

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.

Each year the City of Hagerstown submits a Consolidated Annual Performance and Evaluation Report (CAPER) to the U.S. Department of Housing and Urban Development (HUD). The purpose of the CAPER is to provide HUD, City officials, and the general public an opportunity to review the activities undertaken utilizing Community Development Block Grant (CDBG) funds, determine if the City is meeting the regulatory requirements of the CDBG program, and to evaluate the City's progress in meeting the goals established in its Five Year Consolidated Plan.

The national goals of the housing and community development programs covered by the Consolidated Plan and the Action Plan are to provide decent housing; to establish and maintain a suitable living environment; and, to expand economic opportunities for every American, particularly for low and moderate income persons.

This CAPER provides details of the operation of Hagerstown's CDBG program for the fiscal year from July 1, 2016 through June 30, 2017. The budget for the program during this period was \$1,037,058 which included a CDBG entitlement grant of \$654,941, anticipated program income of \$238,096, and planned carryover from previous entitlements of \$144,021. Expenditures for the period totaled \$957,615.51. Excluding general administration and planning, the amount expended on projects was \$806,903.41 of which \$711,495.91 or 88% went to activities directly benefitting low and moderate income persons. This fiscal year was the third of the three (3) year certification period, at the end of which at least 70% of the amount expended on projects must benefit low and moderate income persons.

A portion of the Hagerstown's CDBG Program funding is received in the form of loan repayments, proceeds from the sale of rehabilitated houses, and other miscellaneous sources. This is referred to as program income. The program income received from these sources is combined with CDBG entitlement funds and is budgeted by the Mayor and Council for program activities. During the reporting period, the City received \$130,896.42 in program income.

The City of Hagerstown's Community Development Block Grant Program saw significant progress towards meeting the goals of the Consolidated Plan over FY 16/17. The goals and outcomes of the FY 2016/17 Action Plan were based on the five year strategy developed in the Consolidated Plan. Each of the activities undertaken during the year have met one or more of the following high priority goals in the plan: housing

rehabilitation, homeownership, public facilities, public services, accessibility and visitability, code enforcement, and general administration/coordination. The City did not hinder Consolidated Plan implementation by action or willful inaction. Aspects of the programming related to affordable housing objectives are discussed in detail later in this report.

The City of Hagerstown maintains its commitment to addressing the goals set forth in the Five Year Consolidated Plan. There were no identified barriers that resulted in a negative impact to the City with regard to fulfilling the strategies laid out in the FY 2016-2020 Consolidate Plan. It is anticipated that the City will continue to work toward ensuring that the goals and objectives listed in the plan are addressed.

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
AM-1 General Administration/Coordination	General Administration	CDBG: \$	Other	Other	1	1	100.00%	1	0	0.00%
CD-1 Public Facilities	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	22900	0	0.00%	6000	0	0.00%
CD-2 Public Services	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	6825	1719	25.19%	1365	898	65.79%

CD-3 Deconcentration of Housing	Non-Housing Community Development	CDBG: \$	Rental units constructed	Household Housing Unit	0	0				
CD-3 Deconcentration of Housing	Non-Housing Community Development	CDBG: \$	Rental units rehabilitated	Household Housing Unit	0	0				
CD-3 Deconcentration of Housing	Non-Housing Community Development	CDBG: \$	Homeowner Housing Added	Household Housing Unit	0	0				
CD-3 Deconcentration of Housing	Non-Housing Community Development	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	0	0				
CD-3 Deconcentration of Housing	Non-Housing Community Development	CDBG: \$	Direct Financial Assistance to Homebuyers	Households Assisted	0	0				
CD-4 Neighborhood Revitalization	Non-Housing Community Development	CDBG: \$	Brownfield acres remediated	Acre	0	0				
CD-4 Neighborhood Revitalization	Non-Housing Community Development	CDBG: \$	Buildings Demolished	Buildings	0	0				
CD-4 Neighborhood Revitalization	Non-Housing Community Development	CDBG: \$	Housing Code Enforcement/Foreclosed Property Care	Household Housing Unit	0	0				
CD-5 Accessibility and Visitability	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	30000	7665	25.55%	6000	0	0.00%

CD-6 Public Safety	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0				
CD-7 Code Enforcement	Non-Housing Community Development	CDBG: \$	Housing Code Enforcement/Foreclosed Property Care	Household Housing Unit	2000	581	29.05%	400	0	0.00%
ED-1 Employment	Economic Development	CDBG: \$	Jobs created/retained	Jobs	0	0				
ED-2 Downtown Revitalization	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	0				
ED-2 Downtown Revitalization	Non-Housing Community Development	CDBG: \$	Facade treatment/business building rehabilitation	Business	0	0				
ED-2 Downtown Revitalization	Non-Housing Community Development	CDBG: \$	Brownfield acres remediated	Acre	0	0				
ED-2 Downtown Revitalization	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	0	0				
ED-2 Downtown Revitalization	Non-Housing Community Development	CDBG: \$	Buildings Demolished	Buildings	0	0				

ED-3 Redevelopment	Non-Housing Community Development	CDBG: \$	Facade treatment/business building rehabilitation	Business	0	0				
ED-3 Redevelopment	Non-Housing Community Development	CDBG: \$	Brownfield acres remediated	Acre	0	0				
ED-4 Financial Support	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	3665				
ED-4 Financial Support	Non-Housing Community Development	CDBG: \$	Facade treatment/business building rehabilitation	Business	0	0				
ED-4 Financial Support	Non-Housing Community Development	CDBG: \$	Businesses assisted	Businesses Assisted	5	0	0.00%			
HO-1 Continuum of Care	Homeless	CDBG: \$	Homeless Person Overnight Shelter	Persons Assisted	0	0				
HO-1 Continuum of Care	Homeless	CDBG: \$	Overnight/Emergency Shelter/Transitional Housing Beds added	Beds	0	0				
HO-1 Continuum of Care	Homeless	CDBG: \$	Homelessness Prevention	Persons Assisted	0	0				
HO-1 Continuum of Care	Homeless	CDBG: \$	Housing for Homeless added	Household Housing Unit	0	0				
HO-2 Housing	Homeless	CDBG: \$	Homelessness Prevention	Persons Assisted	0	0				

HO-2 Housing	Homeless	CDBG: \$	Housing for Homeless added	Household Housing Unit	0	0				
HS-1 Housing Rehabilitation	Affordable Housing	CDBG: \$	Rental units rehabilitated	Household Housing Unit	18	0	0.00%	4	0	0.00%
HS-1 Housing Rehabilitation	Affordable Housing	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	75	21	28.00%	25	7	28.00%
HS-2 Homeownership	Affordable Housing	CDBG: \$	Homeowner Housing Rehabilitated	Household Housing Unit	0	0				
HS-2 Homeownership	Affordable Housing	CDBG: \$	Direct Financial Assistance to Homebuyers	Households Assisted	37	11	29.73%	8	6	75.00%
HS-3 Fair Housing	Affordable Housing	CDBG: \$	Public service activities for Low/Moderate Income Housing Benefit	Households Assisted	0	0				
HS-4 Anti-Poverty	Affordable Housing	CDBG: \$	Direct Financial Assistance to Homebuyers	Households Assisted	0	0				
HS-4 Anti-Poverty	Affordable Housing	CDBG: \$	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	0	0				
SN-1 Housing	Non-Homeless Special Needs	CDBG: \$	Housing for People with HIV/AIDS added	Household Housing Unit	0	0				

SN-1 Housing	Non-Homeless Special Needs	CDBG: \$	HIV/AIDS Housing Operations	Household Housing Unit	0	0				
SN-2 Social Services	Non-Homeless Special Needs	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	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.

The City of Hagerstown used CDBG funds to address the priorities and objectives outlined in the Consolidated Plan and Annual Action Plan. Funding decisions were ranked consistently with high priority activities identified. The following outlines use of funds in FY 16/17:

- Funding in the amount of \$150,542.10 was spent on AM-1 General Administration/Coordination a high priority goal. These funds supported the administration and management of the CDBG program.
- Funding in the amount of \$140,000 was spent on CD-2 Public Services a high priority goal. These funds included the following projects: Community Free Clinic, Children in Need, Girl’s Inc. Supper Program, Senior Living Alternatives, Together With Families, Washington County Community Action Council Financial Capacity Program, and Neighborhood Police Cameras.
- Funding in the amount of \$170,000 was spent on CD-5 Accessibility and Visitability a high priority goal. These funds supported accessible sidewalk ramps in low to moderate income neighborhoods.
- Funding in the amount of \$26,286 was spent on CD-7 Code Enforcement a high priority goal. These funds supported a part-time code inspector in low to moderate income neighborhoods.
- Funding in the amount of \$6,696 was spent on ED-4 Financial Support a high priority goal. These funds supported the repair/replacement of deteriorating cellar doors in the public right of way in low to moderate income neighborhoods.
- Funding in the amount of \$251,527 was spent on HS-1 Housing Rehabilitation a high priority goal. These funds supported grants for emergency repairs to low to moderate income homeowners, grants to elderly low to moderate income homeowners to make needed

repairs, single family low to moderate income homeowner rehabilitation loans, rental rehabilitation loans for improvements to low to moderate income units and rehabilitation costs associated with the city's homeownership program which purchases homes to rehab and sell to low to moderate income homeowners.

- Funding in the amount of \$21,000 was spent on HS-2 Homeownership a high priority goal. These funds supported down payment and closing costs assistance in the form a deferred loan to low to moderate income homebuyers.

During the reporting period the following goals experienced project delays:

Goal CD-1 is a public facility loan project currently being reassessed. During the program year, a previously planned public facility project, Neighborhood Parks, was under construction and nearly complete at the end of the program year. Neighborhoods Parks expenditures totaled \$190,324 during the program year.

Goal ED-4 is commercial rehabilitation funding this project underwent substantial changes in the reporting period and is being reassessed.

Goal HS-1 rental housing component experienced delays but rehabilitation of units are now complete and awaiting occupancy. Statistical data will become available after occupancy of rehabilitated units.

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
White	620
Black or African American	220
Asian	11
American Indian or American Native	5
Native Hawaiian or Other Pacific Islander	1
Total	857
Hispanic	46
Not Hispanic	811

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

Narrative

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	1,037,058	957,616
HOME	HOME		
HOPWA	HOPWA		
ESG	ESG		
Other	Other		

Table 3 - Resources Made Available

Narrative

The budget for the program during this period was \$1,037,058 which included a CDBG entitlement grant of \$654,941, anticipated program income of \$238,096, and planned carryover from previous entitlements of \$144,021. Expenditures for the period totaled \$957,615.51. Excluding general administration and planning, the amount expended on projects was \$806,903.41, of which \$711,495.91 or 88% went to activities directly benefitting low and moderate income persons.

During the reporting period publicly owned land was used to address the community development priority need identified in the Consolidated Plan through CDBG funded redevelopment of a City owned vacant lot into a public park located in a low to moderate income neighborhood in the City's West End. Park construction is in the final stages and accomplishments will be reported upon completion.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Citywide	100		

Table 4 – Identify the geographic distribution and location of investments

Narrative

The City of Hagerstown does not have any target areas for distribution of CDBG resources. Distribution and location of resources are based on local priority, need, and eligibility. The majority of activities carried out in FY16/17 were located in census tracts where the population's minority concentration percentage is at or above 15%. See attached maps showing CDBG project locations and geographic distribution of investments in relation to the City's Low/Mod Income Census Tracts and Minority Concentration.

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.

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	0	0
Number of Non-Homeless households to be provided affordable housing units	37	15
Number of Special-Needs households to be provided affordable housing units	0	0
Total	37	15

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	29	9
Number of households supported through Acquisition of Existing Units	8	6
Total	37	15

Table 6 – Number of Households Supported

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

Actual accomplishments for the FY 16/17 were under the targeted expected goals for the period. Several affordable housing related projects began in the program year and are ongoing due to project timeline changes or planning and construction delays. Many of these delayed projects are sub-recipient organizations working through contractor delays on multiple units.

Attachment "Section 215" contains a chart which outlines City's progress in providing affordable housing that meets the Section 215 definition of affordable housing. It compares actual accomplishments with proposed goals during the program year. All City federally funded activities met the Section 215 definition of affordable housing. Section 215 refers to the HOME definition of affordable housing found in HUD's regulations for rental and homeownership housing. These regulations state that affordable rental housing is that which does not exceed the fair market rents in the area, or which does not exceed 30 percent of household income for a household earning 65 percent of the area median income. The regulations also define affordable owner-occupied housing as that which has an initial purchase price that does not exceed 95 percent of the median purchase price for a comparable unit for the jurisdiction, or has an estimated appraised value at acquisition that does not exceed this limit.

Actual accomplishments for the FY 16/17 were reasonably on target with expected goals for the period. This year accomplishment data for each activity laid out in the annual action plan is reasonably on target. CDBG funds were used for eligible housing activities such as homeowner repair and direct financial assistance to help eligible homebuyers with closing cost and downpayment assistance.

Discuss how these outcomes will impact future annual action plans.

In the current action plan, additional subrecipients have been added to undertake rehabilitation of LMI owner occupied housing units. Future action plans will adjust based on outcomes, resources and staffing to ensure the City of Hagerstown is working to meet the goals and priorities in the Consolidated Plan.

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	3	0
Low-income	4	0
Moderate-income	8	0
Total	15	0

Table 7 – Number of Households Served

Narrative Information

For those paying more than 50% of their income for housing, for substandard housing and for the homeless, the following activities addressed some of the needs:

- * The Community Free Clinic offered free medical routine and specialized health care services to the working poor and those without health benefits including the homeless.
- * The Hagerstown Housing Authority offered housing vouchers;
- * Families who own their homes could obtain affordable (sometimes deferred) rehabilitation loans

through the City; and

* Investors were encouraged to apply for and utilize Maryland rehabilitation loans administered by the City for improvements to rental properties.

Efforts to Address Needs of Persons with Disabilities

The City processes applications for the Maryland Housing Rehabilitation (MHRP) Program and assists owner-occupants and developers with affordable housing rehabilitation loans. MHRP loans can be used for alterations to provide handicap accessibility. Hagerstown's Homeownership Program provides accessible homes for buyers with special needs. Commission on Aging Home Repair Grants provided disabled elderly homeowners with needed repairs to improve accessibility and livability of homes.

Foster and Maintain Affordable Housing

The City of Hagerstown continues to work with low and moderate income households to assure that access to affordable housing is fostered and maintained and that low to moderate homeowners have access to funding for rehabilitation of properties. To this end, the City has developed the Single Family Homeownership program which makes rehabilitated single family homes available for purchase to low and moderate income households. 100% of the units sold under this program go to low and moderate income persons.

The City of Hagerstown also administers an emergency repair grant program and residential rehabilitation loan program; to address rehabilitation cost burden for low to moderate income homeowners. As well as a residential rental rehabilitation loan program that provides low interest loans to rental property owners to increase stock of rental housing available for low to moderate income renters.

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 did not award FY 2016/17 CDBG funds for the provision of homeless prevention services. Funding expended for homeless programs through the McKinney-Vento Homeless Assistance Act were \$487,371 for the Following Projects: MD-512 - S+C Washington County 25 units - \$267,738 (Mental Health Authority); MD-512 – PSH for Individuals - \$159,808 (PCMS); MD-512- PSH for Families- \$59,825.

The Washington County Homeless Coalition, which acts as the governing body of the local Continuum of Care, and participating providers held outreach events targeting unsheltered persons to assess needs and connect people to needed services. These events target a broad range of the population and were held several times during the year. Participating agencies also ran outreach programs targeting homeless persons who are not sheltered with case management and other services. During these outreach events, emphasis is placed on connecting homeless households with basic and essential services such as identification documentation procurement, health insurance enrollment, legal expungement services, and/or food or shelter provisions.

Addressing the emergency shelter and transitional housing needs of homeless persons

Continuum of Care providers actively worked to address the emergency shelter and transitional housing needs of homeless persons in Hagerstown. REACH of Washington County, Washington County Community Action Council, Saint John's Shelter, Salvation Army and others provided an array of emergency shelter and case management services throughout the program year. In 2015, the CoC adopted county-wide Written Standards to ensure the provision of baseline services to all households entering the homeless services network. During this reporting period, the CoC created a CoC-wide grievance policy to help provide additional remediation options for homeless clients who feel they are receiving inadequate care from local homelessness services providers.

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

CoC members identified risk factors for becoming homeless for the first time by fact-finding with case

management and prevention assistance providers, as well as analyzing data collected via the HMIS system and via additional survey questions on the annual Point In Time count tool. Identified risk factors include life events such as major illness, loss of job, death in the family or other change to family status, victimization through domestic or sexual violence, substance abuse, criminal activity or history, foster care placement history, and/or a mental health change.

CoC members have implemented strategies to intensify case management & other service supports when risk factors are identified. Through the coordinated assessment process, the CoC will implement a standardized diversion program & streamline the process for accessing prevention assistance. Additionally, the local community has sought to increase housing & employment options for households at risk by proactively eliminating barriers to those resources. One specific example is the launch of a legal expungement program, supported by Horizon Goodwill, to have qualified criminal records expunged.

Coc members have built relationships with landlords, the public school administration, local government, foundations, and housing assistance providers to provide flexibility in addressing needs of households at risk of becoming homeless. CoC service providers will continue to work on building housing options for households with barriers to housing such as criminal history and/or extremely low to no income through collaborative grant applications & programming.

CoC members actively coordinate discharge plans with our foster care, health care, mental health care, and correctional facilities partners to ensure institutionalized persons that have resided in each system of care for longer than 90 days are not discharged into homelessness.

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

To reduce the length of time households remain homeless, especially for chronically homeless, families with children, veterans and their families and unaccompanied youth, CoC members have strategically increased rapid rehousing options in the CoC by leveraging ESG funding with other temporary housing subsidy programs. These programs will be fully implemented by the end of calendar year 2017.

Coc members will continue to track and record the length of time households remain homeless through the HMIS system. Through this system, the CoC created baseline length of time (LOT) data for the FY15 service year and will compare system-wide and agency-specific LOT data at least on a semi-annual basis. CoC leadership has educated local service providers on federal length of stay targets and each

shelter will create length of stay and utilization goals. Between FY15 and FY16, we saw our LOT data drop by 4% for clients accessing emergency shelter services.

Through an expanded shelter coordinators' meeting, the implementation of a chronically homeless byname list, partnerships with local housing authorities, and the identification of chronically homeless individuals and families via the coordinated assessment tool, those individuals and families with the longest lengths of time homeless will be prioritized for rapid rehousing, transitional housing, or permanent supportive housing support.

Through the HMIS system, CoC members have identified that program participants who exited emergency shelter (ES), transitional housing (TH), and permanent supportive housing (PSH) to permanent housing had a 6% rate of return to homelessness between 10/01/2013 and 9/30/2016.

To continue to minimize the number of households that return to homelessness, CoC members emphasize case management that assists participants in building natural supports, social skills, daily living skills, and budgeting acumen. Through continued monitoring, case management services are able to be intensified when potential or new risk factors are identified. Case management services will support homeless families and individuals and facilitate access to affordable housing units.

CoC members will develop guidelines for follow-up strategies for those households that have left case management services, as a means of continuing support to households as they manage their stay in affordable housing.

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

Actions taken to address the needs of public housing

During this fiscal year FY2017, the Housing Authority received \$1,503,836 under HUD's FY2017 Capital Fund Program.

Each CFP Budget includes line items for Architectural and Engineering fees and costs, HC modifications, appliance replacements, misc. site improvements which include new sidewalks,

tree trimming/removal/tree replacement, asphalt work and lawn improvements. Misc. dwelling improvements are installed and/or upgraded in various communities on an as needed

basis. Some work projects are completed, on-going and/or in progress.

Misc. Extraordinary maintenance/upgrades are completed, on-going and/or as needed.

Additional actions to address Public Housing

Noland redevelopment planning: CFP budgets for FY2016 and FY2017 include earmarks for Phase 1 and Phase 2 of Noland redevelopment. Elevator upgrades at Walnut Towers and Potomac Towers are completed as needed. New LED 60 and 100 watt light bulbs were installed in all dwelling units at Walnut Towers (150 units) and Potomac Towers (326 units). Exterior caulking at Douglass Court and Potomac Towers is included in CFP FY2017. Evaluation/planning will continue in FY2018. Exterior caulking and storm door upgrades at Parkside Homes is in evaluation/planning stage. Misc. upgrades, per PNA and Energy Audit, is on-going, in progress and continues at sites, dwelling units and non-dwelling spaces. Completed the installation of a trash chute at Walnut Towers "A" Building. Roof replacement at Noland Village, continues as needed. Boiler, water heaters, chiller upgrades are completed as needed. Replacement of vehicles for use by community mechanics are complete, on-going, as needed. Completed Phase 3, partial window replacement at Potomac Towers elevator lobbies. This was the final phase. Completed a key card access system at Potomac Towers in FY2016 and installed a key card access system at Walnut Towers "A" and "B" Buildings in FY2017. Upgrades to systems as needed. Completed wall covering upgrades at Potomac Towers Resident Services and Security offices as well as upgrading the interior perimeter wall covering at the administration building. Phase 2 site improvements at Potomac Towers parking lots continues, completion expected before the end of the year. New gas line service into the units is in the solicitation stage. Installation fall, 2017 and/or spring/summer 2018. Partial window upgrades at Gateway Crossing continues, if required. New security cameras at Walnut Towers is in progress. Completion is expected this fall. Exterior caulking and exterior light fixtures at Frederick Manor is being evaluated. New furnaces at Parkside Homes, Frederick Manor and Douglass Court, as needed.

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

The Family Self-Sufficiency (FSS) Program provides individual case management services for eligible public housing residents and others with Section 8 assistance. Participants' goals include education, job training & placement, budgeting & finance, credit repair, home and/or vehicle purchase, etc.

To match the needs of the residents with a service provider, the Housing Authority meets quarterly with partnering agencies. During this quarterly meeting, an agency is highlighted providing the attendees details of the agency. A roundtable is also conducted to provide all agencies to share new services or upcoming events for the respective agency.

The Housing Authority's Resident Services Department continues to perform post occupancy home visits and provides information and referrals to community resources to new and existing residents.

Actions taken to provide assistance to troubled PHAs

The housing Authority of the City of Hagerstown has been rated as "high performer" by HUD. It is not designated as "troubled" by HUD.

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 of Hagerstown maintains its commitment to removing barriers to affordable housing and affirmatively furthering fair housing in our community. In recent years, the city has adopted zoning amendments to enable construction of smaller affordable homes by lowering the required lot size. The City has adopted the latest edition of model codes that are in keeping with the Fair Housing Act as amended, the Americans with Disabilities Act, and Section 504 of the Rehabilitation Act of 1973 as amended. The city will continue to review policies, ordinances and codes to ensure any negative effects of public policies that would serve as barriers to affordable housing are removed or ameliorated.

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

Despite the City and service provider's efforts, a number of obstacles to meeting underserved needs were identified in the Consolidated planning process. The following is a list of obstacles identified and the actions taken in this reporting period to address them:

- Continued population growth creating a housing shortage - The City of Hagerstown made funding available to property owners to enhance rental and home owner housing to increase housing access for low to moderate income residents.
- Tight rental housing market and escalating rental rates for very low income residents - The City of Hagerstown made funding available to property owners to enhance rental and home owner housing to increase housing access for low to moderate income residents.
- Imbalance in the ratio of Homeowner to renter households - The City of Hagerstown made funding available for down payment assistance programs and homeownership programs that increase the availability of homeownership opportunities for low to moderate income homeowners.
- Aging in Place - The City of Hagerstown made funding available to low to moderate income senior citizens to make needed repairs to their homes to aid them in aging in place.

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

Lead hazard evaluation and reduction activities have continued to be utilized on all State and federally funded housing rehabilitation programs. Each of our rehabilitation programs are in compliance with the requirements of Title X, Section 1012 & 1013 of the Lead-based Paint Hazard Reduction Act (24CFR35.105). The City has implemented the lead paint regulations into all rehabilitation programs as follows:

Homeownership Program: Since its inception in 1998, the City has made use of the Maryland State Lead Hazard Reduction Grant Program to offset the cost of lead related work in our Single Family Homeownership units (when eligible).

Maryland Housing Rehabilitation Program (MHRP): All rehabilitation specifications were written to comply with the Federal lead paint regulation standards. The City offered the Maryland Lead Hazard Reduction Grant and Loan Program to qualified owners of residential owner-occupied and rental units.

Maryland Lead Hazard Reduction Grant and Loan Program (LHRGLP): In addition to utilizing this program with our Single Family Homeownership Program, we also work with owner occupants and owners of multi-family buildings to apply for assistance.

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

The City's anti-poverty strategy is based on attracting a range of businesses and supporting workforce development, including job training services for low to moderate income residents. The City also provides needed support services to targeted income residents. In the following actions were taken to reduce the number of poverty-level families:

- Recruitment and Retention of Businesses was carried out through the Department of Community and Economic Development (DCED).
- Job Training offered through the Job Center and Western Maryland Consortium.
- The City made CDBG funding available to a program that provides financial capacity training to low to moderate income residents.
- DCED Burobox Business Resource Center began operations providing business resources and assistance to entrepreneurs and start up businesses.

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

The City of Hagerstown relies on outreach and engagement with community partners to overcome institutional gaps and enhance coordination. The City participates in communication among providers through involvement in local seminars and on boards and committees which further enhance the daily working relationship of those involved in the delivery system.

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

During FY16/17, the City of Hagerstown held a Housing Summit for elected leaders, private and public housing agencies, social services agencies, and citizens. Over a hundred participants, including local and regional community leaders, engaged in conversations to improve housing and neighborhoods for all residents by assessing where we are, what are best practices, and how can we build strategic partnerships to shape the future. This one-day event strengthened relationships and created

momentum for a continued discussion on these issues in the future. Main topics discussed at the event included but were not limited to: Expanding Opportunities for Homeownership • Enhancing Rental Housing Opportunities • Pathways from Homelessness to Housing • Energizing Neighborhoods • Building Sustainable Supportive Housing

The Hagerstown Housing Authority meets the needs of public housing residents and helps to increase access to affordable housing. Other housing related agencies include Habitat for Humanity, Hagerstown Neighborhood Development Partnership and various private sector parties with a vested interest in affordable housing goals. The City also participates with the Washington County Continuum of Care and the Homeless Coalition, both of which represent a broad range of government and private agencies, to aid in gaps related to homelessness and other special needs. During FY 16/17 the Public Service Review Committee made up of three (3) citizens and (3) staff members ensured a commitment to bottom up planning and enhance coordination with those directly affected by the use of CDBG funds. A Business and Community Development Finance Specialist ensures capacity to process, CDBG, MHRP and other departmental loans. They also ensure collaboration with private sector realtors and developers.

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

The City of Hagerstown is committed to affirmatively furthering fair housing choice in our community. During the reporting period action was taken to affirmatively further fair housing on the following impediments identified in the city's most recent (2015) analysis of impediments to fair housing choice:

- Impediment: Quality of rental housing vs. affordability - The City continued to use CDBG funds support loan programs that encourage landlords to make needed upgrades to their properties. The City also remained committed to enforcement of local codes and rental registration programs.
- Impediment: Continuing need for affordable housing for homeowners - The City of Hagerstown continued to use CDBG funds to support and encourage the acquisition, rehabilitation and resale of existing housing units to become decent, safe and affordable homeownership opportunities for low to moderate income buyers. CDBG funds also supported down payment assistance programs which provide financial assistance to low to moderate income buyers. The city also continues to utilize CDBG funding to support programs the rehabilitate low to moderate income owner occupied housing.
- Impediment: Continuing need for accessible housing units - The City continued to use CDBG funds support loan programs that encourage landlords to make needed upgrades to their properties, including handicap improvements. CDBG funds also supported a program to assist elderly homeowners to make accessibility improvements to their properties in order for these residents to remain in their homes.
- Impediment: Economic issues affect housing choice - The city actively engaged in cross sector partnerships and program delivery to enhance the City's tax base. The city also supported

programming that enhances entrepreneurship and small business development through loans and training. Ongoing work was done to promote and encourage economic development with local commercial and industrial firms to expand their operations and increase employment opportunities.

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

In order to ensure compliance with program requirements, sub recipients are required to provide proof that those being served meet income eligibility requirements. This is accomplished by requiring direct recipients to complete a self-certification form at the time of service. The self-certification forms provide information on family size, income, race and head of household status. Additionally, invoices and time sheets (as applicable) are required to be provided prior to payment. Through the use of these forms and other documentation, the City was able to determine that each of the sub-recipients meet programmatic requirements. When needed, the City conducts on site monitoring with subrecipients. Proof of income is also required for CDBG funded rehabilitation programs carried out directly by the City.

Timeliness Test

HUD regulations limit the amount of funds that an entitlement community may have in its line of credit with the US Treasury two months prior to the end of the fiscal year (May 2nd) to 1.5 times its most recent CDBG grant. In FY16/17, the City expended sufficient funds to meet both the Line of Credit (LOC) and LOC plus program income-on-hand tests.

National Objectives

All of Hagerstown's CDBG activities met one of HUD's national objectives by either benefitting low and moderate income persons or through the elimination of slums and blight; and, the City complied with the overall benefit certification.

Expenditures were also consistent with following HUD national objectives and cap guidelines:

- Public Service Funding
- Administration
- Low to Moderate Income Benefit
- Slum and Blight

Relocation & Displacement

During FY16/17, there were not any activities that required notification or implementation of relocation or displacement requirements.

Jobs

During FY16/17 no CDBG funds were allocated to any project where jobs were made available to but not taken by low and moderate income persons.

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.

Public Hearings & Citizen Participation

The City of Hagerstown complied with all program and comprehensive planning requirements for the FY16/17 CDBG program. Notices for the Housing & Community Development Needs and the Proposed Annual Action Plan for FY 2016-2017 public hearings were published in Section A of the Herald-Mail newspapers and published on the City's website.

The two (2) public hearings held for the FY16/17 CDBG programs were as follows:

12/17/15 to obtain the views and comments of individuals and organizations concerning the City's housing and community development needs for the Annual Action Plan FY16/17;

05/19/16 for public comments regarding the Annual Action Plan for FY16/17. Action Plan documents were on public display for at least 30 days;

A notice of public display for the Draft Capex was advertised in the local newspaper and on the City of Hagerstown site on Thursday, September 07, 2017 to obtain citizen comments regarding the Draft CAPER. Public comments were accepted for fifteen (15) days. 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 primary objective of Hagerstown's community development programs has always been to provide services and activities which improve the quality of life for citizens. During FY16/17, there was much diversity in the CDBG-assisted programs and significant leveraging of additional funds from other federal, state, and local sources. The indicators listed in the aggregate accomplishments section of this

document best describe results and outline how progress continues toward the goals outlined in the strategic plan and impact identified needs in the City of Hagerstown. 88% of the project expenditures benefitted low and moderate income people.

In partnership with subrecipients, the availability of affordable housing related programming was increased. This led to an increase in rehabilitation program applicants for projects to enhance owner occupied housing and offer down payment assistance opportunities in the City of Hagerstown, with the majority of program goals being just below targeted levels.

In order to increase the number of participants in the Single Family Homeownership program, the City is currently exploring different options to help stimulate the sale of City Homeownership properties. All CDBG program related disbursements have been handled monthly and in a timely manner with no known differences between actual expenditures and letter of credit disbursements.

In 2017-18, the City intends to uphold its commitment to broader community revitalization approach. We will continue examine how we can address the needs of neighborhoods on a macro level through housing and public facilities improvements, improvements to increase amenities and needed public services. The City of Hagerstown is reasonably on target to meet all major goals laid forth in the Consolidated Plan either directly through the use of CDBG funds or indirectly through the support of other community partners.

As with most other CDBG programs, the levels of funding seen over the past years has had an adverse effect on Hagerstown's program. The lack of house sales and lack of new CDBG funded loans have also negatively affected the amount of program income received. This has resulted in a significant decline in our capacity to provide funding for public service undertakings. An increased emphasis on community outreach and collaboration are necessary to ensure we are expending CDBG funds in a comprehensive and strategic way.

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-45 - CDBG 91.520(c)

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