

CITY OF BIRMINGHAM, ALABAMA
DEPARTMENT OF COMMUNITY DEVELOPMENT
NOTICE OF PUBLIC HEARINGS AND REQUEST FOR PROPOSALS
PROPOSED PROGRAM YEAR 2008 ACTION PLAN ONE YEAR USE OF FUNDS

The City of Birmingham, Alabama (“the City”), through its Community Development Department, will accept written comments and proposals for consideration in the development of the City’s Program Year (PY) 2008 Action Plan-One Year Use of Funds **from November 29, 2007 until January 18, 2008, 5:30 p.m.** Also, the City’s Community Development Department will conduct public hearings on **December 13, 2007** and on **January 10, 2008, at 9:30 a.m. and 5:30 p.m. in the City Council Chamber, 710 North 20th Street, 3rd Floor City Hall; Birmingham, Alabama.**

The purpose of the hearings will be to obtain comments regarding the proposed use of the City’s PY 2008 consolidated formula allocation including the views of citizens, public agencies, and other interested parties on the housing and community development needs of the City, and to receive proposals for the possible use of funds. Also, citizens will be afforded an opportunity to 1) identify housing and community development needs and priorities; 2) review proposed uses of funds; and 3) comment on and review the City’s program performance. All comments and proposals received will be considered in the development of the City’s Proposed PY 2008 Action Plan-One Year Use of Funds.

All interested parties who are unable to attend the public hearings but desire to submit written views, comments, or proposals regarding the City’s development of its Proposed PY 2008 Action Plan-One Year Use of Funds submission may do so by addressing them to Mr. James F. Fenstermaker, Director; Community Development Department; 710 North 20th Street, Room 1000; Birmingham, Alabama 35203.

ALL WRITTEN COMMENTS OR PROPOSALS MUST BE RECEIVED IN THE CITY’S COMMUNITY DEVELOPMENT DEPARTMENT AT THE REFERENCED ADDRESS NO LATER THAN FRIDAY, JANUARY 18, 2008 BY 5:30 P.M. TO BE CONSIDERED IN THE DEVELOPMENT OF THE CITY’S PROPOSED PY 2008 ACTION PLAN-ONE YEAR USE OF FUNDS SUBMISSION.

The hearing location is accessible to persons with disabilities; however, anyone who requires further information or has a disability which might require special materials, services, or assistance should notify the Community Development Department at the previously referenced address no later than 48 hours prior to the scheduled hearing dates. The City does not discriminate on the basis of disability in admissions to, access to, or operations of its programs, services, or activities. The City does not discriminate on the basis of disability in its hiring or employment practices as mandated by Title 11 of the Americans with Disabilities Act of 1990.

PROGRAM BACKGROUND-FIVE YEAR CONSOLIDATED PLAN:

The City is presently following a five (5) year consolidated plan (or Comprehensive Housing Afford ability Strategy) that has been approved by the U.S. Department of Housing and Urban Development (HUD) for the period July 1, 2005 thru June 30, 2010. This document consolidates the planning and submission process for HUD Community Planning and Development (CPD) formula programs: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), American Dream Down payment Initiative (ADDI), Emergency Shelter Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). Copies of the plan are available for inspection in the Community Development Department and are also available on the City's website at www.informationbirmingham.com.

The City's consolidated plan includes six required components: (a) housing and homeless needs assessment, (b) housing market analysis, (c) strategies and priority needs and objectives, (d) action plan, (e) certifications, (f) monitoring. The action plan and certification portions of the document must be submitted annually to HUD for approval.

The Consolidated Plan contains a single five (5) year strategic plan that brings needs and resources together in a coordinated housing and community development strategy. The five (5) year housing and community development strategic plan also outlines the strategy to be followed and the actions to be taken to address imbalances between the City's housing and community development needs and its resources.

PROGRAM YEAR 2008 ACTION PLAN- ONE YEAR USE OF FUNDS:

In its current HUD approved consolidated plan, the City designated July 1 through June 30 of each year as its Consolidated Plan Program Year for reporting to HUD annually regarding its Action Plan-One Year Use of Funds. This period represents a single time-frame for the planning and implementation of each program contained in its Action Plan-One Year Use of Funds. The City's PY 2008 Action Plan will begin July 1, 2008 and will end on June 30, 2009. The Action Plan must include the following:

- a) Standard Form 424;
- b) A description of the activities the City will undertake during the upcoming year to address priority needs and local objectives that were identified in its five year housing and community development strategic plan. This description must identify the local objectives that will be addressed by the activities that are expected to be undertaken using formula grant funds, other HUD assistance, non-HUD sources of funds, and program income the City expects to receive during the program year. This information must be presented in a table format prescribed by HUD;
- c) Activities the City plans to undertake during the upcoming year to address emergency shelter and transitional housing needs of homeless individuals and families, to prevent low-income individuals and families with children (especially those with incomes below 30 percent of median) from becoming homeless, and to help homeless persons make the transition to permanent housing and independent living;

d) Actions the City plans to take during the upcoming year to foster and maintain affordable housing, public housing improvements and resident initiatives, remove barriers to affordable housing, evaluate and reduce lead-based hazards, reduce the number of households with incomes below the poverty line, develop institutional structure, address obstacles to meeting under- served needs, and enhance coordination between public and private housing and social service agencies.

e) Submission date. The City must submit its Action Plan-One Year Use of Funds and required certifications to HUD no later than 45 days before the start of its July 1, Consolidated Plan Program Year. The City plans to submit its Final Action Plan-One Year Use of Funds to HUD on or before **May 16, 2008**.

PROGRAM YEAR 2008 CONSOLIDATED FORMULA ALLOCATIONS:

PY 2008 Community Planning and Development (CPD) Formula allocations for CDBG, ESG, HOME, ADDI, and HOPWA have not yet been made available to the City. The following prior year allocations will be used for planning purposes and will be adjusted, if necessary, upon receipt of PY 2008 allocations:

CDBG	HOME	ADDI	HOPWA	ESG
2007: \$6,847,776	\$2,009,252	\$ 38,193	\$516,000	\$295,584

PY 2008 ACTION PLAN HOUSING AND COMMUNITY DEVELOPMENT PROPOSED PRIORITIES:

The City=s PY 2005-2010 Consolidated Plan contains a five-year Strategic Plan which sets forth the following areas of priority need:

1. Provide decent and affordable housing for low and very low-income households.
2. Provide down-payment assistance to first-time homebuyers meeting program income guidelines and requirements.
3. Provide housing and services for populations with special needs
4. Provide housing and supportive services for homeless populations.
5. Promote city wide economic development.
6. Provide public facility/infrastructure activities.

Within these broad areas of priority need, the City has begun to make considerable progress on the dual programmatic goals of: 1) revitalizing low-moderate income neighborhoods through the provision of housing, economic opportunity, key services and infrastructure improvements while 2) providing a significant level of services to meet the basic needs of our citizens with the greatest needs, including the homeless, those with HIV/AIDS or with physical/mental disabilities and the very poor elderly.

Accordingly, in order to continue to seek these two broad goals, and implement a program within the areas of priority need identified within the City's five-year strategic plan, the City will give priority consideration to projects/activities in the following areas:

Activities in Support of Revitalization of Neighborhoods and Communities

- 1) Construction or rehabilitation of housing for low-moderate income persons. These activities should be targeted and clustered in limited geographic areas. Rental housing that contributes to revitalization will be considered, but priority will be given to activities that support homeownership.
- 2) Provision of services in support of affordable housing, particularly to the provision of homeownership counseling, credit counseling and other services as needed.
- 3) Economic development activities in targeted geographic areas that create job opportunities for low-moderate income persons and/or provide needed services to adjacent low-moderate income neighborhoods.
- 4) Improvements to public facilities and/or public infrastructure in support of targeted housing or economic development activities.
- 5) Provision of public services that support housing and economic revitalization activities in specific targeted geographic areas.

Activities Meeting Basic Needs of Citizens with Greatest Needs

- 1) Housing rehabilitation and development for low-moderate income renters and homeowners. Particular emphasis on the very low income, the elderly, and persons with disabilities.
- 2) Public services in support of low income housing, including housing counseling, assistance to persons with disabilities, assistance to persons with HIV/AIDS, lead-based paint hazard assistance and similar services.
- 3) Provision of emergency shelter, transitional shelter and permanent housing, along with appropriate supportive services at these various levels for the homeless.
- 4) Provision of infrastructure, improvements, assistance to and/or services to provide economic opportunity for low-moderate income residents, including direct assistance and support to organizations that create opportunities and/or jobs for low-moderate income persons, or to organizations that provide essential services to persons in support of economic development, such as child care for working parents, transportation, etc.

ELIGIBLE RANGE OF ACTIVITIES:

The following is a summary of eligible activities under the City's PY 2008

consolidated formula allocation programs.

1. Community Development Block Grant (CDBG) Program:

All CDBG activities must comply with the criteria for national objectives contained at 24 CFR 570.208. Generally, a CDBG eligible activity must benefit low-and moderate income persons or assist in the prevention or elimination of slums and blight. CDBG funds may be used for eligible activities including, but not limited to, the following:

- a) Acquisition in whole or in part of real property;
- b) Disposition, through sale, lease, donation, or otherwise, of any real property acquired with CDBG funds or its retention for public purposes, including reasonable costs of temporarily managing such property;
- c) Public facilities and improvements including the acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements. Public facilities and improvements include, but are not limited to: I) Shelters for the homeless; ii) Water and sewer facilities; iii) Flood and drainage improvements; IV) Fire protection facilities/equipment; v) Community, senior, and health centers; and VI) Parking, streets, curbs, gutters, sidewalks, parks, and playgrounds. Activities may also be directed to the removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements;
- d) Clearance Activities including the clearance, demolition, and removal of buildings and improvements, including movement of structures to other sites;
- e) Provision of public services including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, homeless services, fair housing counseling, energy conservation, welfare, Home buyer down payment assistance, or recreational needs. A public service must be either a new service or a quantifiable increase in the level of a service above that which has been provided by or in behalf of the City in the twelve calendar months before the submission of the City's action plan. The amount of CDBG funds used for public services may not exceed 15% of each grant including program income received during the City=s immediately preceding program year;
- f) Interim Assistance activities undertaken in areas exhibiting objectively determinable signs of physical deterioration where the City has determined that immediate action is necessary to arrest the deterioration and that permanent improvements will be carried out as soon as practicable or to alleviate emergency conditions threatening public health;
- g) Payment of non-Federal Share. Payment of the non-Federal Share required in connection with a Federal grant-in-aid program undertaken as part of CDBG activities,

provided, that such payment shall be limited to activities otherwise eligible and in compliance with applicable requirements;

h) Urban renewal completion. Payment of the cost of completing an urban renewal project funded under Title I of the Housing Act of 1949 as amended;

i) Relocation. Relocation payments and other assistance for permanently and temporarily relocated individuals, families, businesses, nonprofit organizations, and farm operations where assistance is required or appropriate under section 570.606;

j) Loss of Rental Income. Payments to housing owners for losses of rental income incurred in holding, for temporary periods, housing units to be used for the relocation of individuals and families displaced by program activities;

k) Housing services;

l) Privately Owned Utilities. CDBG funds may be used to acquire, construct, reconstruct, rehabilitate, or install the distribution lines and facilities of privately owned utilities, including the placing underground of new or existing distribution facilities and lines;

m) Construction of Housing. CDBG funds may be used for the construction of housing assisted under section 17 of the United States Housing Act of 1937;

n) Homeownership Assistance;

o) The provision of assistance to facilitate economic development by providing credit, including, but not limited to, grants, loans, loan guarantees, and other forms of financial support for the establishment, stabilization, and expansion of micro enterprises;

p) Technical Assistance. Provision of technical assistance to public or nonprofit entities to increase the capacity of such entities to carry out eligible neighborhood revitalization or economic development activities.

q) Assistance to institutions of higher education. Provision of assistance by the City to institutions of higher education when the City determines that such an institution has demonstrated a capacity to carry out eligible activities under subpart C.

r) Housing rehabilitation and preservation activities undertaken in accordance with 24 CFR 570.202.

s) Special economic development activities undertaken in accordance with 24 CFR 570.203.

t) Neighborhood revitalization, community economic development, or energy conservation activities undertaken in accordance with 24 CFR 570.204.

u) Planning, urban environmental design, and policy-planning-management-activities undertaken in accordance with 24 CFR 570.205.

v) Program administration costs undertaken in accordance with 24 CFR 570.206.

Limitation on planning and administrative costs: No more than 20 percent of the sum of any CDBG grant plus program income, may be expended for planning and program administrative costs as defined in 24 CFR 570.205 and 24 CFR 570.206.

2. Emergency Shelter Grant (ESG) Program:

ESG program funds may be used in accordance with the following categories:

a) Essential Services. Includes services related to employment, health, drug abuse, and education. Also includes assistance in obtaining permanent housing, medical and psychological counseling and supervision, employment, nutritional substance abuse counseling and treatment, child care, transportation, job placement/training, and staff salaries necessary to provide these services. A total of 30% of ESG funds may be used for these types of services.

b) Maintenance/Operational Expenses. Expenses associated with facility on-going operations including rent, insurance, utilities, supplies, equipment, furnishings, security, repairs, and fuels. Additionally up to 10% of the total ESG allocation may be used to pay staff costs for shelter operation;

c) Homeless Prevention Activities. Those activities designed to prevent the incidence of Homelessness. Services include but are not limited to: I) Short-term subsidies to defray rent and utility arrearage for families who have received eviction or utility termination notices; ii) Security deposits for first month's rent to permit a homeless family to move into their own rental dwelling; iii) Mediation programs for landlord-tenant disputes; iv) Legal services programs for the representation of indigent tenants in eviction proceedings; v) Payments to prevent foreclosure on a home; vi) Other innovative programs and activities designed to prevent the incidence of Homelessness. A total of 30% of ESG grant funds may be used for these types of services.

d) Rehabilitation of existing homeless shelter facilities.

e) ESG Matching Requirements. Funding under the ESG programs will require that each applicant supplement its grant with equal amounts of matching funds from sources other than ESG. In calculating the match amount, the following may be utilized: I) Value of any donated material or building; ii) Value of any lease on a building; iii) any salary paid to staff in carrying out an ESG program; IV) Volunteer hours for services at \$5.00 per hour; v) other grants or monetary donations.

3. Home Investment Partnerships (HOME) Program:

In general, HOME funds can be used for three types of housing programs: Homeownership (for home buyers, down payment assistance and single family rehabilitation); Rental Housing; and Tenant-Based Rental Assistance.

Under these three categories, the City may use HOME funds to develop and support affordable rental and homeownership projects through the following activities: Acquisition of property (including assistance to home buyers); New construction; Reconstruction; Conversion; Moderate rehabilitation (less than \$25,000 per unit) on non-luxury housing with suitable amenities; Substantial rehabilitation (more than \$25,000 per unit) of non-luxury housing with suitable amenities; Tenant-based rental assistance; Relocation of displaced persons, families, businesses, or organizations; Site improvements, acquisition of vacant land and demolition (under special conditions); Project soft costs; Administration/planning (up to 10% of the City's HOME allocation); Operating expenses for Community Housing Development Organizations-CHDO=s (up to 5% of the City's HOME allocation).

CHDOS are special types of nonprofit housing developers that are accountable to the low-income communities they serve. The HOME program attempts to promote and expand the capacity of CHDO's by setting aside a minimum 15 percent of the City's HOME allocation for investment in housing owned, sponsored, and developed by CHDOS.

All HOME funds (including the CHDO set-aside) must be committed within a 24 month period from the date of receipt of grant funds. All HOME funds must be spent within 5 years from the date of receipt of grant funds.

4. Housing Opportunities for Persons with Aids (HOPWA)

The following activities may be carried out with HOPWA funds per 24 CFR 574.300(b):

(1) Housing information services including, but not limited to, counseling, information, and referral services to assist an eligible person to locate, acquire, finance and maintain housing. This may also include fair housing counseling for eligible persons who may encounter discrimination on the basis of race, color, religion, sex, age, national origin, familial status, or handicap;

(2) Resource identification to establish, coordinate and develop housing assistance resources for eligible persons (including conducting preliminary research and making expenditures necessary to determine the feasibility of specific housing-related initiatives);

(3) Acquisition, rehabilitation, conversion, lease, and repair of facilities to provide housing and services;

(4) New Construction (for single room occupancy (SRO) dwellings and community residences only).

(5) Project-or tenant based rental assistance, including assistance for shared housing arrangements;

(6) Short-term rent, mortgage, and utility payments to prevent the homelessness of the tenant or mortgagor of a dwelling;

(7) Supportive services including, but not limited to, health, mental health, assessment, permanent housing placement, drug and alcohol abuse treatment and counseling, day care, personal assistance, nutritional services, intensive care when required, and assistance in gaining access to local, State, and Federal government benefits and services, except that health services may only be provided to individuals with acquired immunodeficiency syndrome or related diseases and not to family members of these individuals;

(8) Operating costs for housing including maintenance, security, operation, insurance, utilities, furnishings, equipment, supplies, and other incidental costs;

(9) Technical assistance in establishing and operating a community residence, including planning and other pre-development or pre-construction expenses and including, but not limited to, costs relating to community outreach and educational activities regarding AIDS or related diseases for persons residing in proximity to the community residence;

(10) Administrative expenses.

PY 2008 HOME AND HOPWA PROGRAM:

1. PY 2008 HOME Program: Specific project proposals for the PY 2008 HOME program will be accepted at a later date upon receipt of PY 2008 HOME funds. Comments and suggestions relating to the possible overall use of PY 2008 HOME funds by the City in accordance with the eligible activities will be accepted.

2. PY 2008 HOPWA Program: AIDS Alabama, Inc. will serve as the City's sponsor of HOPWA Entitlement Funds per HUD's recommendation. A description of proposed activities will be included as a part of the City's PY 2008 Proposed Action Plan which will be made available for citizen review and comment at a later date. However, comments and suggestions relating to the possible overall use of PY 2008 HOPWA funds by the City in accordance with the eligible activities will be accepted.

CONTENTS OF PY 2008 CDBG AND ESG PROPOSALS:

1. All CDBG & ESG proposals may be submitted in a format of the applicant's selection. Guidelines for the submission of proposals by non-profit organizations or other entities are available upon request in the City's Community Development Department at the referenced address.

2. All CDBG and ESG proposals should include a detailed budget of projected expenditures, specific and measurable performance goals and objectives, and a narrative description of proposed activities to be undertaken with an explanation as to how the proposed activities fit into the overall organization's budget structure. A summary of the applicant's prior experience over the prior five years in administering CDBG, ESG, or other federal funding should also be included.
3. Should an organization or other entity desire to submit more than one CDBG or ESG project proposal, the proposals should be submitted separately and should identify the program from which funding is proposed.
4. All CDBG & ESG proposals should include an Equal Employment Opportunity Statement whereby the applicant certifies that: "In its employment practices or provision of services, it does not and shall not discriminate on the basis of an individual's race, color, national origin, sex, religion, age, or handicapped status, in accordance with Executive Order 11246, as amended."
5. All CDBG & ESG proposals submitted by non-profit, for profit, or other such organizations should include a copy of its: a) Articles of Incorporation; b) Non-Profit Determination; c) List of its Board of Directors or Governing Body; and d) A description of the agency's fiscal management system including financial reporting, record keeping, accounting systems, payment procedures, and most recent audit report.
6. All proposals submitted must be for eligible activities as outlined herein. The City reserves the right to reject any and all proposals received in response to this request for proposals.

November 29, December 6, 13, 20, 27, 2007

January 3, 2008

Dates of Publication

Birmingham News/Birmingham Times