitation

BUDGET: \$369,831

PROJECT DESCRIPTION: Funds will be used to provide amortized loans for housing improvements of owner-occupied income-eligible households.

4. Tenant Based Rental Assistance

PROPOSED BUDGET: \$11,511

PROJECT DESCRIPTION: Funds will be used to provide interest -free loans to pay the security deposit for income eligible households who are homeless or at risk of homeless.

LEWISTON HOME INVESTMENT PARTNERSHIPS PROGRAM FY2013 BUDGET

SALARIES	
ADMINISTRATION	10,292
AFFORDABLE HOUSING	
HOMEBUYER ASSISTANCE	58,750
HOMEOWNER REHABILITATION	218,607
RENTAL DEVELOPMENT	0
TENANT BASED RENTAL ASSISTANCE/SECURITY DEPOSITS	7,500
TOTAL EXPENDITURES	\$295,149

FY2013 BUDGET DESCRIPTIONS

1. Homebuyer Assistance

PROPOSED BUDGET: \$58,750

PROJECT DESCRIPTION: Funds will be used to provide loans to make housing affordable for income eligible applicants.

2. Homeowner Rehabilitation

PROPOSED BUDGET: \$218,607

PROJECT DESCRIPTION: Funds will be used to provide amortized loans for housing improvements of owner-occupied income-eligible households.

4. Rental Housing

PROPOSED BUDGET: \$0

PROJECT DESCRIPTION: Funds will be used to provide amortized and deferred payment loans for development of affordable rental housing.

2. Tenant Based Rental Assistance

PROPOSED BUDGET: \$7,500

PROJECT DESCRIPTION: Funds will be used to provide security deposit loans for income eligible households receiving rental subsidies who are homeless or at risk of homeless.

END OF HOME BUDGET

OTHER GRANTS

Source of Funds: U. S. Department of Housing and Urban Development

FY2013 BUDGET/OTHER GRANTS

GRANT SOURCE	ACTIVITY	AMOUNT
LEAD HAZARD CONTROL GRANT	SALARIES	3,500
NEIGHBORHOOD STABILIZATION PROGRAM GRANT (NSP-1)	SALARIES	2,500
NEIGHBORHOOD STABILIZATION PROGRAM GRANT (NSP-3)	SALARIES	3,500
TOTAL BUDGET		\$66,500

END OF OTHER GRANTS BUDGET