



**Neighborhood  
Services**

# **FY 2024-2025 Annual Action Plan**

**One-Year Implementation Plan for  
Community Development  
PY 2024-2025**

## Executive Summary

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

#### 1. Introduction

The City of Tyler (the City) is a federal entitlement community under the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) and HOME Investment Partnership. As a HUD entitlement community, the City is required to prepare an Annual Action Plan to implement the CDBG and HOME program that funds housing, community development and economic development within the community. The City of Tyler Annual Action Plan covers the period from October 1, 2024 to September 30, 2025.

The City of Tyler will receive \$755,127.00 in CDBG funds and \$304,153.31 in HOME funds for the 2024-2025 program year. This is the fifth (5th) year to implement the high priority needs that are identified in the City of Tyler's Five (5) Year Consolidated Plan (2020-2024). In this fifth (5th) year, CDBG and HOME funds are allocated to Homebuyer's Down Payment Assistance, Critical Home Repair, Demolition, New Construction, Public Facilities and Improvements and Program Administration. During the development of this plan, the City used an effective citizen participation process in compliance with the regulations set forth in 24 CFR Part 91.

The City's Community Participation Plan encourages and empowers citizens to participate in the development of viable urban programs. The City utilizes the public input received to help establish strategies and priority needs to guide the development of the Annual Plan.

Two (2) public hearings were held to solicit input from residents, developers, contractors, and social service providers in Tyler. There were no public comments received regarding allocating 2024-2025 funding to address community needs and potential partnerships to leverage resources.

The projects and programs described in the Annual Action Plan are aligned with the Strategic Plan, as outlined in the 2020–2024 Consolidated Plan. The Annual Plan for the 2024– 2025 Program Year will place considerable emphasis on improving public infrastructure by leveraging public funds and entitlement funds. In addition to the alignment to the Strategic Plan, other federal requirements will be considered to determine if a project is eligible for CDBG and HOME funding. Any project or activity must meet at least one of the three (3) National Objectives to be eligible [24 CFR 570.200 (a)]: 1) Benefit low to moderate income persons, or 2) Prevent slum or blight; or 3) Meet an urgent need.

## Expected Resources

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

#### Introduction

The City of Tyler receives funding for the Community Development Block Grant Program (CDBG) and HOME Investment Partnership Program (HOME). This program will bring approximately \$5,500,000.00 into the City through CDBG and HOME Entitlement funds to support affordable housing and promote non-housing community development during the next five-year period. During the first year (FY 2024-2025), the City will receive \$755,127.00 in CDBG and \$304,153.31 in HOME Entitlement funds. The funds will be used primarily for administration, acquisition, housing reconstruction, new construction, first-time homebuyers, and various targeted public facilities improvements.

#### 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	755,127.00	0.00	0.00	755,127.00	3,020,508.00	Expected amount for remainder of Con Plan equals the Year 1 Annual Allocation times four

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	304,153.31	0.00	0.00	304,153.31	1,216,613.24	Expected amount for remainder of Con Plan equals the Year 1 Annual Allocation times four.

**Table 1 - 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**

Federal funds will be leveraged through the ability of service organizations to raise program funds through outside sources and other adjustments by the City for housing development activities in underdeveloped and low-mod areas, such as waiver of fees for water, sewer, permits, etc. Additionally, the City will consider establishing Neighborhood Empowerment Zones in partnership with participating developers.

Other sources of funding will include: the HUD Housing Choice Voucher Program, HOME ARP Funds, Low-Income Housing Tax Credit (LIHTC), Federal Home Loan Bank, state funds, private lender financing, private foundation funds, non-profit organizations, for-profit developers, and local contributors. We will also leverage the coordination of programs with non-profit partners and volunteer work groups who will provide labor and assistance.

HUD requires the City of Tyler to have a local match for the HOME Participation Funds. Matching funds can come from various sources, such as city general funds, donated properties, city services, locally-funded infrastructure, Community Development Corporations, fee waivers from other city departments, in-kind services from the Affordable Housing Task Force, funds from private lending institutions, private

investments, and local higher education partners.

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

The City is looking to make lots available to developers through the Housing Infill Program (HIP), which will commit to building affordable housing in low-mod census tract areas or selling the houses to low-mod homebuyers as part of the Affordable Housing Task Force. Priority is given to projects that intend to revitalize neighborhoods and stimulate economic development within the City.

## **Discussion**

Working together with other entities in the City, such as non-profits and private foundations, will allow the City to better leverage the CDBG and HOME funds and better identify the needs of lower-income citizens.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Homebuyers	2015	2019	Affordable Housing	City of Tyler	Decent and Affordable Housing	CDBG: \$60,000.00	Direct Financial Assistance to Homebuyers: 5 Households Assisted
2	Public Facilities	2015	2019	Non-Housing Community Development	City of Tyler	Non-Housing Community Development	CDBG: \$161,400.00	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 500 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 0 Beds
3	New Construction/Reconstruction	2015	2019	Affordable Housing	City of Tyler	Decent and Affordable Housing	HOME: \$280,287.55	Homeowner Housing Added: 6 Household Housing Unit
4	Single Family Housing Goals	2015	2019	Affordable Housing Homeless	City of Tyler	Decent and Affordable Housing	CDBG: \$285,000.00	Homeowner Housing Rehabilitated: 15 Household Housing Unit

Table 2 – Goals Summary

#### Goal Descriptions

Annual Action Plan  
2024

<b>1</b>	<b>Goal Name</b>	Homebuyers
	<b>Goal Description</b>	Funds to provide or expand affordable housing opportunities for low-income homebuyers by providing down payment and closing cost assistance (including direct & project delivery costs) and homebuyer education assistance.
<b>2</b>	<b>Goal Name</b>	Public Facilities
	<b>Goal Description</b>	Funds to construct infrastructure and construct or rehabilitate public facilities.
<b>3</b>	<b>Goal Name</b>	New Construction/Reconstruction
	<b>Goal Description</b>	Construction of modest and affordable dwellings for low-moderate households.
<b>4</b>	<b>Goal Name</b>	Single Family Housing Goals
	<b>Goal Description</b>	Funds to preserve existing housing through Minor/Critical Repair and Removal of Architectural Barriers of owner-occupied dwelling (including direct costs and project delivery costs).



## Projects

### AP-35 Projects – 91.220(d)

#### Introduction

The following projects were developed by staff with consultation from non-profit service providers and community input through priorities established with involvement of the community survey, and meetings with social service agencies regarding the housing and community development needs of low-mod income citizens, children, elderly persons, persons with disabilities, veterans, and homeless persons.

#### Projects

#	Project Name
1	Administration
2	Critical Home Repair and Accessibility
3	Public Facilities
4	First Time Homebuyer
5	Construction/Reconstruction
6	CHDO Reserve

Table 3 - Project Information

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

The projects mentioned above were carefully selected from a wide range of project proposals based on their alignment with the priorities established through the Consolidated Plan forums and community survey process. These projects are considered to be of utmost importance and/or address critical needs within the community. One of the main challenges in addressing these needs is the limited availability of resources.

**AP-38 Project Summary**  
**Project Summary Information**

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1	<b>Project Name</b>	Administration
	<b>Target Area</b>	City of Tyler
	<b>Goals Supported</b>	Homebuyers Public Facilities New Construction/Reconstruction Single Family Housing Goals
	<b>Needs Addressed</b>	Non-Housing Community Development
	<b>Funding</b>	CDBG: \$151,025.00 HOME: \$30,415.00
	<b>Description</b>	This project aims to offer comprehensive management, oversight, coordination, planning, and capacity building activities in accordance with 24 CFR 570.205 and .206 for Community Development Block Grant (CDBG) and HOME Investment Partnerships Program funds.
	<b>Target Date</b>	9/30/2025
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	N/A
	<b>Location Description</b>	900 W. Gentry, Tyler, Texas 75702
	<b>Planned Activities</b>	Manage and administer all programs and projects under CDBG and HOME.
2	<b>Project Name</b>	Critical Home Repair and Accessibility
	<b>Target Area</b>	City of Tyler
	<b>Goals Supported</b>	Single Family Housing Goals
	<b>Needs Addressed</b>	Decent and Affordable Housing
	<b>Funding</b>	CDBG: \$226,538.00

	<b>Description</b>	Critical Home Repair program- to assist owner-occupied, low/mod income households with critical repairs that will help bring their house up to minimum standards. Repairs help eliminate hazardous situations such as plumbing or sewer leaks, electrical system hazards, furnace/heater repairs, water heater replacement, exterior door replacement, structural failures, roof repairs, rotted wood replacement, or other minor code-related violations. Critical repairs include reasonable accommodations for persons with disabilities, such as handicapped ramps, handrails, grab bars, bathroom modifications, door alterations, etc. Critical repair is in accordance with ADA (Americans with Disabilities Act) requirements. This includes activity costs and activity delivery costs
	<b>Target Date</b>	9/30/2025
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The estimated number of low-mod income households per fiscal year is 20
	<b>Location Description</b>	City of Tyler
	<b>Planned Activities</b>	Critical Repair Program, ADA Accessibility Program, Insurance and premiums and, where needed to protect the grantee's interest in properties securing a rehabilitation loan, hazard insurance premiums as well as flood insurance premiums for properties covered by the Flood Disaster Protection Act of 1973, as amended, pursuant to §570.605.
3	<b>Project Name</b>	Public Facilities
	<b>Target Area</b>	City of Tyler
	<b>Goals Supported</b>	Public Facilities
	<b>Needs Addressed</b>	Non-Housing Community Development
	<b>Funding</b>	CDBG: \$377,564.00
	<b>Description</b>	This important initiative is dedicated to improving public amenities in low to moderate-income areas of the city. The primary focus is to develop much-needed parks, enhance lighting infrastructure, and provide bus shelters in these specific communities, where such resources are currently lacking.
	<b>Target Date</b>	9/30/2025

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	These activities will be focussed on specific Block Groups where the number of families could be 1000 or more combined.
	<b>Location Description</b>	The City of Tyler Low and Moderate Income Block Groups
	<b>Planned Activities</b>	This important initiative is dedicated to improving public amenities in low to moderate-income areas of the city. The primary focus is to develop much-needed parks, enhance lighting infrastructure, and provide bus shelters in these specific communities where such resources are currently lacking.
4	<b>Project Name</b>	First Time Homebuyer
	<b>Target Area</b>	City of Tyler
	<b>Goals Supported</b>	Homebuyers
	<b>Needs Addressed</b>	Decent and Affordable Housing
	<b>Funding</b>	HOME: \$60,830.00
	<b>Description</b>	First Time Home Buyer Program for Low-Mod Income Buyers toward down payment and closing cost assistance.
	<b>Target Date</b>	9/30/2025
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately five households will benefit from the proposed activities.
	<b>Location Description</b>	City of Tyler
	<b>Planned Activities</b>	First Time Home Buyer Program for Low-Mod Income Buyers toward down payment and closing cost assistance.
5	<b>Project Name</b>	Construction/Reconstruction
	<b>Target Area</b>	City of Tyler
	<b>Goals Supported</b>	New Construction/Reconstruction
	<b>Needs Addressed</b>	Decent and Affordable Housing
	<b>Funding</b>	HOME: \$167,286.00
	<b>Description</b>	Construct new affordable homes for low and very low-income families, including activity and activity delivery costs.

	<b>Target Date</b>	9/30/2025
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately four families will benefit from the proposed activities.
	<b>Location Description</b>	The activities will take place throughout the City of Tyler.
	<b>Planned Activities</b>	Acquire lots and construct new affordable housing for low and very low income families.
6	<b>Project Name</b>	CHDO Reserve
	<b>Target Area</b>	City of Tyler
	<b>Goals Supported</b>	Single Family Housing Goals
	<b>Needs Addressed</b>	Decent and Affordable Housing
	<b>Funding</b>	HOME: \$45,622.00
	<b>Description</b>	15% set aside for CHDO
	<b>Target Date</b>	9/30/2025
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 2 families will benefit from the proposed activities.
	<b>Location Description</b>	Activities will be located throughout the City or Tyler.
	<b>Planned Activities</b>	15% of HOME funds to be utilized by an eligible CHDO for investment only in housing owned, developed, or sponsored by a CHDO under 24 CFR 92.300

## **AP-50 Geographic Distribution – 91.220(f)**

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

Much of the funding from the CDBG and HOME programs is available for use in any of the target neighborhoods or citywide, depending on the specifics of the designated activities. Also, some funding is available according to individual benefit rather than area benefit. Other eligible projects and activities can be available on a city-wide basis unless they are required by HUD regulations to be limited to specific identified low-income areas.

### **Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
City of Tyler	100

**Table 4 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

The City has worked closely with the public and civic leaders to ascertain the priority needs within the targeted areas. In accordance with the successful past targeting of federal funds in identified annual target areas, the City has made available a percentage of the CDBG funds for affordable housing and public facilities projects and activities located in the City.

### **Discussion**

Based on the information gained during the development of the Consolidated Plan, the City will make the HOME Program funds available for affordable housing activities throughout the City, with no geographic preference. Information on how the City of Tyler assesses eligibility for programs is found in the Neighborhood Services (NBS) General Administrative Guidelines. Eligibility criteria are further explained in separate documentation for each program administered by Neighborhood Services - Community Development Division. The General Administrative Guidelines can be found at the office of Neighborhood Services located at 900 W. Gentry Parkway, or this information can be obtained by contacting the Community Development Office at (903) 531-1303. **GENERAL ADMINISTRATIVE GUIDELINES 1. PURPOSE - APPLICATION PROCEDURES**

A. Neighborhood Services will provide public notice and advertisement regarding the availability of the program funds in accordance with the requirements contained in the City's approved Citizen Participation Plan. Interested applicants will be given application and verification forms and instructions for completion. Staff is available to assist with completion of required forms. Applicants can receive an

application, instructions, and verification forms from the front desk secretary at the NBS office. All forms are kept up front for easy access for anyone who visits. Applicants can drop by the office, call and set up an appointment, or email a staff member, and forms can be emailed. If the applicant is handicapped or does not have transportation, instructional forms, and an application can be mailed to the client.

B. Applications must be submitted in writing. You can fill out the original application at the NBS office or bring it back at a later date and give it to the front desk receptionist. The receptionist will then route it to the proper personnel for review. Household income and other eligibility criteria will be determined and certified by examining source documents, such as wage statements from employers, interest statements, and Warranty Deeds. Any changes in information must also be submitted in writing by the applicant.

As a first priority, all applications are evaluated to determine if the applicant qualifies by being at or below 80 percent of the medium income range. Depending on the specific program applied for, applications are also considered and evaluated on a first-come, first-served basis for the Owner-Occupied Minor Repair Program. For the First-Time Homebuyer program, eligibility, and capacity criteria are considered. For the Owner-Occupied Reconstruction Programs, along with income eligibility, a housing need basis is a determining factor.



## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

The City maintains a strong commitment to preserving and maintaining the existing supply of affordable housing and increasing the availability of affordable housing opportunities through facilitating and funding new construction efforts. HOME funds specifically target housing activities for low-income persons and families, providing assistance for homebuyers, homeowners, rental development, and new construction activities. CDBG and HOME funds are also made available to provide direct assistance with homebuyer and reconstruction and construction activities and to fund infrastructure and public facilities that allow for the new infill housing development.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	29
Special-Needs	0
Total	29

Table 5 - 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	4
Rehab of Existing Units	20
Acquisition of Existing Units	0
Total	24

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

#### Discussion

The city is dedicated to supporting households by producing new units and rehabilitating existing ones. In addition, the city's CDBG and HOME administrator collaborate closely with the HCV administrator to ensure maximum support for households.

## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

Tyler does not have a public housing authority or public housing units.

The continued affordability of housing units assisted through the City's programs is ensured through the use of liens with designated occupancy and affordability requirements. The City also continues to develop its relationship with non-profit housing and service providers and local lending institutions to improve the quality and quantity of its affordable housing stock. The City participates in HUD's **Housing Choice Voucher Program** and currently manages a total of 1022 vouchers, of which 39 are allocated for Veterans Affairs Supported Housing (VASH) and 9 Emergency Vouchers. The City's HCV Program inspectors ensure that the subsidized housing units continue to meet Housing Quality Standards (HQS) through initial, annual, and special inspections.

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

**Strategy 1.2.4:** Coordinate with the Housing Choice Voucher Program (HCV) to identify homeownership opportunities through their subsidized funds.

**Output:** Meet with the Housing Choice Voucher Program Manager at least annually to discuss homeownership opportunities for participants.

**Outcome:** HCVP participants that transition into homeownership.

**Indicator:** The number of HCVP participants that transition into homeownership.

The City of Tyler also provides support from its local general fund to assist with economic development activities to attract and retain new businesses and job opportunities that are available to low-income and underserved populations.

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

The City of Tyler does not have public housing, but it administers the Housing Choice Voucher Program, providing vouchers to 1022 low-income families each month. Many apartment complexes participate in the Housing Choice Voucher Rental Assistance Program, offering rental assistance to tenants in their units. The city aims to continue and expand affordable housing programs to reduce the economic

impact of rent and homeownership burdens on low-income households. It also supports local non-profit organizations that provide educational courses on homebuyer and homeowner responsibilities, home maintenance, budgeting, nutrition, parenting, affordable rental units, and other health and human services. Additionally, the city pledges to support public service activities that enhance the quality of life for low-income residents, help youth reach their full potential, and break the cycle of poverty. The city also seeks to expand the Housing Choice Voucher Homeownership Program and apply for the Family Self-Sufficiency Program funding annually to provide supportive and educational services aimed at reducing dependence on subsidy programs. Furthermore, the city will provide economic development incentives using local funds to encourage the retention and creation of employment opportunities for low-income residents. It also aims to promote collaboration and reduce duplication of efforts among regional entities and public service providers, and participate in initiatives to provide supportive services and environments for homeless and special-need populations.

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

Tyler does not have a public housing authority or public housing units.

**Discussion**

The Housing Choice Voucher (HCV) program continues to assist with mortgage payments through Housing Vouchers. The Family Self-Sufficiency (FSS) program is currently assisting 31 families. The Community Development staff holds regular meetings with the FSS and Homeownership staff to strategize how to make the most of program and homeownership funds. These meetings are meant to inspire ideas and initiatives for participants, with the goal of reducing their reliance on subsidy programs. Staff will continue to share their expertise in affordable housing, as well as provide assistance with down payments, closing costs, and programming initiatives to promote self-sufficiency among program participants. The FSS program is currently serving 38 families who are participating in the HCV program, and these families have either completed or are in the process of completing the following goals: (1) obtaining or maintaining employment; (2) creating their own source of income through the opening of businesses; (3) pursuing higher education; and (4) entering homeownership.

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

### **Introduction**

The City's comprehensive strategy prioritizes continued engagement in the Texas Balance of States CoC and active support for diverse agencies and organizations providing vital services such as supportive care and various housing options, including emergency, transitional, and permanent residences. These focused efforts are detailed in the Consolidated Plan and will be diligently pursued by the City.

**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**

**Goal 1:** Improve the condition and availability of affordable housing in FY 2024-2025.

**Objective 1.1:** Strengthen the collaboration with homeless providers to supply a continuum of services.

**Strategy 1.1.1:** Attend meetings, conferences, seminars, and outreach activities that support homeless efforts.

**Output:** Attend at least 3 meetings and support at least one outreach effort.

**Outcome:** A clear understanding of issues surrounding homelessness and possible solutions.

**Strategy 1.1.2:** Provide staff assistance for subcommittees, homeless counts, and Continuum of Care development.

**Output:** At least one staff member will participate on one subcommittee and assist with homeless counts.

**Outcome:** Increased participation by the City of Tyler in the homeless continuum of care process.

**Goal 2:** Partner with local non-profits to conduct a feasibility study to determine how best to add transitional housing beds.

Funding required to meet the objectives listed above would come from the ESG entitlement or Super NOFA grants. City of Tyler is not an Entitlement for the ESG Grant. Funding levels determined annually based grant funds available. Coordination efforts will be carried out by existing staff.

In order to reach out to homeless persons, The East Texas Human needs Network or other service providers organization will need to meet with city/county government, hospitals, Department of Human Services, the Justice System, and law enforcement agencies to develop a team approach to discharge planning in the East Texas area. This will involve a four-step strategy of identifying the scope of the problem, identifying priorities. Locating resources, and implementing institutional change.

#### **Addressing the emergency shelter and transitional housing needs of homeless persons**

In a community the size of Tyler, there is constant communication between supportive service and housing providers. The East Texas Human Needs Network has facilitated a more formal collaboration between service providers. The monthly network meetings provide a forum for discussing obstacles and learning about new services. In addition, the local 2-1-1 Call for Help through United Way and Camp V also meets quarterly with all agencies listed in their services for homeless individuals and families and is the primary method used to move homeless individuals through the system.

For homeless persons entering the system, the 2-1-1 Texas A Call for Help Community Resource Center and the Homeless Management Information System (HMIS) can offer information and referral to case management and other supportive services. Most services are provided on a first-come, first-serve basis with the majority of programs having an application process and eligibility requirements.

**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**

Please remember the following information about local organizations providing emergency/transitional housing and supportive services to homeless and at-risk individuals:

Several local organizations, such as social service agencies, charitable groups, and religious organizations, offer emergency/transitional housing and supportive services to the homeless and at-risk persons, including abused women and children and substance abusers. The East Texas Human Needs Network will continue to expand the HMIS to provide up-to-date information on services.

Supportive services in the city include, but are not limited to:

Outreach, Intake and Assessment:

- The Salvation Army
- HiWay 80 Rescue Mission

Homeless Prevention:

- The Salvation Army
- PATH

Permanent Affordable Housing:

- City of Tyler
- PATH
- The Salvation Army

Emergency Shelters:

- The Salvation Army
- East Texas Crisis Center
- Andrews Center (Veterans)

Transitional Housing:

- PATH

Permanent Supportive Housing:

- HUD VASH Vouchers (Veterans)

Supportive Services:

- PATH

- The Salvation Army (Social Services)

- Veterans Administration

- Gateway to Hope

- HiWay 80 Rescue Mission

With the addition of the 2-1-1 system across Texas, outreach to other homeless individuals has become easier. Anyone in need can use any phone to dial 2-1-1 for assistance and be contacted immediately by Tyler's Community Resource Center.

Additionally, Camp V is available to help veterans with all facets of services.

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

The Texas Balance of State Continuum of Care states basic provisions of a discharge policy include:

- Discharge from institutions into homelessness is prohibited.
- Discharge planning begins at entry into the institution, and appropriate planning processes are created and monitored.
- Access to mainstream service systems (establishing eligibility while still in the institution is necessary for reducing recidivism and homelessness).

The East Texas Human Needs Network or other service providers organizations will need to meet with city/council government, hospitals, Department of Human Services, the justice System, and law enforcement agencies to develop a team approach to discharge planning in the East Texas area. This will

involve a four-step strategy of identifying the scope of the problem, identifying priorities, locating resources, and implementing institutional change.

## **Discussion**

The City continually works with local non-profit homeless providers to establish working relationships. These relationships allow the City to meet the needs of its homeless citizens by pooling resources and working collaboratively.



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

### **Introduction:**

The Analysis of Impediments to Fair Housing lists impediments to fair housing in Tyler. These impediments are identified in the Analysis of Impediments completed in August 2020 and are currently being updated. The following impediments are identified and discussed as barriers to fair housing. The City will evaluate the recommended remedial actions and will continue implementing those feasible recommendations during FY 2025. In the City of Tyler, local policies do not create the primary barriers to affordable housing. The City has made a concerted effort to streamline the development process and offer fee waivers for some development fees.

**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**

There are several barriers that negatively affect affordable housing in Tyler. These barriers include long waiting lists, the inability of residents to come up with rent and utility deposits, and the lack of adequate funding for local groups due to the sluggish economy and lack of philanthropy. Housing affordability is also impacted by local factors like the availability of land for new construction, the income of residents, the supply of housing, and housing costs. In Tyler, affordable housing is further hindered by insufficient funds for down payment, lack of credit, and poor credit. Additionally, the long-term affordability of a home, including the required monthly payments for principal, interest, taxes, and insurance, is often too high for a low-income household. Moreover, the availability of homes for sale in the price range and size for low- to moderate-income families is limited. According to the City's Tyler 1st Comprehensive Plan, about 60% of housing in Tyler consists of single-family houses. Prices for existing single-family houses in Tyler have increased substantially since 2022, and new houses are, on average, much larger and more expensive than existing homes. Nearly half of Tyler's households do not receive enough income to afford the median-priced single-family home, which is \$210,200.

The U.S. Department of Housing and Urban Development (HUD) defines a household experiencing a cost burden as having gross housing costs that exceed 30% of gross income. A severe cost burden occurs

when gross housing costs exceed 50% of gross income. The cost of homeownership can impact property maintenance, the ability to pay property taxes, and the household's ability to retain its home. High rents and prohibitive security deposits can also make it difficult for renters to afford units. With almost half of Tyler households below the median income, the cost of ownership or renting becomes a significant burden.

## **Discussion:**

To address barriers and impediments, the City of Tyler will take the following remedial actions:

**Action #1:** The city will continue to use entitlement funds to support increased production of affordable housing through public-private partnerships with developers and capacity building for nonprofits.

**Action #2:** The city will help facilitate access to below-market-rate priced units by leveraging federal funds to access nonfederal entitlement funding such as state low-income tax credits, federal home loan bank funding, and private sector participation in financing affordable housing and neighborhood reinvestment.

**Action #3:** The city will maintain a list of private partner lenders providing affordable housing financing and subsidies and offering buyers access to down payment, closing cost assistance, or favorable underwriting.

**Action #4:** The city will identify and support local developers seeking additional federal, state, and private sources of funds for affordable housing.

**Action #5:** The city will encourage private sector support for affordable housing that is developed as a component of market-rate and mixed-use development.

**Action #6:** The city will encourage banks and traditional lenders to offer products addressing the needs of households with poor and marginal credit, which negatively impacts their ability to qualify for mortgages. These products can assist individuals negatively impacted by utilizing predatory lenders. This may require traditional lenders and banks to establish "fresh start programs" for those with poor credit and previous non-compliant bank account practices.

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

The City continues to make available a significant portion of the federal grants to programs and activities that directly benefit low-income residents with affordable housing and health and human services needs. The City provided non-profit organizations and private housing developers with technical assistance and assistance with requests for data to research additional funding opportunities. The City also provided funding for programs designed to assist families in achieving self-sufficiency, thereby breaking the generation welfare cycle. These efforts were geared toward providing parent education, homebuyer education, mentoring, tutoring, emergency shelter, daycare services for low-income families, leadership development in low-income neighborhoods, and demolition projects to assist revitalization efforts.

### **Actions planned to address obstacles to meeting underserved needs**

The lack of a coordinated community effort to reduce gaps in services and duplication of effort amongst service providers hinders the ability to provide effective and efficient services that meet the identified needs of low income and special need populations. To address this issue, the City continues to evaluate and rank requests from organizations seeking public service funding. A mandatory workshop will be held for non-profit organizations interested in seeking federal funds, with the City providing technical assistance and information regarding the eligible uses of these funds and mandatory compliance and monitoring requirements. City staff will also be available to consult with individual agencies as needed. **A citizen's review committee** will be utilized to assist City staff and officials in evaluating the requests for funding in regards to the organization's capacity and ability to provide the service, the need and proposed use of the federal funds, the targeted population and numbers to be served, and the addressing of identified priority needs as contained in the Consolidated Plan.

The lack of a coordinated community effort to reduce gaps in services and duplication of effort among service providers hinders the ability to provide effective and efficient services that meet the identified needs of low-income and special-need populations. To address this issue, the City continues to evaluate and rank requests from organizations seeking public service funding. A mandatory workshop will be held for non-profit organizations interested in seeking federal funds, with the City providing technical assistance and information regarding the eligible uses of these funds, as well as mandatory compliance and monitoring requirements. City staff will also be available to consult with individual agencies as needed. A citizen's review committee will be utilized to assist City staff and officials in evaluating the requests for funding in regards to the organization's capacity and ability to provide the service, the need and proposed use of the federal funds, the targeted population and numbers to be served, and the addressing of identified priority needs as contained in the Consolidated Plan.

## **Actions planned to foster and maintain affordable housing**

The City maintains a strong commitment to preserving and maintaining the existing supply of affordable housing, as well as increasing the availability of affordable housing opportunities through facilitating and funding new construction efforts. HOME funds specifically target housing activities for low-income persons and families with assistance being provided for homebuyers, homeowners, rental development, and new construction activities. CDBG funds are also made available to provide direct assistance with homebuyer and rehabilitation activities and fund infrastructure and public facilities that allow for the new development of infill housing.

The continued affordability of housing units assisted by the city's programs is ensured through the use of liens with designated occupancy and affordability requirements. The City also continues to develop its relationship with non-profit housing and service providers and local lending institutions to improve the quality and quantity of its affordable housing stock.

Through the implementation of the 2025-2029 Consolidated Plan and the FY 2024-2025 Annual Plan, the City of Tyler will continue its efforts to foster decent housing for residents. Specifically, the City will:

- Continue to enforce the standards for all affordable housing programs administered and/or supported by the City.
- It continues to provide educational opportunities and training for its staff by administering affordable housing programs that provide housing that meet building and housing code requirements.
- Continue to facilitate and fund the efforts of other entities and non-profit organizations providing affordable and standard housing.
- Continue to enforce the Construction Specifications adopted by the Neighborhood Services Department that specify the quality of materials and acceptable workmanship standards to be utilized on all CDBG and HOME-funded projects.
- The City will continue to provide technical assistance and funding to support other projects and activities that remove health and safety hazards.
- Will continue to provide technical assistance and funding to improve public facilities and infrastructure in low-income neighborhoods. This will help encourage the redevelopment and creation of new affordable, decent housing options and improve the overall quality of life for low-income residents.

## **Actions planned to reduce lead-based paint hazards**

The city acknowledges that older homes may contain lead-based paint hazards, which can harm young children. The Homeless Needs Assessment has found that a significant number of homes in Tyler could

potentially have lead-based paint hazards.

The City is aware of the potential dangers of lead poisoning and will keep monitoring health data to identify any cases of the problem. The City will provide information to the public about the risks of lead paint and will continue testing for lead paint on housing units that are being considered for CDBG or HOME assistance.

The following actions will be undertaken:

- Appropriate City staff not yet certified will complete the EPA-Accredited Certified Renovator Training. Policies and procedures will be updated as required, and all contractors are required to complete the certified renovator training certification.
- Provide public information and education regarding lead-based paint,
- Integrate lead hazard evaluation and reduction activities into housing activities when applicable,
- Monitor regular reports from the County Health Department and Texas Department of State Health Services to track the level of reported lead poisoning,
- Encourage local construction contractors to become certified as lead paint inspectors, removers, and abaters, and
- Continue to develop technical capacity within the City to manage lead-paint-impacted projects.

### **Actions planned to reduce the number of poverty-level families**

In an effort to promote and encourage economic and social self-sufficiency, the City will undertake the following actions:

- Continue to provide and expand the Housing Choice Voucher Homeownership Program and the Family Self-Sufficiency Program (FSS) with funding received for FY 2025. The FSS Program is designed to provide supportive and educational services, leading to a decreased dependence on subsidy programs,
- Continue to provide and expand affordable housing programs to reduce the economic impact of rent and homeownership burdens on low-income households,
- Continue to provide economic development incentives utilizing local funds to encourage the retention and creation of employment opportunities available to low-income residents,
- Continue to include and enforce requirements of Section 3 in applicable contracts utilizing federal funds,
- Continue to support local non-profit organizations that provide educational courses in homebuyer and homeowner responsibilities, home maintenance, budgeting, nutrition, parenting, affordable rental units, and other health and human services,
- Continue to support public service activities that enhance the quality of life of low-income

residents,

- Continue to support public service activities that allow youth to meet their maximum potential and ultimately leave the poverty-environment,
- Encourage and initiate efforts to promote collaboration and reduce duplication of effort amongst the region's entities and public service providers, and
- Actively participate in the Texas Balance of States CoC for the Homeless and other local initiatives designed to provide supportive services and environments to assist homeless and special needs populations.

### **Actions planned to develop institutional structure**

The City of Tyler will oversee and implement the goals, objectives, and strategies outlined in this document through its Neighborhood Services Department. The City will use its CDBG, HOME, and other local, state, and federally funded programs to support various affordable housing programs and other community development activities. These efforts aim to assist low-income citizens and revitalize declining neighborhoods.

The City will also consider and offer letters of support, when appropriate, to other organizations and agencies seeking grant or state/federal funding. The staff in the Neighborhood Services Department shall act as liaisons to coordinate with volunteer groups that offer free labor assistance to low-income homeowners. They will also work with other public and private groups that provide housing assistance, as well as public and private groups that offer supportive services to low-income families. Additionally, the City will continue to provide technical assistance and funding for health and public services as funds become available.

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

The city is actively seeking all available funding opportunities to support public and private agencies and other service providers. We will offer technical assistance, help obtain funding from various sources (federal and non-federal), and work to simplify processes and enhance local coordination efforts.

### **Discussion:**

The City plans to collaborate with other non-profits to identify and address those needs. Additionally, the City regularly seeks additional funding to support its low- to moderate-income residents.

## **Program Specific Requirements**

### **AP-90 Program Specific Requirements – 91.220(l)(1,2,4)**

#### **Introduction:**

The City of Tyler has no other form of investments beyond what is identified in the HOME regulations.

Based on the information gathered while developing the Consolidated Plan, the City will allocate HOME Program funds for affordable housing activities citywide, without any specific geographic preference. However, efforts will be made to distribute the funds in a way that addresses the identified needs and priorities outlined in the plan. This includes allocating funding to various projects and activities that benefit the maximum number of low-income, elderly, and special need households.

Here's how the City will accept applicants:

A. NBS will publicly announce and advertise the availability of program funds as outlined in the City's approved Citizen Participation Plan. Interested applicants will receive application and verification forms along with instructions for completion. Staff will also be available to assist with filling out the required forms.

B. Applications must be submitted in writing. Household income and eligibility criteria will be determined and certified by examining source documents such as wage statements, interest statements, and warranty deeds. Any changes in information must be made in writing by the applicant. Selection for most programs will be on a first-come, first-served basis for eligible applicants submitted before the published deadline. Projects will be conducted citywide, with preference given to activities benefiting low- to moderate-income individuals and families. Preference will also be given to homeless veterans for the tenant-based rental assistance program.

C. NBS staff will provide technical assistance to program participants. This assistance includes explaining application procedures, briefing on program requirements, communicating with contractors at the owner's request, and assisting homeowners in inspecting construction in progress. It may also include referring homeowners to social service agencies as appropriate.

D. NBS will inform and provide program participants with information about the processes involved in rehabilitation, new construction, home purchase, and homeownership.

Separate documentation explains the detailed eligibility criteria for each program administered by NBS. The general public can obtain detailed information about eligibility, applications, selecting proposals, and the solicitation process at the Neighborhood Service office located at 900 W. Gentry Parkway or by

calling and contacting the Community Development Office at (903) 531-1303.

The overall benefit period for this Annual Action Plan covers program years 2024-2025.

### **Community Development Block Grant Program (CDBG)**

#### **Reference 24 CFR 91.220(l)(1)**

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

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

#### **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.	75.00%

### **HOME Investment Partnership Program (HOME)**

#### **Reference 24 CFR 91.220(l)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City does not use any other form of investment beyond what is identified in the HOME regulations.



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

The City of Tyler's first-time homebuyers (FTHBs) that receive direct downpayment, closing cost, principal buydown assistance, and/or a reduction of the sales price to below the market value to make the unit(s) affordable will meet the affordability period if they remain in the home for the full required period of affordability as determined by the amount of the assistance received (five to fifteen years). The actual required period of affordability will be based on the total amount of direct HOME assistance provided, as noted below. The effective date of the beginning of the required period of affordability is the date all completion data is entered into IDIS (See: §92.2, Definitions, "Project Completion") and as documented by a fully executed HUD-1, a copy of which has been placed in each individual homebuyer's and/or homeowner's file. Should there be instances where a HUD-1 is not executed [e.g., the 1st mortgage loan is carried by the PJ or another entity] substitute the name of the document(s) replacing the HUD-1.

The federal assistance will be provided in the form of a 0% interest, deferred payment loan (DPL) and will be secured by a HOME Written Agreement, fully executed and dated by all applicable parties, and a Promissory Note and Deed of Trust, which will be recorded in the land records of Smith County. Under "**Recapture**", if the home is **SOLD** prior to the end of the required affordability period [the homebuyer or the property owner may sell to any willing buyer at any price], a portion of the net sales proceeds from the sale, if any, will be returned to the City of Tyler to be used for other HOME-eligible activities. The portion of the net sales proceeds that is returned to the City of Tyler is equal to the amount of HOME funds invested in the property less the amount for each **FULL** month that the residence was occupied by the homebuyer or property owner as his/her/their principal residence. Any funds remaining after distributing the *net sales proceeds* to all lien holders, including the City of Tyler, will be returned to the homebuyer or homeowner. In the event of a sale, short sale, or foreclosure, the amount recaptured will be limited to the amount of '*net sales proceeds*' available at the time of such occurrence. Additional information pertaining to the "**Recapture Provisions**" is detailed in the written policies and procedures of the City of Tyler.

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:

If there are insufficient funds remaining from the sale of the property and the City of Tyler recaptures less than or none of the recapture amount due, the City of Tyler must maintain data in each individual file that provides the amount of the sale and the distribution of the funds. This will document that:

1. There were no net sales proceeds; or

2. The amount of the net sales proceeds was insufficient to cover the full amount due; and that,
3. No proceeds were distributed to the homebuyer/homeowner. Other than the actual sale of the property, if the homebuyer [or homeowner] breaches the terms and conditions for any other reason, e.g. no longer occupies the property as his/her/their principal residence, the **full amount of the subsidy** [cannot be prorated] is immediately due and payable. The City of Tyler must immediately repay its HOME Treasury Account, from non-federal funds, for the full amount of the assistance provided whether or not it can recoup any or all of the funds from the homebuyer (or homeowner). **[HOMEfires Vol 5 No 2, June 2003 – Repayment of HOME Investment; Homebuyer Housing with a ‘Recapture’ Agreement; Section 219(b) of the HOME Statute; and §92.503(b)(1)-(3) and (c)]** The City has elected to utilize the Recapture provision in the event of default on all homebuyer activities and will reduce the HOME Program investment on a pro-rated basis for any remaining affordability period. The affordability period is based on the total amount of HOME funds subject to recapture. The amount of funds subject to recapture shall be based on the net proceeds available from any sale, rather than the entire amount of the HOME investment that enabled the homebuyer to buy the dwelling unit.
4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:  
  
The City does not intend to use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds. In addition, the funds will not be used to refinance multifamily loans made or insured by any federal program. The City is aware that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG
5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).

Not Applicable

6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).

Not Applicable

7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

Not Applicable

**Housing Trust Fund (HTF)  
Reference 24 CFR 91.220(l)(5)**

**1. Distribution of Funds**

- a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2).
- b. Describe the jurisdiction's application requirements for eligible recipients to apply for HTF funds.
- c. Describe the selection criteria that the jurisdiction will use to select applications submitted by eligible recipients.

d. Describe the jurisdiction's required priority for funding based on geographic distribution, which is a description of the geographic areas of the State (including areas of low-income and minority concentration) in which it will direct assistance during the ensuing program year.

e. Describe the jurisdiction's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner.

f. Describe the jurisdiction's required priority for funding based on the extent to which rents for units in the rental project are affordable to extremely low-income families.

g. Describe the jurisdiction's required priority for funding based on the financial feasibility of the project beyond the required 30-year period.

h. Describe the jurisdiction's required priority for funding based on the merits of the application in meeting the priority housing needs of the jurisdiction (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations).

i. Describe the jurisdiction's required priority for funding based on the location of existing affordable housing.

j. Describe the jurisdiction's required priority for funding based on the extent to which the application makes use of non-federal funding sources.

2. Does the jurisdiction's application require the applicant to include a description of the eligible activities to be conducted with HTF funds?

3. Does the jurisdiction's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements?

**4. Performance Goals and Benchmarks.** The jurisdiction has met the requirement to provide for performance goals, consistent with the jurisdiction's goals established under 24 CFR 91.215(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

**5. Rehabilitation Standards.** The jurisdiction must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The jurisdiction's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The jurisdiction must attach its rehabilitation standards below. If the jurisdiction will not use HTF funds for the rehabilitation of housing, enter "N/A".

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; Capital Needs Assessments (if applicable); and broadband infrastructure (if applicable).

**6. Resale or Recapture Guidelines.** Below, the jurisdiction must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the jurisdiction will not use HTF funds to assist first-time homebuyers, enter "N/A".

**7. HTF Affordable Homeownership Limits.** If the jurisdiction intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the jurisdiction will not use HTF funds to assist first-time homebuyers, enter "N/A".

**8. Limited Beneficiaries or Preferences.** Describe how the jurisdiction will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the jurisdiction will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income

population, enter "N/A."

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the jurisdiction must not limit or give preferences to students. The jurisdiction may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303 only if such limitation or preference is described in the action plan.

**9. Refinancing of Existing Debt.** Enter or attach the jurisdiction's refinancing guidelines below. The guidelines describe the conditions under which the jurisdiction will refinance existing rental housing project debt. The jurisdiction's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the jurisdiction will not refinance existing debt, enter "N/A."

<TYPE=[section 9 end]>

#### **Discussion:**

The City intends to use the HOME affordable homeownership limits for the area as provided by HUD.

The City intends to structure its New Construction Program with HOME funds as a direct subsidy to reduce the purchase price of new construction. For-profit and non-profit developers as well as income eligible households are eligible to apply. However, the ultimate home owner must be low income as defined by HUD and the household will be subject to applicable HOME regulations. The New Construction Program will solicit and accept applications on an ongoing basis. More information will be available to the applicants on the application form itself which will be available on the City's website and for pickup at certain City locations.

The City does not intend to limit the beneficiaries or give preference to a particular segment of the low-income population.