

Executive Summary

The Harris County Program Year 2012 (PY12) Consolidated Annual Performance and Evaluation Report (CAPER) is the fifth and final year of the annual performance report which describes progress made in the PY12 from March 1, 2012 to February 28, 2013 toward the goals set forth in the PY 2008-2012 Consolidated Plan. During PY12, Harris County expended \$14,082,633.50 in Community Development Block Grant, HOME Investment Partnerships, and Emergency Solutions Grant Funds on over 100 projects. Highlights of performance accomplishments according to specific need categories include:

Housing

Assisted 112 homebuyers with direct homeownership assistance. Rehabilitated 13 owner-occupied housing units and abated 28 lead contaminated housing units occupied by low-income persons. Constructed 10 new affordable housing units, 10 of which were rental units.

Homelessness

Assisted 9,868 homeless individuals and families with shelter and supportive services utilizing ESG and 1,604 homeless individuals utilizing CDBG funds.

Successfully collaborated with the Coalition for the Homeless of Houston/Harris and Fort Bend County on the submission of the PY12 Continuum of Care for the Tier 1 renewal projects, which was awarded \$18,169,837 for 49 programs.

Public Services

Assisted 4,308 low-income persons with health services, youth and senior services, child care, transportation services, and services for abused and neglected children.

Public Facilities and Infrastructure

Served 33,763 low-income persons in 23 infrastructure projects and 11,640 persons served in 13 public facilities projects.

Other Improvements

Assisted local communities by clearing 18 abandoned homes that contributed to slum and blight in the county.

Harris County has also received Federal Economic Recovery & Stimulus Funds through the Housing and Economic Recovery Act (HERA) which includes the Neighborhood Stabilization Program (NSP1) and the American Recovery and Reinvestment Act of 2009 (ARRA) which includes the Homeless Prevention and Rapid Re-housing Program (HPRP), and the Community Development Block Grant Recovery (CDBG-R) program; Dodd-Frank Reform Act which includes NSP3; and the CDBG Disaster Recovery Hurricane Ike and Dolly (TxCDBG) Program. These grant funds help to stabilize and/or stimulate the local economy and recover from federally declared disasters. The following is a summary of the accomplishments of the specific recovery programs administered by HCCSD during PY2012:

- *Homeless Prevention and Rapid Re-housing Program (HPRP) – HPRP expended \$4,463,961 and assisted 680 households with financial assistance, housing relocation and stabilization services, and data collection and evaluation. HCCSD prepared final reports to submit to HUD.*

- *Neighborhood Stabilization Program (NSP1)* - NSP1 expended a total \$16,570,480 for the acquisition of 123 single-family, vacant, foreclosed homes, of which 15 were acquired in PY2012. The program sold 9 homes during PY2012 to eligible NSP homebuyers of which 7 were acquired in PY2011, 2 were acquired during PY2012. To meet the 25 percent set-aside requirement, the program assisted with the funding (\$4,450,000) for the construction of an 88-unit senior living LEED Platinum facility called Cypresswood Estates, which completed construction in 2011.
- *Neighborhood Stabilization Program (NSP3)* – NSP3 has expended \$858,566 for the acquisition of 9 single-family, vacant, foreclosed homes in the NSP3 target areas, 6 of which were acquired in PY2012. The program sold 1 NSP3 property during PY2012, which was acquired in PY2011.
- *Community Development Block Grant Recovery Program (CDBG-R)* – CDBG-R expended \$2,919,475 on three projects for the modernization of infrastructure within WCID No. 36's District in Precinct 2 through the replacement and rehabilitation of portions of the existing gravity wastewater system in the district. In PY12, a fourth project, the Mary Eleanor & Mary Frances Sanitary Sewer System project, was added and allocated \$217,483 and expended all allocated funds. HCCSD has prepared final reports and submitted them to HUD.
- *CDBG Disaster Recovery Funding Hurricane Ike and Dolly (Tx-CDBG) Program* – The Housing assistance program Harris County Homeowner's Disaster Recovery Program (HDRP) expended \$39,878,365 on 212 reconstruction projects and 229 rehabilitation projects totaling 441 completed projects, with 88 projects underway. The Non-housing program expended \$6,166,700 on 27 infrastructure projects. Three projects have been completed and 11 are under construction.

As indicated by program accomplishments, Harris County continued to make strides in promoting affordable housing and providing a suitable living environment for its low-income citizens during PY12.

In regard to the administration of U.S. Housing and Urban Development (HUD) entitlement funds, Harris County Community Services Department (HCCSD) has worked diligently to comply with HUD regulations and monitoring guidelines. The county will continue to work with HUD to increase the efficient use of federal funds to serve low-income persons.

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Introduction

A Brief Note to the General Public

The Program Year 2012 Consolidated Annual Performance and Evaluation Report (CAPER) describes Harris County’s use of Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) and Emergency Solutions Grant (ESG) funds, which are grants generated by tax dollars to improve the quality of life for county residents. Accomplishments reported in this document were made between March 1, 2012 and February 28, 2013. These accomplishments were made within the Harris County service area, which includes unincorporated Harris County and a variety of small cities within the county that have signed cooperative agreements of service with Harris County. These small cities are referred to as Cooperative Cities. The cities of Houston, Pasadena and Baytown utilize their own community development resources and therefore are not within the Harris County service area. All Harris County U.S. Department of Housing and Urban Development (HUD) entitlement resources are dedicated predominantly to improve living conditions for low-income individuals and reduce slum and blight (Table 1).

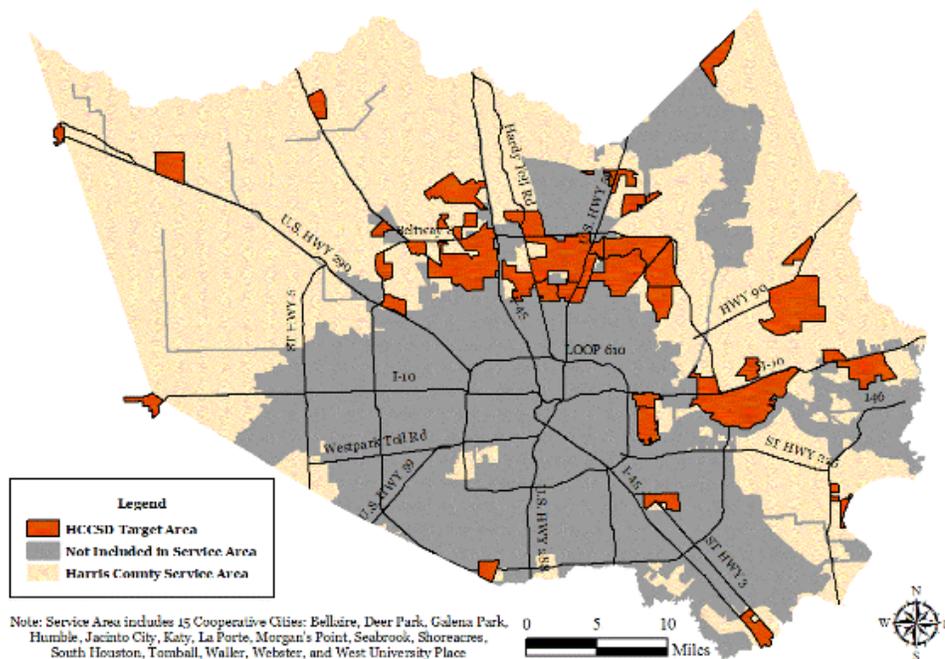
Table 1. PY 2012 Low and Moderate Income Limits

| Houston Metropolitan Statistical Area (MSA) | |
|---|-------------|
| FY 2012 Median Family Income* | \$66,200.00 |
| Extremely Low-Income (30% of the Median) | \$19,850.00 |
| Very Low-Income (50% of the Median) | \$33,100.00 |
| Low-Moderate-Income (80% of the Median) | \$52,950.00 |

*Based on a Family of four

Source: U.S. Dept. of Housing and Urban Development, HUD Program Limits, FY2012

Figure 1. HCCSD Service and Target Areas



What is the CAPER?

The CAPER is both a public awareness and performance evaluation document. It is required by the U. S. Department of Housing and Urban Development (HUD) for any jurisdiction receiving CDBG, HOME and ESG federal “entitlement” grants funds allocated to Harris County based on a formula of population and poverty characteristics. In fact, the CAPER is only one part of an extensive community development planning process for long- and short-term solutions for improving the lives of low-income individuals. Harris County’s practices have been specifically developed to assist in mapping strategies for community development and making good use of available resources. The CAPER is Harris County’s evaluation instrument for determining how effective these practices have been in its distribution of services and programs.

The Community Development Process

Long-term strategies for community development in the Harris County service area are dictated by the principles outlined in the Harris County PY2008-2012 Consolidated Plan. The Consolidated Plan, another requirement of HUD, provides a comprehensive list of countywide needs, goals, strategies, and solutions to be implemented over the course of three or five program years. The Consolidated Plan was significantly affected at a neighborhood level by a series of public meetings held in conjunction with the Harris County Community Planning program.

Harris County Community Planning Program, an initiative developed to complement HUD’s required process, develops long-range revitalization solutions at the community level. Individual communities often face specific needs which are not applicable countywide. Depending extensively on local participation and community empowerment, the program discovers those specific needs and provided goals, strategies and actions that specifically fit that community.

The program creates empowerment, enhances problem solving at the local level, and ensures that the plan was truly reflective of community needs.

Resources made available toward community development within Harris County are largely dedicated to projects, programs and initiatives that meet a public need or provide a solution indicated within the PY2008-2012 Consolidated Plan.

Use of county resources, specifically HUD entitlement resources, was monitored throughout PY 2012 to ensure compliance with federal, state and local regulations and to guarantee the effective use of such funds. Now that PY12 has concluded, Harris County has developed the PY12 CAPER. The CAPER provides an account of all resources, and evaluates the county’s ability to utilize resources effectively while addressing the needs established in the PY2008-2012 Consolidated Plan.

Why is the CAPER Important?

Simply put, a large majority of resources discussed within the CAPER either directly or indirectly flow from tax dollars. This alone warrants a need to use funds and other resources as wisely and prudently as possible. The CAPER reports to the general public and HUD the actual method in which resources were made available for use. In so doing, it provides an additional forum for community input into the community development process. The CAPER also ensures accountability by providing a detailed account of the provision of services by Harris County. Equally important is the fact that the CAPER is an evaluation instrument. It provides a summary of Harris County’s performance as a HUD entitlement fund service provider, complete with strengths and weaknesses. It requires the participating jurisdiction to conduct a self-assessment,

asking the questions: How well did the county utilize its HUD resources? Could more people have been served? Further, the CAPER provides a means by which HUD can ensure that agencies pursue and attain the proper and efficient use of resources.

The CAPER includes 1) a table of Consolidated Plan Annual Progress, 2) a summary of accomplishments, 3) an assessment of performance, and 4) a discussion of citizen participation. Each topic is developed so that the process is understandable to members of the general public.

An Additional Note to HUD Representatives

To make the CAPER more “user-friendly,” a matrix is provided to guide HUD representatives to required information. It also provides an index of information presented by the CAPER to the general public. The CAPER Requirements Matrix is designed to direct the reader to key information directly requested by HUD by listing the page where the information is found.

Table 2. CAPER Requirements Matrix

| Assessment of 3- to 5-Year Goals and Objectives | Yes | No | Reporting Method | Notes/Comments |
|--|-----|----|------------------|-----------------------------|
| 1. Does the report demonstrate how activities undertaken during the program year address pertinent Strategic Plan objectives and areas of high priority identified in the 3- to 5-year plan? | ❖ | | Narrative | p. 13-21 |
| 2. Is there an assessment of the relationship of the use of CDBG funds to the high priority needs/objectives in the Plan, including an analysis of the extent to which CDBG funds were distributed among different categories of housing needs identified in the Consolidated Plan? | ❖ | | | p. 29-31; 64-67 |
| 3. Is special attention given to the highest priority activities? | ❖ | | | p. 29-31; 50-55 |
| 4. If the grantee receives HOME funds from HUD, is there an analysis of the extent to which HOME funds were distributed among different categories of housing needs identified in the grantee's approved consolidated plan? | ❖ | | | p. 29-34; 42; 67-68 |
| 5. If the grantee receives HOPWA funds directly from HUD, is there an analysis of the extent to which HOPWA funds were distributed among different categories of housing needs identified in its approved Consolidated Plan? | | ❖ | | Do not receive HOPWA funds. |
| 6. If the grantee receives ESG funds directly from HUD, is there a description of the extent to which activities supported directly with ESG funds addressed homeless and homeless prevention goals, objectives, and priorities established in the Consolidated Plan, and if applicable, the Continuum of Care Plan. (May be discussed in the continuum of Care section of the CAPER.) | ❖ | | | p. 40-41; 54-55; 72 |

| | Yes | No | Reporting Method | Notes/Comments |
|---|-----|----|--|--|
| 1. Does the report contain an assessment of the grantee's efforts in carrying out the planned actions described in its action plan? Does it indicate the grantee: <ul style="list-style-type: none"> a. Pursued all resources that it indicated it would pursue. b. Provided requested certifications of consistency for HUD programs, in a fair and impartial manner. c. Did not hinder Consolidated Plan implementation by action or willful inaction. | ❖ | | Narrative | p. 52, 55, 59 |
| Affirmatively Furthering Fair Housing | | | | |
| 1. Does the report include information regarding actions taken to complete an analysis of impediments to fair housing choice? | ❖ | | Narrative | p. 45-52 |
| 2. Does the report include a summary of impediments identified in the analysis? | | | | |
| 3. Have actions been taken during the year to overcome the effects of the identified impediments? | | | | |
| Affordable Housing | | | | |
| 1. Does the report include the following? <ul style="list-style-type: none"> a. number of extremely low-income (0-31% of MFI) renter households assisted? b. number of extremely low-income (0-31% of MFI) owner households assisted? c. number of very low-income (31-60% of MFI) renter households assisted? d. number of very low-income (31-60% of MFI) owner households assisted? e. number of low-income (61-80% of MFI) renter households assisted? f. number of low-income (61-80% of MFI) owner households assisted? | ❖ | | HOME – C04PR23 CDBG – narrative | <i>Appendix</i> <i>p. 32-34</i> |
| 2. Is there a comparison of actual accomplishments with proposed goals for the reporting period? | ❖ | | Narrative | <i>p. 13-21</i> |
| 3. Does the report identify actions taken to: <ul style="list-style-type: none"> a. foster and maintain affordable housing? b. eliminate barriers to affordable housing | ❖ | | | <i>p. 46-54</i> |
| | ❖ | | | <i>p. 46-52</i> |
| 4. Have efforts been made to address "worst-case needs" and the needs of persons with disabilities? | | | | <i>p. 52</i> |
| Continuum of Care | | | | |
| Are the following included: | ❖ | | Narrative | p. 54-55 |
| 1. A summary of actions taken to prevent homelessness? | ❖ | | | |

| | | | | |
|---|-----|----|------------------|-----------------|
| 2. Actions taken to address the emergency shelter and transitional housing needs of homeless individuals and families? | ❖ | | | |
| 3. New federal resources obtained during the year from the Continuum of Care SuperNOFA. | ❖ | | | |
| Other Actions | | | Reporting Method | Notes/Comments |
| Does the report address actions taken to: | ❖ | | Narrative | <i>p.55-60</i> |
| 1. Address obstacles to meeting underserved needs? | | | | |
| 2. Overcome gaps in institutional structure and enhance coordination? | ❖ | | | |
| 3. Improve public housing and resident initiatives? | ❖ | | | |
| 4. Evaluate and reduce lead-based paint hazards? | ❖ | | | |
| 5. Ensure compliance with program and comprehensive planning requirements? | ❖ | | | |
| 6. Reduce the number of persons living below the poverty level? | ❖ | | | |
| Leveraging Resources | Yes | No | | |
| 1. Does the report describe progress in obtaining other public and private resources? | ❖ | | Narrative | <i>p. 60</i> |
| 2. Is there a discussion of how federal resources made available from HUD leveraged other public and private resources, including how any matching requirements were satisfied? | | | | |
| Displacement and 1-4-1 Replacement | | | | |
| If any CDBG activities involved acquisition, rehabilitation (rental) or demolition of occupied real property, did the grantee submit a narrative that identified the activities? | ❖ | | Narrative | <i>p. 65-67</i> |
| a. Does it identify steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities? | ❖ | | | |
| b. Does it identify steps taken to identify households, businesses, farms, or nonprofit organizations that occupy the site of a CDBG-assisted project subject to the requirements of the URA or Section 104(d) of the 1974 Community Development Act, as amended? | ❖ | | | |
| c. Does it identify whether or not these households, etc., were actually displaced? | ❖ | | | |
| d. Does it identify the nature of their needs and preferences? | ❖ | | | |
| e. Does it describe the steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations? | ❖ | | | |
| Is the information provided by the grantee satisfactory? | | | | |
| If no, was the CAPER sent to the Relocation Specialist? | | | | |
| Self-Evaluation | | | | <i>p. 61-63</i> |

| | | | | |
|---|---|--|-----------|-----------------|
| 1. Is the self-evaluation results-oriented? | ❖ | | Narrative | <i>p. 56-60</i> |
| 2. Has the grantee considered the following as part of its self-evaluation: | ❖ | | | <i>p. 56-60</i> |
| a. Whether activities and strategies addressed in the strategic plan and action plan are making an impact on identified needs | ❖ | | | |
| b. Which indicators would best describe the results of activities/strategies impacting needs | ❖ | | | <i>p. 56-60</i> |
| c. What barriers may have a negative impact on fulfilling the strategies and the overall vision | ❖ | | | <i>p. 56-60</i> |
| d. The status of grant programs | ❖ | | | <i>p. 53-63</i> |
| e. Whether any activities or types of activities are falling behind schedule | ❖ | | | <i>p. 61-62</i> |
| f. Whether grant disbursements are timely | ❖ | | | <i>p. 62</i> |
| g. Whether actual expenditures differ substantially from line of credit disbursements | ❖ | | | <i>p. 62-63</i> |
| h. Whether major goals are on target | ❖ | | | <i>p. 63</i> |
| i. What adjustments or improvements to strategies and activities might meet the grantee's needs more effectively | ❖ | | | <i>p. 61-63</i> |

CDBG

| Summary of Activities Report (C04PR03) | Yes | No | Notes/Comment |
|--|-----|----|---------------|
| 1. Are all activities that were underway on the CAPER included on the report? | ❖ | | Appendix |
| 1. Are the 2011 activities relevant to the projects approved in the 2011 Action Plan and any subsequent amendments? | ❖ | | Appendix |
| 2. For each activity, does the activity description provide a clear description of the nature and eligibility of the activity? | ❖ | | Appendix |
| 3. Is the organization carrying out the activity identified? | ❖ | | Appendix |
| 4. Has an appropriate matrix code been included for each activity? | ❖ | | Appendix |
| 5. Is the status of each activity appropriate? | ❖ | | Appendix |
| 6. For each activity in which the status is completed, does it appear that the requirements for meeting one of the national objectives have been met? | ❖ | | Appendix |
| 7. Has beneficiary data been reported for direct benefit activities? Does it correspond with the actual accomplishments reported? <i>(For multi-family housing and job creation activities, this information must be cumulative over the life of the activity. For all other direct benefit activities, the beneficiary data should be provided for just this year's accomplishments.)</i> | ❖ | | Appendix |

| | | | |
|--|---|--|----------|
| 8. For each activity, have actual accomplishments been entered that include an appropriate unit of measure and the number of units completed during the program year? | ❖ | | Appendix |
| 9. If an activity has not been completed, has information been provided in the accomplishment section that adequately describes the status of the activity? | ❖ | | Appendix |
| 10. If any activity uses the nature and location of the activity to meet the LMC criteria, does the grantee describe how the nature and/or location of the activity demonstrates that the activity benefits a limited clientele, at least 51 percent of whom are low/mod income persons? <i>(This information does not print on the report – you must go into IDIS (view activity module) to verify this information.)</i> | ❖ | | Appendix |
| 11. For LMA benefit activities, have census tract/block group data and the percentage of low/mod persons residing in the area been provided? <i>(This information does not print on the report – you must go into IDIS (view activity module) to verify this information.)</i> | ❖ | | Appendix |
| a. Are the CT/BG data and percentages valid? | ❖ | | |
| 13. Have street addresses or other location information been provided for each activity (except relocation, planning and administration activities)? | ❖ | | |
| 14. If a survey was used that was not previously approved by HUD, has a copy of the survey instrument and the results obtained been submitted? | | | n/a |
| 15. For SBA benefit activities, have the boundaries of the designated area been identified, as well as the year of designation and the percentage of buildings deteriorated at the time of designation? <i>(This information does not print on the report - must go into IDIS view activity module to verify this information.)</i> | | | Appendix |
| 16. For each acquisition activity, has the planned use of the property acquired been identified? | ❖ | | Appendix |
| 17. For each code enforcement activity, have the geographic boundaries of the target area, CT/BG, and percent of low/mod persons resident in the target area been provided? <i>(CT/BG and l/m percentages do not print on the report – must go into IDIS view activity module to verify this information. See #11.)</i> | | | n/a |
| 18. For each historic preservation activity reported, has it been reported if the structure is residential or nonresidential? | | | n/a |
| 19. If an activity is designated to specifically address an outstanding noncompliance finding or court order based on a FHEO law, is this noted in the activity description? | | | n/a |
| 20. Does any activity involve assistance in the form of a guarantee of payment of indebtedness incurred by another party? | | | n/a |
| a. If yes, is the amount of the contingent liability that may be required to be repaid with CDBG funds included in the activity description? | | | |

| | | | |
|--|--|--|----------|
| 21. Where there is a lump sum drawdown activity, does the amount drawn include only those funds disbursed (or transferred to a reserve account) by financial institutions for assistance provided to the ultimate beneficiary? | | | Appendix |
|--|--|--|----------|

| Multi-Unit Housing Activities | Yes | No | Notes/Comment |
|---|-----|----|--|
| 1. For each multi-unit housing activity, have the total number of units and the number occupied at the start of the activity been reported? | ❖ | | p. 32 (Table 5) and p. 65-68 (Displacement/Relocation activities) and Appendix C(PR 03 and PR23) |
| 2. For multi-unit housing activities meeting the low/mod housing national objective, have the following been reported. (<i>This information does not print on the report – must go into IDIS view activity module to verify this information.</i>) | ❖ | | |
| a. Number of units occupied by low/mod income persons at the start of the activity? | ❖ | | |
| b. Total number of units to be occupied by low/mod income persons at completion? | ❖ | | |
| c. Percentage of units to be occupied by low/mod income persons? | ❖ | | |
| 3. Has the maximum amount of CDBG funds to be credited for low/mod benefit been identified in the accomplishment field for each multi-unit housing activity? | ❖ | | Appendix |
| 4. Have the previous low/mod credit and the low/mod credit for this reporting period been provided for each multi-unit housing activity, as appropriate? | ❖ | | Appendix |
| 5. Have the total cost and total CDBG share of that cost been reported in the accomplishment field? | ❖ | | Appendix |
| Economic Development Activities | | | |
| 1. For economic development to for-profit businesses, does the activity description, accomplishment section, or narrative identify the form of assistance? | ❖ | | Appendix-No Economic Development activities during PY11. |
| 2. If the assistance is in the form of a loan, have the interest rate and repayment period been shown? (<i>This information does not print on the report – must go into IDIS view activity module to verify this information.</i>) | n/a | | |
| 3. For low/mod job creation and retention activities, have the number of permanent full-time and part-time jobs to be held by or made available to low/mod persons been provided? (<i>This information does not print on the report – must go into IDIS view activity module to verify this information.</i>) | n/a | | |
| 4. If jobs were made available to low- or moderate-income persons but were not taken by them, does the CAPER provide: (<i>should be included as a narrative unless its in the accomplishment section.</i>) | n/a | | |

| | | | | |
|--|-----|--|------------------|------------|
| a. Narrative of actions taken by the grantee and businesses to ensure first consideration was or will be given to low/mod persons. | n/a | | | |
| b. Listing by job title of all the permanent jobs created/retained and those that were made available to low/mod persons. | n/a | | | |
| Overall Benefit | | | | |
| 1. Did the grantee meet the overall low/mod income benefit test? <i>(See financial summary or FA review for this information.)</i> | n/a | | | |
| 2. If no, or if the grantee did not use CDBG funds exclusively for the three national objectives (excluding planning/admin), is a narrative provided that addresses how the use of funds did not address national objectives and how future activities might change as a result of the current experience? | n/a | | | |
| HUD-Approved Neighborhood Revitalization Strategy | | | | |
| Does the CAPER report progress against benchmarks established for the program year? (For EZ/ECs, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting annual progress on neighborhood revitalization strategy areas.) | | | Narrative N/a | Appendix J |

HOPWA

| | Yes | No | Reporting Method | Notes/Comments |
|---|-----|----|------------------|---------------------------------|
| 1. Does the CAPER include an overview of activities carried out, barriers encountered, actions in response to barriers, and recommendations for program improvement? | | | Narrative | N/A, Do not receive HOPWA funds |
| 2. If grantees use project sponsors, does the CAPER address how grant management oversight of sponsor activities was undertaken, including how recipients of such assistance were chosen and what services were provided? | | | | |
| 3. Does the CAPER include information on what other resources were used in conjunction with HOPWA-funded activities, including cash resources and in-kind contributions? | | | | |
| 4. Does the CAPER indicate how activities were carried out in collaboration with related programs, including consultations or coordination of planning with clients, advocates, and entities that administer programs under the Ryan White CARE Act, AIDS Drug Assistance Programs, Continuum of Care Homeless Assistance Programs, or other efforts that assist persons living with HIV/AIDS and their families? | | | | |

ESG

| | Yes | No | Reporting | Notes/Comments |
|--|-----|----|-----------|----------------|
|--|-----|----|-----------|----------------|

| | | | Method | |
|---|---|--|--|------------|
| 1. Does the CAPER include a description of the sources and amounts of funds used to meet the match requirements of the ESG program. | ❖ | | Narrative | Appendix D |
| 2. For each year of funds expended during the program year, was the amount expended for essential services within the 30 percent cap? | | | C04PR19 and C04PR20 (only if grantee separated activities by eligible category. | |
| 3. For each year of funds expended during the program year, was the amount expended for homeless prevention services within the 30 percent cap? | | | Otherwise, supplemental | |
| 4. For each year of funds expended during the program year, was the amount expended for administration within the 5 percent cap? | | | narrative.) | |
| 5. Were each year's grant funds expended within the 24-month time period? | | | | |

Public Participation

| | Yes | No | Reporting Method | Notes/Comments |
|--|-----|----|------------------|----------------|
| 1. Did the jurisdiction make the CAPER available to the public for examination and comment for a period of at least 15 days? | ❖ | | Narrative | p. 73 |
| 2. Did the performance report provided to citizens identify all federal funds made available for furthering objectives of the Consolidated Plan? | ❖ | | | p. 22-28 |
| 3. Did the grantee provide the following information in the performance report: | ❖ | | | |
| a. Total amount of funds available (including estimated program income) for each formula grant program. | ❖ | | | p. 22 |
| b. Total amount of funds committed during the reporting period. | ❖ | | | p. 28 |
| c. Total amount expended during the reporting period. | ❖ | | | p. 28 |
| d. Identify the geographic distribution and location of expenditures. | ❖ | | | Appendix G |
| 4. Did the grantee provide the public with a summary of community accomplishments for each priority need designated in the strategic plan? | ❖ | | | p. 13-21 |

Consolidated Plan Annual Progress

Program Years 2008 through 2012

Table 3. Consolidated Plan Goals Summary of Progress

| PRIORITY | OBJECTIVE | CUMULATIVE ACCOMPLISHMENTS THROUGH PY2012 | GOAL | PERCENT COMPLETE |
|----------------|--|--|----------------|------------------|
| Housing | | | | |
| | OWNERS | | | |
| H | Objective 1: Homeownership - To provide 800 individuals and families with the opportunity for homeownership by February 28, 2013, thus improving quality of life and supplying decent housing. This objective will be accomplished through financial assistance to prospective low-income homebuyers. Financial assistance includes, but is not limited to downpayment and closing cost assistance. Programs providing downpayment and closing cost services should provide a minimum of \$10,000 in downpayment and closing costs per eligible program household participant. Harris County places a high priority on projects servicing seniors, the disabled, and persons with HIV/AIDS. | Decent Housing 598 households have access to affordable housing through a down payment assistance program for the purpose of providing decent affordable housing. | 800 households | 75% |
| H | Objective 2: New Construction -To provide financial assistance to aid in the construction of 60 affordable housing units within the Harris County service area by February 28, 2013 for the purpose of supplying decent housing for low-income owner occupied households. Harris County places a high priority on projects servicing seniors, the disabled, and persons with HIV/AIDS. | Decent Housing 57 households have new access to homeownership for the purpose of providing decent affordable housing. | 60 households | 95% |
| H | Objective 3: Single-family Home Rehabilitation -To provide 100 low-income homeowners with home repair and/or rehabilitation assistance by February 28, 2013 for the purpose of supplying decent housing for low-income households. Minor home repair assistance includes but is not limited to rehabilitation of septic systems and water wells. Harris County places a high priority on projects | Decent Housing 97 households have sustained affordable housing through the provision of rehabilitation for the purpose of providing decent affordable housing. | 100 households | 97% |

| PRIORITY | OBJECTIVE | CUMULATIVE ACCOMPLISHMENTS THROUGH PY2012 | GOAL | PERCENT COMPLETE |
|----------|--|---|----------------|------------------|
| | servicing seniors, the disabled, and persons with HIV/AIDS. (CDBG funds use only and involves repairs that cost less than \$10,000 per house). | | | |
| H | Objective 4: Lead Based Paint Hazard Control- To assist in the control of lead based paint hazards in 150 owner-occupied, single-family housing units by February 28, 2013 for the purpose of providing safe and decent housing for low-income households. | Decent Housing 152 households have sustained affordable housing through the provision of home repair via lead based paint hazard control for the purpose of providing decent affordable housing. | 150 households | 100% |
| | RENTERS | | | |
| H | Objective 5: New Construction- To provide financial assistance to aid in the construction of 200 affordable multi-family housing units within the Harris County service area by February 28, 2013 for the purpose of supplying decent housing to low- and moderate-income renter households. Harris County places a high priority on projects servicing seniors, the disabled, and persons with HIV/AIDS. | Decent Housing 136 households have new access to rental housing units for the purpose of providing decent affordable housing. | 200 households | 68% |
| H | Objective 6: Acquisition of Multi-Family Housing- To provide assistance to acquire 100 multi-family, affordable housing units in the Harris County service area by February 28, 2013 for the purpose of supplying decent housing to low-income renter households. (If acquiring and rehabilitating units use code 14G) | Decent Housing 150 households have new access to rental housing units for the purpose of providing decent affordable housing. | 100 households | 100% |
| M | Objective 7: Rehabilitation, Multi-Unit- To provide financial assistance to aid in the rehabilitation of 15 multi-family, affordable housing units in the Harris County service area by February 28, 2013 for the purpose of supplying decent housing to low-income renter households. | Decent Housing 0 households have sustained affordable housing through the provision of rehabilitation for the purpose of providing decent affordable housing. | 15 households | 0% |

| PRIORITY | OBJECTIVE | CUMULATIVE ACCOMPLISHMENTS THROUGH PY2012 | GOAL | PERCENT COMPLETE |
|-----------------|--|---|----------------|------------------|
| H | Objective 8: Rental Assistance- To provide tenant based rental assistance to 50 extremely low- and low-income Harris County families and individuals, by February 28, 2013 for the purpose of supplying decent housing for low-income renter households. Harris County places a high priority on projects servicing seniors, the disabled, and persons with HIV/AIDS. | Decent Housing 0 households have new access to rental housing units for the purpose of providing decent affordable housing. | 50 households | 0% |
| H | Objective 9: Lead Based Paint Hazard Control- To assist in the control of lead based paint hazards in 15 renter-occupied, single-family housing units by February 28, 2013 for the purpose of providing safe, decent housing for low-income renter households. | Decent Housing 0 households have sustained affordable housing through the provision of home repair via lead based paint hazard control for the purpose of providing decent affordable housing. | 15 households | 0% |
| Homeless | | | | |
| H | Objective 1: Essential Services- To provide 12,000 units of outreach, assessment and other essential services for homeless persons and families to improve their overall quality of life and assist in moving them to self-sufficiency by February 28, 2013. Essential services include but are not limited to counseling, case management, food and clothing distribution, job training and placement, life skills training, child care, health care, transportation, emergency dental care, education, housing placement and substance abuse treatment. | Suitable Living Environment 16,357 persons have access to services for the purpose of sustaining a suitable living environment. | 12,000 persons | 100% |
| H | Objective 2: Homeless Prevention- To provide outreach and homeless prevention services to 500 persons and families at risk of homelessness by February 28, 2013 for the purpose of promoting the sustenance of decent housing for the low-income population. Homeless prevention services include but are not limited to emergency housing and utility assistance, security deposits, mediation and legal assistance, case management and counseling. | Suitable Living Environment 483 persons have access to services for the purpose of sustaining a suitable living environment. | 500 persons | 97% |

| PRIORITY | OBJECTIVE | CUMULATIVE ACCOMPLISHMENTS THROUGH PY2012 | GOAL | PERCENT COMPLETE |
|--------------------------|--|---|--------------------------------|------------------|
| H | Objective 3: Emergency and Transitional Shelters- To maintain and expand operations and support renovations and rehabilitation of structures to provide shelter for 5,000 homeless persons within new and existing emergency and transitional shelters by February 28, 2013 for the purpose of providing decent housing for the homeless population. | Decent Housing 19,053 persons have access to a shelter for the purpose of providing decent affordable housing. | 5,000 persons | 100% |
| Public Facilities | | | | |
| H | Objective 1: General Public Facilities- Provide improvements and/or construction of 10 neighborhood or social service facilities by February 28, 2013 for the purpose of improving the quality of life of 20,000 residents of low-income communities by promoting the availability of public facilities to the meet unmet neighborhood needs. Neighborhood facilities include but are not limited to community centers, multi-purpose centers, and arts and crafts facilities. Social Service Facilities are structures, which provide space for the purpose of providing a needed service to low-income persons such as group homes, libraries, and healthcare facilities. | Suitable Living Environment 2,471 persons have new access to a public facility for the purpose of providing a suitable living environment. | 10 projects/ 20,000 persons | 12% |
| H | Objective 2: Senior Centers- Provide improvements to 5 senior center facilities located throughout the Harris County service area by February 28, 2013 for the purpose of improving the quality of life of 5,000 elderly individuals by promoting the availability of facilities to serve unmet needs. Senior centers are facilities that exclusively provide space for services to persons aged 62 years and older. | Suitable Living Environment 700 persons have new access to a public facility for the purpose of providing a suitable living environments. | 5 project/ 5,000 persons | 14% |
| H | Objective 3: Youth Centers- Provide improvements to 1 youth centers located in the Harris County service area particularly low-income by February 28, 2013 for the purpose of improving the quality of life of 1,000 youth by promoting the availability of facilities to serve unmet needs. Youth centers are facilities that primarily provide space for services to persons aged 18 years and younger. | Suitable Living Environment 0 persons have new access to a public facility for the purpose of providing a suitable living environments. | 1 projects/ 1,000 persons | 0% |

| PRIORITY | OBJECTIVE | CUMULATIVE ACCOMPLISHMENTS THROUGH PY2012 | GOAL | PERCENT COMPLETE |
|-----------------------------|---|---|--------------------------------|------------------|
| H | Objective 4: Parks -Provide improvements to and/or construction of 10 parks/recreational facilities benefiting low-income areas by February 28, 2013 for the purpose of improving the quality of life of 60,000 residents of low-income communities by promoting the availability of green space and playground areas to serve recreational and leisure needs. | Suitable Living Environment 42,939 persons have new access to a public park for the purpose of providing a suitable living environments. | 10 projects/ 60,000 persons | 72% |
| Economic Development | | | | |
| H | Objective 1: Direct Financial Assistance to For-Profits -To provide direct financial assistance to for-profit businesses by February 28, 2013 for the purpose of creating/retaining 25 jobs with at least 51% reserved for low and moderate income persons thus expanding economic opportunity and improving the quality of life for unemployed and underemployed individuals. | Creating Economic Opportunities 0 persons have new access to jobs for the purpose of creating economic opportunities. | 25 persons | 0% |
| H | Objective 2: Microenterprise Assistance -To provide financial and technical assistance and training to enable 25 low-income persons the opportunity for entrepreneurship by February 28, 2013. Training and assistance to include but not limited to business counseling and micro-loan availability. | Creating Economic Opportunities 0 persons have new access to jobs for the purpose of creating economic opportunities. | 25 persons | 0% |

| Infrastructure | | | | |
|-----------------------|--|---|----------------|------|
| H | Objective 1: Street Improvements -Construct and improve 15 miles of roadways benefiting low-income areas of the Harris County service area by February 28, 2013 for the purpose of improving the living environment and quality of life of 10,000 low-income persons. | Suitable Living Environment 8,941 persons have improved access to roadways for the purpose of providing a suitable living environment. | 10,000 persons | 89% |
| H | Objective 2: Water/Sewer Improvements -Provide improvements to 80,000 linear feet of water/sewer lines and 4 water/sewer facilities benefiting low-income areas within the Harris County service area by February 28, 2013 for the purpose of improving the living environment and quality of life of 80,000 low-income persons. Improvements may include, but are not limited to sewage treatment facilities, rehabilitation of manholes, rehabilitation of water storage tanks, and construction and maintenance of lift and pump stations. | Suitable Living Environment 175,249 persons have improved access to water/sewer for the purpose of providing a suitable living environment. | 80,000 persons | 100% |
| H | Objective 3: Sidewalks/Pathways -Construct and improve 3 miles of sidewalks/pathways benefiting low-income areas within the Harris County service area by February 28, 2013 for the purpose of improving the living environment and improving the quality of life for 10,000 low-income persons. | Suitable Living Environment 3,785 persons have improved access to sidewalks/pathways for the purpose of providing a suitable living environment. | 10,000 persons | 38% |
| H | Objective 4: Flood drain improvements -Construct and improve 2 miles flood drains and controls benefiting low-income areas of the Harris County service area by February 28, 2013 for the purpose of improving the living environment and quality of life of 4,000 low-income persons. | Suitable Living Environment 1,950 persons have improved access to flood drainage for the purpose of providing a suitable living environment. | 4,000 persons | 49% |

| Public Services | | | | |
|------------------------|--|--|----------------|------|
| H | Objective 1: General Services- To provide general public services to 5,000 low and moderate persons to increase quality of life and general well-being for individuals and families throughout the HCCSD service area. Services include but are not limited to food and clothing distribution, housing counseling, crime awareness, and neighborhood clean up. | Suitable Living Environment 624 persons have access to services for the purpose of sustaining a suitable living environment. | 5,000 persons | 12% |
| H | Objective 2: Senior Services (Special Needs Population)- To provide senior services to 5,500 elderly and frail elderly persons to enable them to increase or maintain quality of life and promote physical, mental, and social well-being. Senior services include but are not limited to food and clothing distribution, housing counseling, transportation services, enrichment classes, exercise and recreation programs, healthcare/medication assistance, emergency dental care and services for Alzheimer's disease patients and their families. | Suitable Living Environment 11,938 persons have access to services for the purpose of sustaining a suitable living environment. | 5,500 persons | 100% |
| H | Objective 3: Youth Services/Child Care- To provide youth services/child care for 15,000 low-income persons, 5-19 years of age, for the purpose of enriching, protecting, and improving quality of life by February 28, 2013. Youth services include but are not limited to counseling, after-school programs, sports and recreational programs, education and tutoring programs, life skills building, self-esteem building, drug and alcohol education, youth retreats, mentor programs, summer youth programs, child care services, juvenile crime/gangs programs, and job and career counseling. | Suitable Living Environment 19,665 persons have access to services for the purpose of sustaining a suitable living environment. | 15,000 persons | 100% |
| H | Objective 4: Health Services- To provide health prevention, services, and outreach to 8,500 low-income persons to increase the mental, physical, and social well-being of the individual and family by February 28, 2013. Health prevention, services, and outreach include but are not limited to immunization, health clinic service, mobile care, vision care, dental care, nutrition counseling, tele-medicine, after hours care, physical rehabilitation, services to person with HIV/AIDS, and health education and | Suitable Living Environment 13,608 persons have access to services for the purpose of sustaining a suitable living environment. | 8,500 persons | 100% |

| | | | | |
|--------------|---|---|----------------|------|
| | awareness. | | | |
| H | Objective 5: Services to Persons with Disabilities and Persons with HIV/AIDS (Special Needs Populations) -To provide services to 300 disabled adults or persons with HIV/AIDS to enable them to increase or maintain their quality of life and promote physical, mental, and social well-being. Services include but are not limited to counseling, housing placement, food and clothing distribution, transportation services, enrichment classes, exercise and recreation programs, job training and placement and independent living skills training. | Suitable Living Environment 283 persons have access to services for the purpose of sustaining a suitable living environment. | 300 persons | 94% |
| H | Objective 6: Transportation Services -To promote transportation services to 1,200 low-income persons by February 28, 2013 to increase mobility to access essential service, facilities, jobs and employment centers thus improving the quality of life. | Suitable Living Environment 2,468 persons have access to services for the purpose of sustaining a suitable living environment. | 1,200 persons | 100% |
| H | Objective 7: Abused and Neglected Children -To provide services to 4,000 abused and neglected children by July 31, 2013 for the purpose of enabling a secure and stable environment thus increasing quality of life. Services include but are not limited to advocacy, counseling, childcare, and protection. | Suitable Living Environment 5,120 persons have access to services for the purpose of sustaining a suitable living environment. | 4,000 persons | 100% |
| Other | | | | |
| H | Objective 1: Clearance and Demolition -To eliminate 150 dilapidated and/or unsafe structures located in low-income areas in an effort to improve integrity of Harris County neighborhoods by February 28, 2013. | Suitable Living Environment 242 structures demolished for the purpose of sustaining a suitable living environment. | 150 structures | 100% |

| | | | | |
|----------|---|---|------------------------------------|------|
| M | Objective 2: Nonprofit Technical Assistance- To provide assistance to 10 non-profit organizations, including assistance to Community Housing Development Organizations (CHDOs) and Community Based Development Organizations (CBDOs), to build capacity to support revitalization activities in low-income communities. Assistance includes but is not limited to technical assistance, referral services, and providing research and information services. | Suitable Living Environment 16 non-profits (150) persons affected) have access to planning services for the purpose of sustaining a suitable living environment. | 10 non-profits/ 1,000 persons | 100% |
| H | Objective 3: Planning- To support, encourage and facilitate countywide service planning and local community planning activities through the Harris County service area for the purpose of preparing for the future and ensuring stabilization and needed expansion of services and facilities through February 28, 2013. Local planning activities to provide neighborhood level plan for 4 low-income target areas by developing and conducting a planning process, supporting research and analyses, and providing technical assistance. One plan has been submitted to the U.S Department of Housing and Urban Development as Neighborhood Revitalization Strategies Area (NRSA). | Suitable Living Environment 0 communities have access to planning services for the purpose of sustaining a suitable living environment. | 4 communities/ 8,000 persons | 0% |

Summary of Resources and Accomplishments

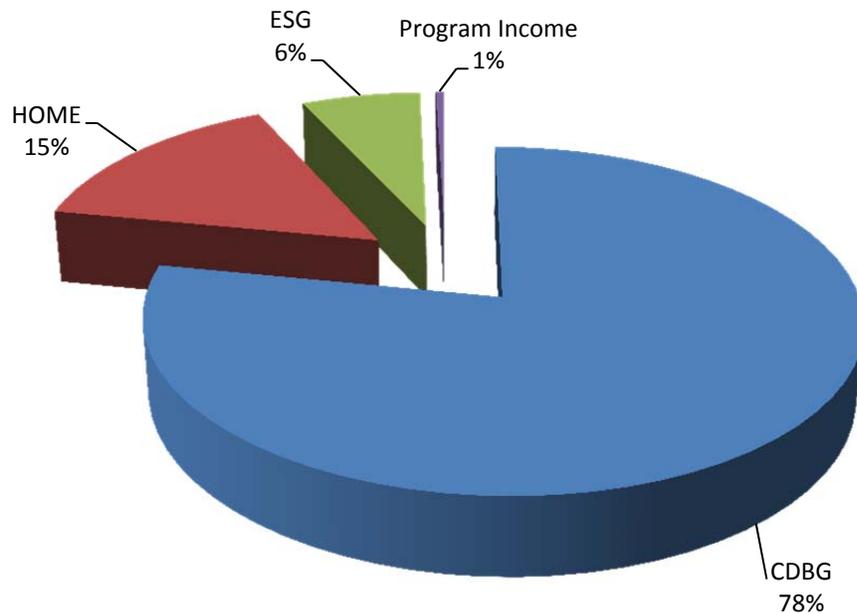
Resources Available

In recent years, Harris County, as a whole, has expanded its funding base beyond a reliance on federal HUD entitlement funds. The increase in funding sources is largely a result of the county's continued commitment to expanding its role in community revitalization. Projects and partnerships funded through Harris County programs often include substantial public and private funds leveraged to maximize success. Other Harris County departments have actively sought over 200 federal, state, and local grants to improve the quality of life in the county. In addition, other outside agencies throughout the county offer services to low-income communities and in many cases complement the county's HUD entitlement programs' efforts.

Federal Entitlement Resources

For PY12, Harris County received funds through three of the four major formula grants issued by HUD: Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and the HOME Investment Partnerships Act. The City of Houston Housing & Community Development Department was responsible for the administration of the region's Housing Opportunities for Persons with AIDS (HOPWA) allocation. In total, Harris County received \$13,262,762 in CDBG, HOME and ESG funds for PY 2012.

Chart 1. PY 2012 HUD Entitlement and Program Income Funds



Federal, Non-federal and Other Sources of Funding

The Harris County Community Services Department (HCCSD) has grown to become an organization funded through a variety of federal, non-federal, and other funding sources in an effort to further its pursuit of decent, affordable housing, a suitable living environment, economic opportunities and overall improvement in the quality of life for low-income persons throughout the service area.

Federal/State

CDBG Disaster Recovery Funding Hurricane Ike and Dolly (TxCDBG)- In PY2012, HCCSD continued to work with the nearly \$106 million dollars received from the Texas General Land Office (GLO) Community Development Block Grant (CDBG) Disaster Recovery Funds Round 1 to provide assistance to those affected by Hurricanes Dolly and Ike. These funds continue to assist with the needs of predominantly low to moderate income persons to help rebuild homes and infrastructure severely damaged as a result of the storms. Of the allocation, \$56,277,229 million has been made available to provide housing assistance and \$19,301,860 million for non-housing infrastructure activities. HCCSD has utilized the housing assistance to launch the Harris County Homeowner's Disaster Recovery Program (HDRP). The HDRP program enables eligible Harris County homeowners to repair and reconstruct homes that sustained significant damage from Hurricane Ike. Currently, HDRP has expended \$39,878,365 on 212 reconstruction projects and 229 rehabilitation projects totaling 441 completed projects, with 88 projects underway. The Non-housing program expended \$6,166,700 on 27 infrastructure projects. Three projects have been completed and 11 are under construction.

During PY2012, HCCSD submitted an application to the General Land Office (GLO) for the funding allocation for Round 2.2. This allocation will bring approximately \$42,139,994 for non-housing activities and \$48,503,791 million for housing activities. For non-housing, the county has a total of 15 projects and 5 have completed the environmental review process and received their authority to use grant funds. For housing, the county has 5 housing projects and 4 projects have completed the environmental review process and received their authority to use grant funds. The county is currently awaiting approval of its Housing Guidelines by the State of Texas General Land Office to begin Round 2.2 housing projects.

Community Development Block Grant Recovery (CDBG-R) In 2009, Harris County received an additional allocation of \$2,919,475 from HUD in Community Development Block Grant Program Funds (CDBG-R) as part of the American Recovery and Reinvestment Act of 2009. Harris County funded three projects for the modernization of infrastructure within WCID No. 36's District through the replacement and rehabilitation of portions of the existing gravity wastewater system in the district. The selected projects will provide in excess of \$3,800,000 in direct expenditures within the local community, including nearly \$900,000 in leveraged funds in addition to the \$2,919,475 in CDBG-R. In 2011, the WCID No. 36's District projects expended all but \$217,483 in CDBG-R funds. In PY12, a fourth project, the Mary Eleanor & Mary Frances Sanitary Sewer System project, was allocated the remaining \$217,483 and expended all allocated funds. HCCSD has prepared final reports and submitted them to HUD.

Homelessness Prevention and Rapid Re-housing (HPRP)- In 2009, Harris County submitted an Amendment to the Program Year 2008 Annual Action Plan (Action Plan) to HUD to include an additional allocation to Harris County of \$4,463,961 in Homelessness Prevention and Rapid Re-housing Program Funds (HPRP) as part of the American Recovery and Reinvestment Act of 2009. As part of the process for distributing funds, the County ensured continued collaboration with the City of Houston to create a streamlined RFP process and to ensure that the City and County did not duplicate services, but instead provides complimentary programming. Additionally, Harris County built on its existing relationships with the local Council of Government, Houston-Galveston Area Council (H-GAC) and the Coalition for the Homeless to pursue meetings and coordinate services with agencies who will receive stimulus funding, such as the Workforce Development Board and local Health and Human Services departments.

For PY12, HPRP activities expended \$4,463,961 and assisted 680 households with financial assistance, housing relocation and stabilization services, and data collection and evaluation. HCCSD has prepared final reports and submitted them to HUD.

Neighborhood Stabilization Program (NSP1)- Harris County will continue to utilize its allocation of nearly \$6 million in NSP and NSP3 funding from HUD to construct affordable senior housing as well as implement the Homeownership Made Easy (H.O.M.E.) Program. Under the H.O.M.E. Program, Harris County purchases and rehabs foreclosed single family houses and resells them to qualified low, moderate and middle income families in Harris County. Utilizing NSP funding and related Program Income, Harris County has assisted in the creation of an affordable senior development, as well as, creatively promoted home ownership opportunities to income eligible Harris county residents having completed the HUD required minimum eight hours of housing counseling.

Currently, NSP1 expended a total \$16,570,480 for the acquisition of 123 single-family, vacant, foreclosed homes, of which 15 were acquired in PY2012. The program sold 9 homes during PY2012 to eligible NSP homebuyers of which 7 were acquired in PY2011, 2 were acquired during PY2012. To meet the 25 percent set-aside requirement, the program assisted with the funding (\$4,450,000) for the construction of an 88-unit senior living LEED Platinum facility called Cypresswood Estates, which completed construction in 2011.

Currently, NSP3 has expended \$858,566 for the acquisition of 9 single-family, vacant, foreclosed homes in the NSP3 target areas, 6 of which were acquired in PY2012. The program sold 1 NSP3 property during PY2012, which was acquired in PY2011.

Federal Transit Administration (FTA) - Harris County has become a regular recipient of the Federal Transit Administration (FTA) funding and receives FTA funding for use in areas outside of the METRO service area or where service is inaccessible or unavailable. Funding has been programmed for various projects in multiple locations within Harris County including:

- Harris County CSD Transit Services has made all transit services fully ADA accessible.
- A Park and Ride at Garth Road and Interstate-10 in Baytown. The Park and Ride service assists individuals getting to and from their jobs within the Central Business District of Houston as well as the Texas Medical Center. The Baytown Park and Ride service had 151,915 passenger boarding's and held steady ridership since its inception in October 2007. With the increasing gasoline prices, ridership is expected to increase 8 percent over the upcoming program year.
- Local fixed route service in Baytown. The local service began in 2008 in partnership with Lee College, the City of Baytown and United Way of the Baytown Area. Harris County Transit was awarded \$992,000 in ARRA funds to provide a third route in Baytown, construct bus shelters and purchase an electronic fare media system for the RIDES program that will be expanded to all of the Harris County Transit service. Since its inception on July 28, 2008, the Baytown Fixed route service has increased over 264% in ridership and now has consistent monthly passenger boarding's in excess of 7,000 persons. To date, the Baytown service has provided 222,739 passenger trips. The ARRA funded a 3rd route and the installation of 30 bus passenger shelters with self- contained solar battery lighting has been a key factor in the increased demand for service. With the success of the bus shelter program the City of Baytown has opted to purchase 15 additional bus shelters and provide the labor to install these shelters at recently added bus stop locations. The Baytown Fixed Route service is funded by FTA 5307 Urban formula funds with the City of Baytown providing 50 percent required match for service and the 20 percent required match for the bus shelters.
 - The Baytown to Crosby bus service was continues as a deviated route life line service using FTA 5307 funds. Current ridership has exceeded 13,000 boarding's.
- The Baytown Fixed Route and Pasadena and Baytown Park & Ride expended \$1,899,932.
- Local fixed route service for the cities of Pasadena and La Porte was started in January 2010 through a Hurricane Ike Social Services Block Grant. Ridership has increased 192 percent and now exceeded 4,000 passenger boarding's per month through October 2012. The service was being continued after the expiration of the SSBG funds by FTA 5307 grant funds and the 50 percent local match requirements through a partnership between the cities of Pasadena, La Porte and San Jacinto College. In October 2012, the City of Pasadena and San Jacinto College opted out of participation in the service, even with the increase in ridership. The City of La Porte has opted to continue the service within it city limits and also offer a connection to San Jacinto College for La Porte residents. Ridership for this one bus system has held steady at 500 boarding's per month through February 28, 2013.

- A Social Service Shuttle for Low Income La Porte Residents was started on November 01, 2012 to provide connectivity with the La Porte fixed route service and give access to medical services and the Social Security office in Pasadena and Baytown. This service uses FTA 5307 Urban Formula funds and CDBG funds for match. This service has had an average of 500 boarding's a month from its inception through February 2013.
- Harris County has been awarded \$3,714,209 in PY11 FTA 5307 Funds to be used for continued operation of the Harris Count Fixed Route Bus Service, RIDES and the Medical Non- Emergency Transit programs.
 - Harris County RIDES is a county wide subsidized taxi and shared ride demand response program for elderly and disabled residents that are unable to access alternate transportation. On the shared ride program, RIDES offers door –to- door services through Ambassadors. The Ambassadors provide services above and beyond requirements of the American Disabilities Act (ADA) such as assisting clients into doctor's offices and assistance with small packages. In PY12, the RIDES program expended \$986,541 for service and made over 62,801 demand response trips.
 - RIDES used \$100,000 of ARRA funds to implement an electronic fare card and database management system. This successful implementation in conjunction with an outside vendor has a Phase II component to provide Integrated Voice Response and customer Credit Card Processing which will roll-out in the summer of 2013.
 - RIDES program was awarded \$228,000 in Federal dollars from Texas Department of Transportation (TxDOT) Section 5310 Elderly/ Disabled funding and will continue to use \$1,446,736 in FTA 5317 New Freedom Funds through 2016. These funds are awarded through the Metropolitan Transit Authority of Harris County (METRO) and Houston Galveston Area Council (H-GAC).
 - Operate a medical transportation non-emergency demand response transit service for qualifying residents who live outside the METRO service area in unincorporated Harris County. This program had 14,464 trips provided.

Sustainability Grant from HUD, DOT, and EPA- In late PY10, Harris County joined with other jurisdictions, non-profits, and the local Council of Government/Metropolitan Planning Organization, the Houston-Galveston Area Council (H-GAC), to form a consortium to apply to a notice of funding availability sponsored by U.S. HUD (as the lead agency), U.S. DOT, and EPA for planning projects to promote sustainability within their area. The consortium was selected and awarded \$3.75 million. In PY11, the committee has entered into the public engagement phase of the grant. This outreach effort has conducted approximately 40 community meetings and surveyed over 500

citizens throughout the targeted area. In PY12, the Sustainability Grant committee has developed goals, objectives and metrics and is currently holding public meetings and focus groups on these plan elements. HUD has also provided direction to the Sustainability Committee and H-GAC to conduct a Regional Fair Housing Assessment, which is currently underway and will be completed in PY2013.

Non-Federal

Low Income Housing Tax Credits (LIHTC)- provide financial incentives to developers to build affordable rental units for low-income families and individuals. During PY2012, three (3) developers received certifications of consistency with the Consolidated Plan for tax-credit applications to construct 243 affordable rental units for low-income residents plus 41 market rate units in three developments within the Harris County service area. PY2012 experienced a significant reduction in the number of requests for certifications of consistency for proposed LIHTC developments from previous years because the Texas Department of Housing and Community Affairs (TDHCA) revised its Qualified Allocation Plan (QAP) for PY2012. Developers applying for LIHTC are longer required to obtain a certification of consistency from the county as part of their application process.

Other Sources of Funding

Tax Increment Reinvestment Zones (TIRZ)- Harris County utilizes special TIRZ funds designated for the creation of affordable housing to provide additional funding for homeless shelters, down payment assistance, and other affordable housing related projects. These funds are utilized to provide assistance to eligible participants in the form of loans and grants in order to increase the availability of affordable, decent, safe, and sanitary housing to low-income individuals and families.

General Utility Assistance- HCCSD, through a combination of funding from Emergency Assistance, EFSP Phase 30, CDBG Utilities, Reliant CARE, TXU Energy Aid, Centerpoint Energy and Direct Energy/First Choice Neighbor to Neighbor Program has been awarded \$1,354,145 to assist eligible customers with utility assistance. While each program has individual eligibility requirements, all provide assistance to low-income households on verge of utility disconnection or whose services have been disrupted due to economic hardship. In PY12, 6,412 clients have been served and the program expended \$1,516,489.

Housing Choice Voucher Program - Housing Choice Section 8 Rental Assistance program provides rent subsidies for very low-income individuals and families, as well as, persons who are elderly or disabled to maintain their rents at affordable levels. The program offers the freedom of choice to recipients so that they may find housing units suitable to their needs. The Harris County Housing Authority expended \$33,120,134 in housing assistance payments and provided approximately 3,935 individuals and families with monthly rental subsidy payments.

The Housing Authority was also awarded \$553,966 from the Housing and Urban Development's Veterans Affairs Supportive Housing Program (HUD-VASH) to provide

permanent housing for homeless veterans. With this grant, the Housing Authority received a total of **250** VASH vouchers.

Continuum of Care - The PY2012 Continuum of Care (CoC) funding had substantial changes in both the types of funding available and the way in which Harris County, as part of the Houston/Harris and Fort Bend County Continuum of Care submitted the application for funding. In PY2012, the CoC application was submitted to HUD through a community ranking process that included ranking project applications into two separate tiers, Tier 1 and Tier 2. Project applicants, both new and renewal, submitted projects through the collaborative application process which were ranked according to community priorities, organizational capacity and performance history. Tier 1 was reserved for higher ranking projects and Tier 2 for lower ranking projects. Both Tiers contained a mixture of new and renewal CoC projects. The complete application and project ranking was reviewed and approved by the newly established Continuum of Care Steering Committee which is the governing body for the Continuum of Care. The collaborative application includes projects for leasing, rental assistance, permanent supportive housing and supportive services. The projects provide literacy/education training, preventive health care, transportation, supportive service for drug-dependent individuals, transitional housing and supportive services for homeless HIV infected women and their children, transitional housing and supportive services to battered women and their children, and permanent housing for homeless persons with disabilities and their families.

To date, only Tier 1 renewal projects have been funded for PY2012 CoC funding, which includes 49 programs totaling \$18,169,837.

Lead Based Paint - Harris County, through the Harris County Public Health and Environmental Services Department (HCPHES), has been addressing the lead-based paint issue since 1992. Services for lead-based paint hazard control include: public education and outreach, screening and identification of lead-based paint hazards by HCPHES, lead inspection and specifications for abatement by a lead-based paint testing service, hiring of a certified contractor, relocation of the family by HCPHES, abatement by the certified contractor, and clearance by the inspector.

Harris County Public Health and Environmental Services received a *Lead Hazard Control Grant* in the amount of \$2,127,810.00 for the Healthy Homes Program to reduce lead-based paint hazards in 160 units in Harris County. The grant is for a three year period. In PY12, 29 homes were abated and \$12,366.46 was expended.

Other County Department Resources

CSD represents only one of the many departments within Harris County working diligently to improve the quality of life for all Harris County residents including those low-income individuals and families within the county's service area. In fact, the vast majority of county departments, in some manner, act to improve the quality of life and enhance community revitalization in the county and work to serve families through prevention, investigation, and protective services. At the same time, they serve thousands of persons in education, health, public service, and public safety -- all priorities of the Consolidated Plan. With 6,504 road miles and approximately 167 parks

and community centers maintained by Harris County precincts, infrastructure and civic enrichment programs are always priorities.

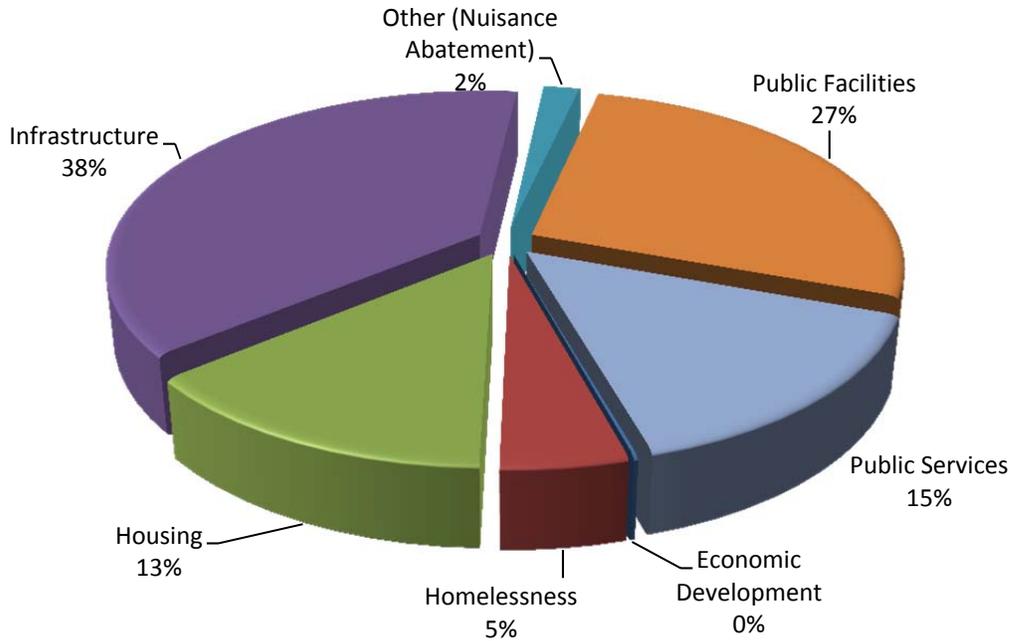
Analysis of PY12 grant awards in the major areas of the PY2008-2012 Consolidated Plan, such as housing, public facilities, infrastructure, youth services and health, indicate that activities implemented in other County departments complement those funded through HCCSD. For example, the Harris County Public Health and Environmental Services Department spends a large amount of its annual budget providing health services such as immunization, prenatal care, and pediatric health care. The Harris County Library distributes materials to 26 branches throughout the county with an annual circulation of over 10 million items. The libraries are also the site of literacy and English as a Second Language programs.

Funds Authorized/Expended

Entitlement funds are authorized for expenditure following the completion of project selection and the subrecipient contract process. For this narrative, authorized funds represent 1) funds previously expended, 2) funds expended during PY12, and 3) funds yet to be expended, thus it represents the initial allocation set aside to fund projects reported in this document. Conversely, expended funds represent funds expended during PY12 only. Allocated funds for projects active during PY12 amounted to \$13,929,321.57. These projects expended entitlement funds amounting to \$9,624,509.82 during PY12.

Accomplishments According to Consolidated Plan Need Areas

Chart 2. PY12 Expenditure of Entitlement Funds According to Consolidated Plan Priority Area



One of the primary functions of the CAPER is to report on an entitlement community's annual efforts to implement its Consolidated Plan. Implementation of the plan is measured through the accomplishments attained through projects and programs implemented during the program year. The following section summarizes Harris County's PY12 efforts including accomplishments according to the needs and strategies reported in the Harris County 2008-2012 Consolidated Plan. The priority need areas stated in the Consolidated Plan include: Public Facilities and Improvements, Economic Development, Homelessness, Housing, Infrastructure, and Public Facilities and Improvements. *Chart 2. Expenditure of Entitlement Funds According to Consolidated Plan Priority Area* indicates funds expended to meet the full range of community development and housing needs.

Homelessness

CDBG funding in the amount of \$868,310.34 was authorized during PY12 for 11 projects that provided essential services and shelter exclusively for homeless persons and expended \$649,380.49 during PY12. These programs provided services to 1,604 individuals and families who were homeless or "at risk" of becoming homeless. Activities funded included supportive services and emergency shelter services to the homeless.

In PY12, Harris County authorized the use of \$719,119.00 in ESG funding for 11 homelessness projects. Of these funds, \$374,497.29 was expended during PY12 and a total of 9,868 homeless persons benefited through the ESG authorized funds.

Homeless projects addressed the following 2008-2012 Consolidated Plan Strategies: Essential Services, Homeless Prevention, and Emergency and Transitional Shelters.

Housing

Harris County continued to advance the availability of decent, safe and affordable housing through 14 HOME and CDBG housing projects (some projects received both types of funding). Harris County authorized the use of \$1,861,212.45 for 5 housing projects in PY12 CDBG funding; \$179,368.12 was expended during the program year, and a total of 41 households benefited.

During PY12, Harris County authorized \$10,395,213.83 in HOME funds for 9 housing projects. Of these HOME funds, \$2,787,634.70 was expended and 122 households benefited or housing units were created.

Program purposes included programs providing downpayment and closing costs assistance, acquisition of rental units, and owner occupied housing rehabilitation services. Housing-related activities addressed the following 2008-2012 Consolidated Plan Housing Strategies: Homeownership, Single Unit Rehabilitation, Lead Based Paint Abatement, and Acquisition.

Public Facilities and Improvements

During PY12, Harris County authorized the use of \$7,401,484.47 in CDBG funds for 13 public facilities and \$14,484,147.00 for 23 infrastructure improvement projects. Activities funded included community centers, parks, road improvement projects, and water supply and sewer system improvements. Harris County expended \$51,036,183.15 in CDBG funds for public facilities projects and served 11,640 persons with 1 project completed and \$4,653,053.47 for infrastructure projects and served 33,763 with 8 projects completed.

Public Facilities and Infrastructure activities addressed 2008-2012 Consolidated Plan Strategies General Facilities, Senior Facilities, Parks, Street Improvements, Water and Sewer Improvements, and Construction of Facilities.

Other

During PY12, Harris County authorized the use of \$304,954.02 in CDBG funds for 4 projects to address community development needs in the areas of clearance and demolition and planning and expended \$120,951.38. In PY12, 18 abandoned and unsafe units were demolished. The aforementioned projects addressed 2008-2012 Consolidated Plan Strategies of Clearance and Demolition.

Economic Development

Harris County did not authorize the use of CDBG funding for economic development projects during the 2012 program year. In the future, the county may participate in activities such as small business loan program and business development initiatives creating jobs for income eligible persons.

Public Services

Harris County authorized the use of \$1,761,815.27 in CDBG funds for 33 public service projects in PY12. A total of \$922,482.29 was expended during PY12, and 4,308 low-income persons benefited. Each of these projects addressed community development needs in the areas of youth, health, transportation, abused and neglected children, and crime awareness.

PY12, public service activities addressed 2008-2012 Consolidated Plan Strategies General Services, Youth Services, Health Services, Services for the Disabled, Child Care, Senior Services, and Services for Abused and Neglected Children.

Affordable Housing Accomplishments

Furthering affordable housing encompasses one of the primary purposes of HUD and is therefore a major component in reporting and evaluating performance. This section summarizes Harris County’s efforts to further affordable housing during PY12. These achievements utilized CDBG and HOME funds to promote the availability of affordable housing and increase the amount of decent, safe housing stock. The following tables and charts identify the number of beneficiaries (persons, households, and housing units) by income and ethnicity. It also identifies the type and number of projects funded and the amount of entitlement funds expended during PY12. It should also be noted that the county expended local funding to support affordable housing.

Table 4. Summary of Affordable Housing Accomplishments

| Activity (HUD Matrix Code) | Number of Projects | Total Served PY12 | HOME Assisted Owners | CDBG Assisted Owners | HOME Assisted Renters | CDBG Assisted Renters | Amount Authorized | Expended in PY12 |
|--|---------------------------|--------------------------|-----------------------------|-----------------------------|------------------------------|------------------------------|--------------------------|-------------------------|
| Direct Homeownership Assistance (13) | 3 | 112 | 112 | 0 | 0 | 0 | \$3,773,006.00 | \$1,345,091.29 |
| Construction of Housing (12) | 6 | 10 | 0 | 0 | 10 | 0 | \$6,622,207.83 | \$1,442,543.41 |
| Rehabilitation-Single Unit Residential (14A) | 4 | 13 | 0 | 13 | 0 | 0 | \$1,201,655.41 | \$179,368.12 |
| Lead-Based/Lead Hazard Test/Abate (14I) | 1 | 28 | 0 | 28 | 0 | 0 | \$659,557.04 | 0 |
| Total Served | 14 | 163 | 112 | 41 | 10 | 0 | \$12,256,426.28 | \$2,967,002.82 |

Note: Categories contain past year projects making final draws.

Table 5. Housing Accomplishments According to Income

| Priority Need Category | Units |
|----------------------------------|------------|
| Owners : (153) households | |
| Extremely Low (0-30% MFI) | 22 |
| Very Low (30-60% MFI) | 32 |
| Low (60-80% MFI) | 99 |
| Renters: (10) households | |
| Extremely Low (0-30% MFI) | 4 |
| Very Low (30-60% MFI) | 5 |
| Low (60-80% MFI) | 1 |
| Total | 163 |

Note: MFI: Median Family Income, See Table 1. 2012 Low and Moderate Income Limits (Pg. 1)

Chart 3. Affordable Housing Accomplishments: Persons Assisted According to Race/Ethnicity

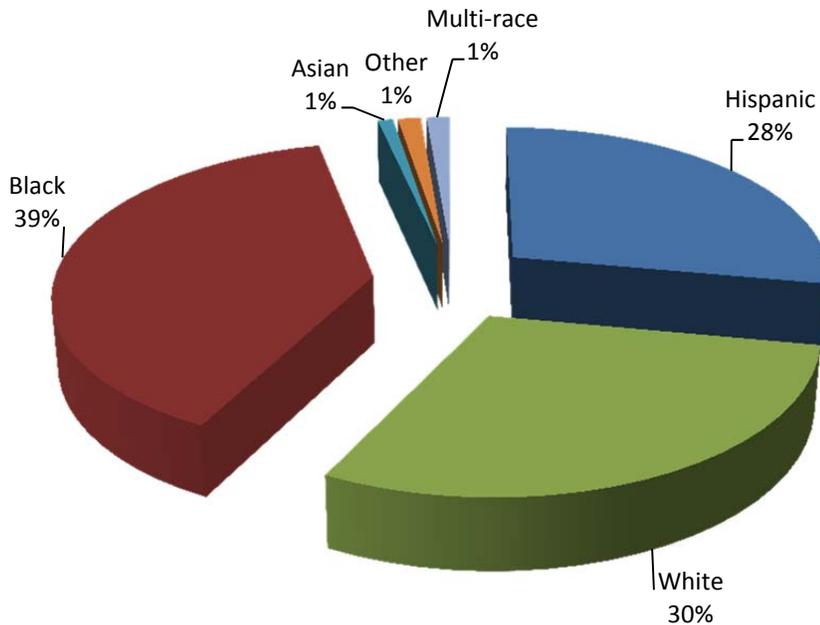


Table 6. Housing Accomplishments According to Race/Ethnicity

| Housing by Race/Ethnicity | |
|----------------------------------|------------|
| Hispanic | 63 |
| Non-Hispanic | 100 |
| <i>White</i> <i>67</i> | |
| <i>Black</i> <i>88</i> | |
| <i>Asian</i> <i>2</i> | |
| <i>Other</i> <i>3</i> | |
| <i>Multi-race</i> <i>3</i> | |
| Total | 163 |

Table 7. Priority Housing Needs/Investment Plan Goals

| Priority Need | 5-Yr. Goal Plan | 2008 Actual | 2009 Actual | 2010 Actual | 2011 Actual | 2012 Actual | Total 2008-2012 |
|---|-----------------|--------------|--------------|--------------|--------------|--------------|-----------------|
| Renters | | | | | | | |
| 0 - 30 of MFI | 90 | 30 | 1 | 7 | 24 | 4 | 66 |
| 31 - 60% of MFI | 117 | 72 | 23 | 3 | 76 | 5 | 179 |
| 61 - 80% of MFI | 173 | 0 | 0 | 0 | 40 | 1 | 41 |
| Owners | | | | | | | |
| 0 - 30 of MFI | 128 | 15 | 24 | 17 | 9 | 22 | 87 |
| 31 - 60 of MFI | 375 | 43 | 87 | 21 | 25 | 32 | 208 |
| 61 - 80% of MFI | 512 | 92 | 187 | 177 | 79 | 99 | 634 |
| Homeless | | | | | | | |
| Individuals and Families | 5,000 | 1,230 | 1,534 | 1,364 | 1,307 | 1,604 | 7,039 |
| Non-Homeless Special Needs | | | | | | | |
| Elderly | 100 | 43 | 7 | 16 | 14 | 8 | 88 |
| Frail Elderly | - | - | - | - | - | - | |
| Severe Mental Illness | - | - | - | - | - | - | |
| Physical Disability | 100 | 43 | 7 | 10 | 20 | 5 | 85 |
| Developmental Disability | - | - | - | - | - | - | |
| Alcohol/Drug Abuse | - | - | - | - | - | - | |
| HIV/AIDS | 50 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total (Non-Homeless Special Needs) | 6,645 | 1,568 | 1,870 | 1,615 | 1,594 | 1,780 | 8,427 |

CDBG Specific Accomplishments

CDBG funds, which comprise the majority of Harris County entitlement funds reported in this document, were established to provide specific eligible services and other activities specifically for improving the quality of life for low-income persons. This section of the CAPER is dedicated to summarizing CDBG program accomplishments in eight non-housing community development areas of eligible activities: public service, public facilities, infrastructure, crime awareness, special needs groups, workforce development, and area benefit projects. CDBG public service and crime awareness projects primarily benefited low-income limited clientele. Special needs programs primarily benefited those persons, who are elderly, disabled, are infected with HIV/AIDS, and/or have a substance abuse problem. Public facilities and infrastructure projects primarily consisted of the construction and

renovation of public buildings that served a majority low-income area or a low-income limited clientele and public works improvements located within low-income areas.

Public Services

Table 8. Public Service Projects Accomplishments Table

| Priority Need Category/Matrix Code | Projects Funded | Amount Authorized | Amount Expended | Total Assisted |
|------------------------------------|-----------------|-----------------------|---------------------|----------------|
| Senior Services (05A) | 8 | \$339,099.00 | \$166,177.85 | 1,231 |
| Service for the Disabled (05B) | 1 | \$28,195.96 | 0 | 0 |
| Youth Services (05D) | 11 | \$688,041.43 | \$356,982.24 | 1,805 |
| Transportation (05E) | 2 | \$563,858.66 | \$329,488.60 | 223 |
| Substance Abuse (05F) | 3 | \$120,871.78 | \$33,954.85 | 25 |
| Batter and Abused Spouse (05G) | 1 | \$29,180.00 | 0 | 0 |
| Child Care Services (05L) | 1 | \$30,012.00 | \$21,452.61 | 260 |
| Abused & Neglected Children (05N) | 3 | \$329,851.40 | \$180,603.99 | 764 |
| Total | 33 | \$1,761,815.27 | \$922,482.29 | 4,308 |

Note: Several projects remain open pending final draws.

Chart 4: Public Services Expenditures by Project Type

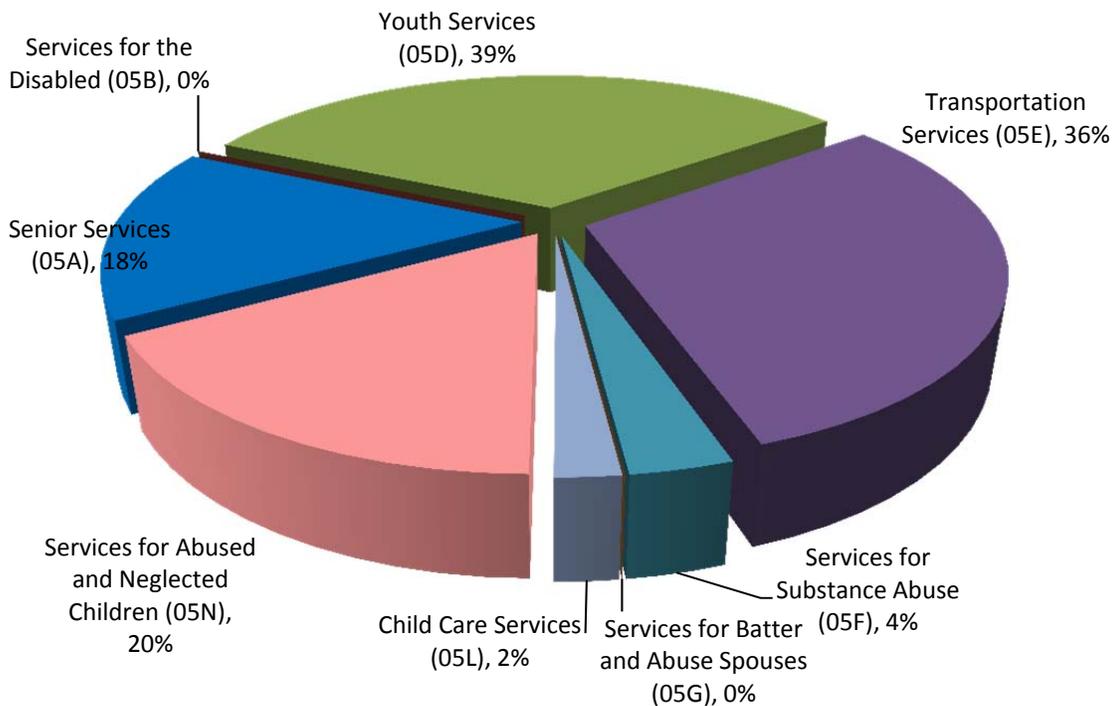
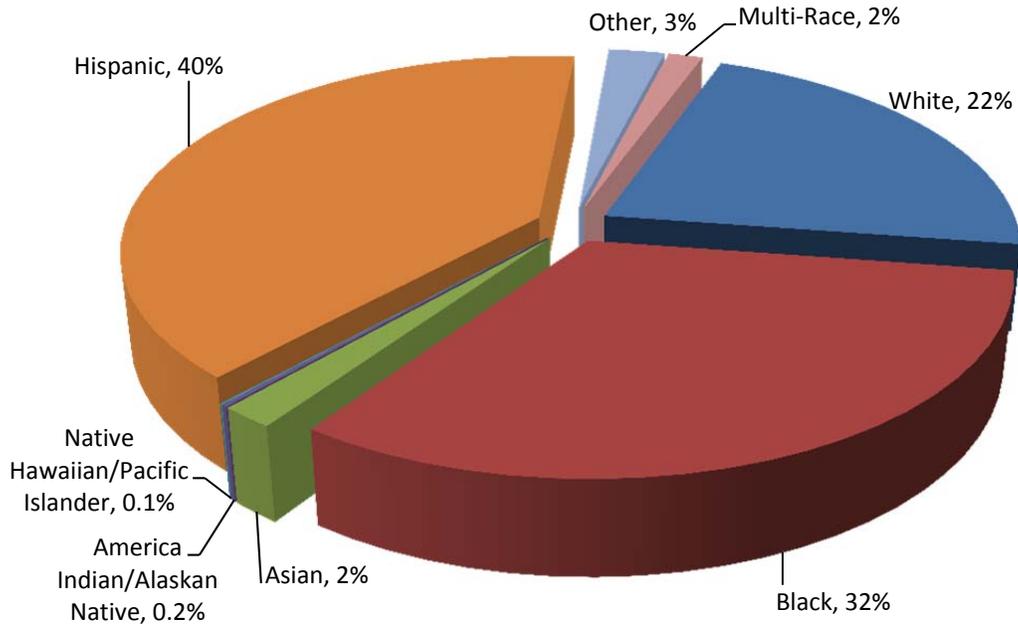


Chart 5: Public Services Activities Persons Served by Race/Ethnicity



Public Facilities/ Infrastructure

Table 9. Summary of Accomplishments for Public Facilities

| Priority Need Category/Matrix Code | Projects Funded | Projects Completed | Persons Served | Amount Authorized | Amount Expended |
|--------------------------------------|-----------------|--------------------|----------------|-----------------------|-----------------------|
| General (03) | 4 | 0 | 0 | \$2,619,614.93 | \$330,083.11 |
| Senior Centers (03A) | 2 | 0 | 0 | \$1,377,734.06 | 0 |
| Neighborhood Facilities (03E) | 2 | 0 | 0 | \$1,799,098.00 | \$436,597.31 |
| Parks, Recreational Facilities (03F) | 5 | 1 | 11,640 | \$1,605,037.48 | \$269,502.73 |
| Total | 13 | 1 | 11,640 | \$7,401,484.47 | \$1,036,183.15 |

Note: Several projects remain open pending final draws.

Chart 6: Public Facilities Expenditures by Project Type

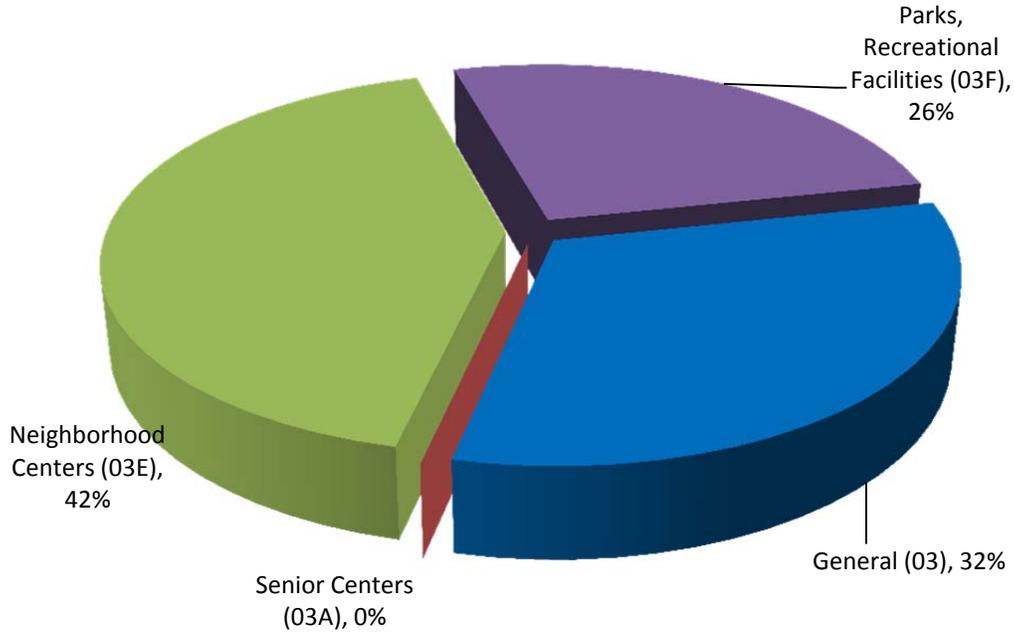


Table 10. Summary of Accomplishments for Infrastructure

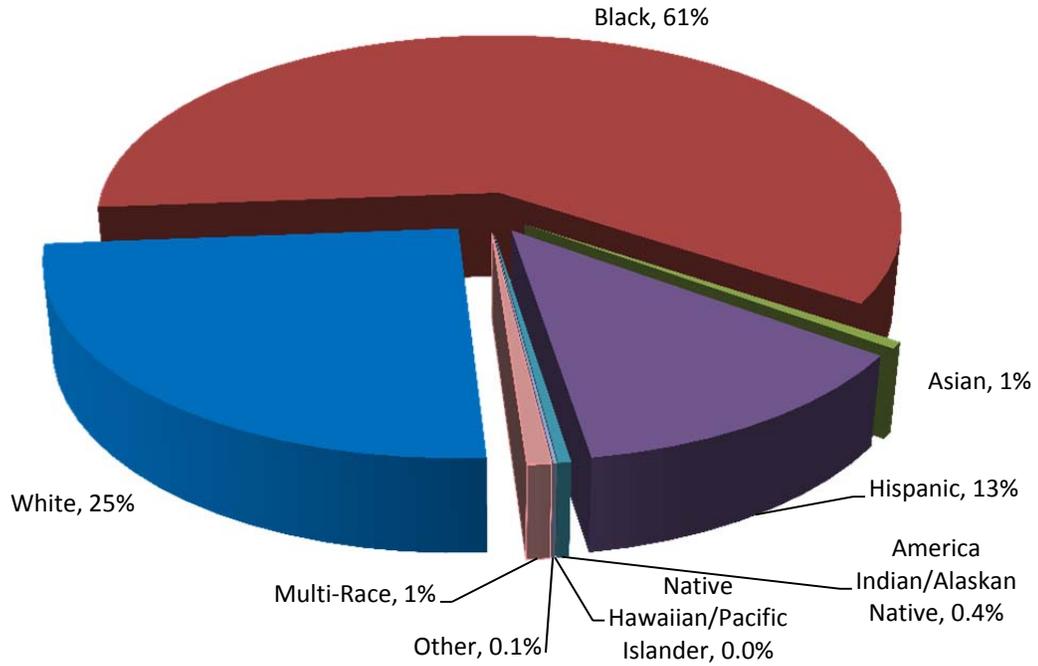
| Priority Need Category/Matrix Code | Projects Funded | Projects Completed | Persons Served | Amount Authorized | Amount Expended |
|------------------------------------|-----------------|--------------------|----------------|------------------------|-----------------------|
| Water /Sewer Improvements (03J) | 20 | 7 | 29,173 | \$12,037,466.59 | \$3,600,025.74 |
| Street Improvements (03K) | 3 | 1 | 4,590 | \$2,446,680.41 | \$1,053,027.73 |
| Total | 23 | 8 | 33,763 | \$14,484,147.00 | \$4,653,053.47 |

Water and sewer improvements accounted for 77 percent and street improvements 23 percent of infrastructure projects expenditures.

Housing and Homelessness

CDBG funds (authorized \$1,861,212 and expended \$179,368) were used to serve 41 households in Harris County housing projects. The areas of service included minor home repair and lead-based paint abatement. Under the Homeless category, the county authorized \$868,310.34 and expended \$316,766.49 in CDBG funding on 6 projects and served 1,604 homeless persons in PY12. Note that homeless services were reported under the matrix code 03T Operating Costs of Homeless programs, Subsistence Payments (05Q), and 05M Health Services.

Chart 7: Homeless Activities Persons Served by Race/Ethnicity



Other

In PY12, Harris County funded two projects through the Harris County Public Health Environmental Services to conduct clearance and demolition of abandoned residential property in the service area. The county authorized \$284,954.02 and expended \$119,951.38 in CDBG funds and demolished of 18 units.

Table 11. Summary of Accomplishments for Other

| Priority Need Category/Matrix Code | Projects Funded | Projects Completed | Units Served | Amount Authorized | Amount Expended |
|------------------------------------|-----------------|--------------------|--------------|---------------------|---------------------|
| Clearance and Demolition (04) | 2 | 1 | 18 | \$284,954.02 | \$119,951.38 |
| Planning (20) | 2 | 1 | 0 | \$20,000.00 | \$10,000.00 |
| Total | 4 | 2 | 18 | \$304,954.02 | \$120,951.38 |

Area Benefit Projects

Table 12. Summary of Accomplishments for Low Income Area Benefit Projects

| Project Type | LMA Projects Funded | Projects Completed | Persons Served | Amount Authorized | Amount Expended | Low Income Percent |
|------------------------------------|----------------------------|---------------------------|-----------------------|--------------------------|------------------------|---------------------------|
| General (03) | 1 | 0 | 0 | \$1,008,856.00 | \$11,586.64 | 63.7% |
| Neighborhood Facilities (03E) | 2 | 0 | 0 | \$1,799,098.00 | \$436,597.31 | 63.0% |
| Parks, Recreation Facilities (03F) | 5 | 1 | 11,640 | \$1,605,037.48 | \$269,502.73 | 62.92% |
| Water/Sewer improvements (03J) | 20 | 7 | 29,173 | \$12,037,466.59 | \$3,600,025.74 | 62.29% |
| Street improvements (03K) | 3 | 1 | 4,590 | \$2,446,680.41 | \$1,053,027.73 | 56.3% |
| Total | 31 | 9 | 31,434 | \$18,717,614 | \$4,251,062 | 63.0% |

ESG Specific Accomplishments

During PY12, Harris County expended \$374,497.27 ESG dollars in assisting 9,868 homeless persons with shelter and supportive services (ESG administration expenses were an additional \$64,041).

Table 13. ESG Project Accomplishments

| Year | Local ID | Project Title | Services Provided | Served in PY12 | Total Authorized | Expended in PY12 |
|-------------|-------------|--|------------------------------------|----------------|---------------------|---------------------|
| 2011 | | | | | | |
| | 2011-0044 | AIDS Foundation First Responders | Shelter/Street Outreach | 0 | \$15,724.07 | \$1,416.67 |
| | 2011-0045 | Smart Start - Bay Area | Operations/Personnel | 0 | \$12,325.20 | 0 |
| | 2011-0046 | Bay Area Turning Point Shelter Services | Shelter/Street Outreach | 0 | \$57,276.12 | \$7,715.34 |
| | 2011-0047 | Cathedral Health Ministries The Beacon | Shelter/Street Outreach | 0 | \$71,300 | \$7,616.09 |
| | 2011-0048 | HC CSD Emergency Rental & Mortgage | Homeless Prevention | 0 | \$144,635.81 | \$8,332.22 |
| | 2011-0049 | New Horizon Family Center - Emergency Solutions Grant | Shelter/Street Outreach | 0 | \$28,607.04 | \$7,021.54 |
| | 2011-0050 | The Bridge over Troubled Waters, Inc. The Bridge Emergency Housing Project | Shelter/Street Outreach | 0 | \$82,560.69 | \$17,953.13 |
| | 2011-0052 | The Women's Home-Transitional Housing Program | Shelter/Street Outreach | 0 | \$49,826 | \$6,546.71 |
| | 2011-0061 | Catholic Charities Basic Needs Program | Homeless Prevention | 0 | \$33,441.59 | 0 |
| | 2011-0062 | Catholic Charities Villa Guadalupe Program | Operations/Personnel | 0 | \$23,480.00 | 0 |
| | 2011-0063 | Houston Area Women's Center - Domestic Violence Emergency Shelter | Shelter/Street Outreach/Operations | 0 | \$50,944.81 | \$25,630.26 |
| | | | 2011 Totals | 0 | \$570,121.33 | \$82,231.96 |
| 2012 | | | | | | |
| | 2012-0027 A | Bay Area Turning Point Shelter Services | Shelter/Street Outreach | 565 | \$58,037.00 | \$37,234.72 |
| | 2012-0027 B | Cathedral Health Ministries The Beacon | Shelter/Street Outreach | 8,096 | \$70,587.00 | \$69,257.85 |
| | 2012-0027 C | HC CSD Emergency Rental & Mortgage | Homeless Prevention/RR | 92 | \$74,805.00 | 0 |
| | 2012-0027 D | Houston Area Women's Center - Domestic Violence Emergency Shelter | Shelter/Street Outreach | 492 | \$48,786.00 | \$37,414.20 |
| | 2012-0027 E | The Bridge over Troubled Waters, Inc. The Bridge Emergency Housing Project | Shelter/Street Outreach | 343 | \$82,884.00 | \$66,349.73 |
| | 2012-0027 F | The Women's Home-Transitional Housing Program | Shelter/Street Outreach | 90 | \$48,393.00 | \$42,152.52 |
| | 2012-0027 H | Catholic Charities | Homeless Prevention/RR | 39 | \$77,910.00 | \$18,817.76 |
| | 2012-0027 I | HC CPS Hay Center | Homeless Prevention/RR | 9 | \$41,920.00 | 0 |
| | 2012-0027 J | Humble Area Assistance Ministries | Homeless Prevention/RR | 9 | \$41,000.00 | \$27,198.65 |
| | 2012-0027 K | Salvation Army | Homeless Prevention/RR | 113 | \$91,200.00 | \$34,814.27 |
| | 2012-0027 L | SEARCH | Homeless Prevention/RR | 20 | \$83,597.00 | \$41,257.57 |
| | | | 2012 Totals | 9,868 | \$719,119.00 | \$374,497.27 |

Chart 8. ESG Activities Persons Served by Race/Ethnicity

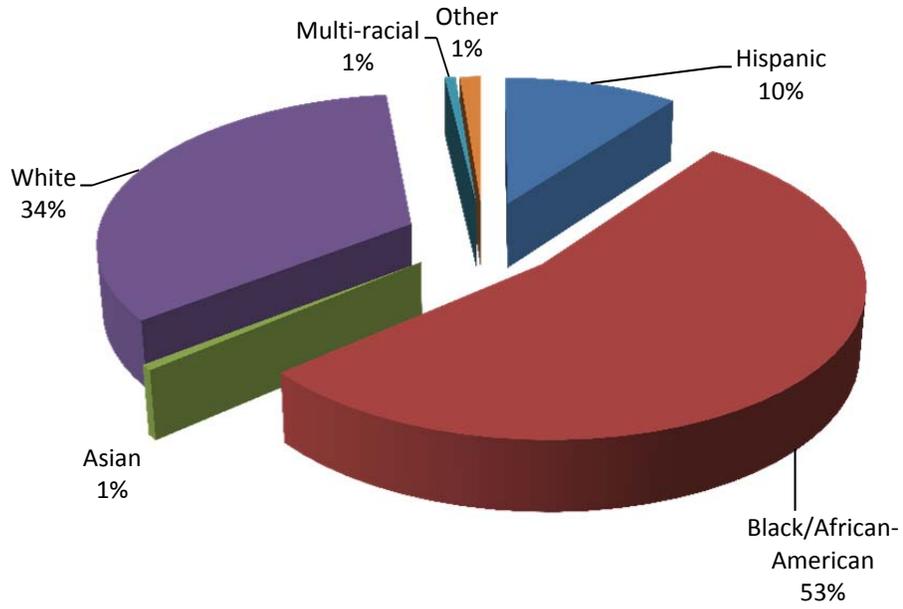
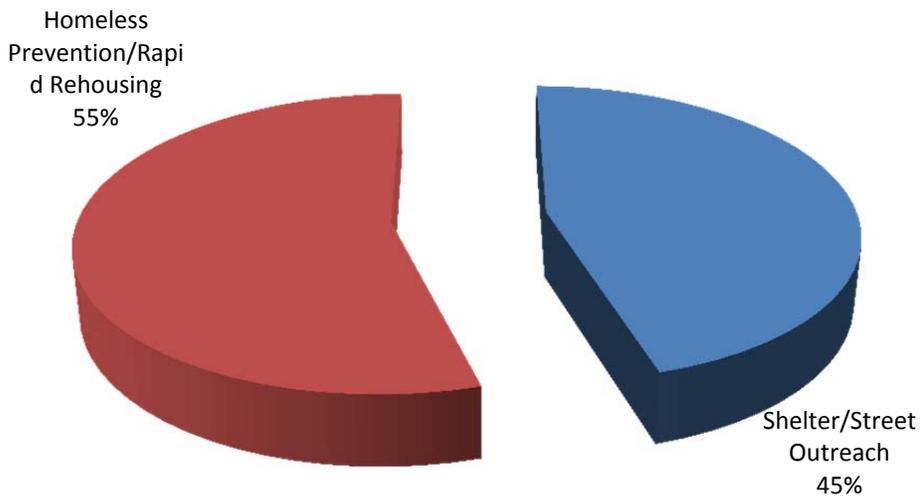


Chart 9. Distribution of ESG Funds by Consolidated Plan Priorities



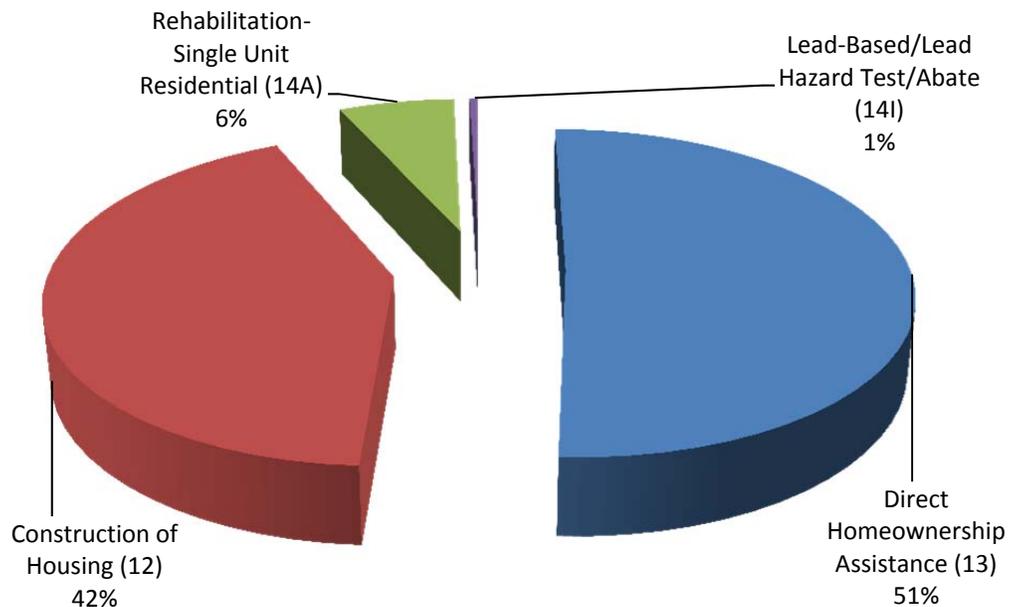
HOME Specific Accomplishments

For PY12, HOME activities expended \$2,787,634.70 and assisted 122 low-income households with housing related services.

Table 14. HOME Project Accomplishments

| Matrix Code | PID | Project Title | Status | Households Assisted PY 12 | Total Authorized | Expended in PY12 |
|-------------|--------------|---|--------|---------------------------|------------------------|-----------------------|
| 12 | 2008-0048 | Jane Cizik Garden Place (formerly A Place of Her Own) | COMP | 9 | \$1,007,707.84 | 0 |
| 12 | 2008-0050 | Hamill Ranch | COMP | 0 | \$921,965.54 | \$ 247,964.55 |
| 12 | 2011-0056 | Men's Center Residential Housing | OPEN | 0 | \$1,667,000.00 | \$73,044.41 |
| 12 | 2008-0058 | Cypresswood Estates | COMP | 1 | \$1,105,534.45 | \$1,105,534.45 |
| 12 | 2012-0028 | LaPorte – Northside Neighborhood Project IV | OPEN | 0 | \$920,000.00 | 0 |
| 12 | 2012-0030 | Temenos (Apts. @ 2200 Jefferson) | OPEN | 0 | \$1,00,000.00 | \$16,000.00 |
| 13 | 2010-0056 | CSD Disaster Ike Housing Gap Financing | OPEN | 20 | \$774,000.00 | \$231,438.05 |
| 13 | 2011-0054 | Harris County CSD - Downpayment Assistance | OPEN | 92 | \$1,999,005.00 | \$1,113,653.24 |
| 13 | 2012-0029 | Harris County CSD - Downpayment Assistance | OPEN | 0 | \$1,000,001.00 | 0 |
| | TOTAL | | | 122 | \$10,395,213.83 | \$2,787,634.70 |

Chart 10: Distribution of HOME Funds Expenditure by Consolidated Plan Priorities



Other Federal Funds Specific Accomplishments

Neighborhood Stabilization Program (NSP1). On July 30, 2008, the Federal government passed into law the Housing and Economic Recovery Act of 2008 (HERA) to address the growing foreclosure crisis nationwide. As part of HERA, HUD established the Neighborhood Stabilization Program (NSP) to specifically address the needs of each community. Harris County CSD has been designated to receive \$14,898,027 to administer the NSP program within the Harris County service area. The CSD NSP program will work to stabilize neighborhoods through acquisition and rehabilitation of foreclosed properties. Harris County will use NSP funding to perform traditional acquisitions and redevelopments of abandoned properties, but also supplement this with Harris County funding to creatively address the needs of low-income home owners and residents in the county. The Home Ownership Made Easy (H.O.M.E.) program will work directly with homebuyers that have current, stable employment, have the ability to service debt and are at or below 120 percent of the median family income. Harris County will focus on identified areas of greatest need within the county, in an area where rehabilitation and resale will be in the best possible physical condition and have an impact on stabilizing the neighborhood.

Currently, NSP1 expended a total \$16,570,480 for the acquisition of 123 single-family, vacant, foreclosed homes, of which 15 were acquired in PY2012. The program sold 9 homes during PY2012 to eligible NSP homebuyers of which 7 were acquired in PY2011, 2 were acquired during PY2012. To meet the 25 percent set-aside requirement, the program assisted with the funding of \$4,450,000.00 for the construction of an 88-unit senior living LEED Platinum facility called Cypresswood Estates, which was completed in 2011.

Currently, NSP3 expended \$858,566.00 for the acquisition of 9 single-family, vacant, foreclosed homes in the NSP3 target areas, 6 of which were acquired in PY2012. The program sold 1 NSP3 property during PY2012, which was acquired in PY2011.

Homeless Prevention and Rapid Re-Housing Program (HPRP). The Homeless Prevention and Rapid Re-Housing Program (HPRP) grant is part of the American Recovery and Reinvestment Act of 2011. This program provides financial assistance and stabilization services to the homeless and low-income individuals at-risk of homelessness. Harris County has been allocated \$4.4 million in Homeless Prevention and Rapid Re-Housing Program (HPRP) funds through the American Recovery and Reinvestment Act of 2010 (ARRA). For PY12, HPRP activities expended \$4,463,961 and assisted 680 households for financial assistance, housing relocation and stabilization services, and data collection and evaluation. HCCSD has prepared final reports and submitted them to HUD.

Table 15. HPRP Project Accomplishments

| Year | Project Title | Households Assisted PY11-12 | Total Authorized | Expended in PY11-12 |
|--------------|--------------------------------|-----------------------------|--------------------|---------------------|
| 2009-0060 | Bay Area Turning Point | 5 | \$30,551 | \$30,551 |
| 2009-0061 | Catholic Charities | 85 | \$255,469 | \$255,469 |
| 2009-0063 | Coalition for the Homeless | 0 | \$92,000 | \$92,000 |
| 2009-0065 | Harris County CPS | 22 | \$169,799 | \$169,799 |
| 2009-0066 | Harris County CSD Social Svcs. | 547 | \$3,510,739 | \$3,510,739 |
| 2009-0068 | SEARCH Homeless Services | 21 | \$214,062 | \$214,062 |
| Total | | 680 | \$4,463,961 | \$4,463,961 |

Total authorized and expended in PY11-12 does not include HCCSD administrative cost.

Community Development Block Grant – Recovery (CDBG-R). In 2009, Harris County received an additional allocation of \$2,919,475 from HUD in Community Development Block Grant Program Funds (CDBG-R) as part of the American Recovery and Reinvestment Act of 2009. Harris County funded three projects for the modernization of infrastructure within WCID No. 36’s District through the replacement and rehabilitation of portions of the existing gravity wastewater system in the district. The selected projects will provide in excess of \$3,800,000 in direct expenditures within the local community, including nearly \$900,000 in leveraged funds in addition to the \$2,919,475 in CDBG-R. In PY11, the WCID No. 36’s District projects expended all but \$217,483 in CDBG-R funds. A fourth project, the Mary Eleanor & Mary Frances Sanitary Sewer System project was allocated the remaining CDBG-R funding, \$217,483 in PY11 and expended all of its funds in the PY12 program year. HCCSD has prepared final reports and submitted them to HUD.

CDBG Disaster Recovery Funding Hurricane Ike and Dolly (TxCDBG)- In 2012, HCCSD continued to work with the nearly \$106 million dollars received from the Texas General Land Office (GLO) Community Development Block Grant (CDBG) Disaster Recovery Funds Round 1 to provide assistance to those affected by Hurricanes Dolly and Ike. These funds continue to assist with the needs of predominantly low to moderate income persons to help rebuild homes and infrastructure severely damaged as a result of the storms. Of the allocation, approximately \$56,277,229 million has been made available to provide housing assistance and \$19,301,860 million for non-housing infrastructure activities. HCCSD has utilized the housing assistance to launch the Harris County Homeowner’s Disaster Recovery Program (HDRP). The program enables eligible Harris County homeowners to repair and reconstruct homes that sustained significant damage from Hurricane Ike. Through PY12, HDRP expended \$39,878,365 on 212 reconstruction projects and 229 rehabilitation projects totaling 441 completed projects, with 88 projects underway. The Non-housing program expended \$6,166,700 on 27 infrastructure projects. Three projects have been completed and 11 are under construction.

During PY2012, HCCSD submitted an application to the General Land Office (GLO) for the funding allocation for Round 2.2. This allocation will bring approximately \$42,139,994 for non-housing activities and \$48,503,791 million for housing activities. For non-housing, there are a total of 15 projects and 5 have received their authority to use grant funds. For housing, there are 5 projects and 4 projects have received their authority to use grant funds.

Assessment of Performance (HUD Required Narratives)

Fair Housing

Harris County completed the *Analysis of Impediments to Fair Housing Choice*, its study of fair housing in Harris County in 1995. The analysis was then updated in 2003 and 2008 and again in 2012-2013 to align with the development of the PY2013-2017 Consolidated Plan/PY2013 Fair Housing/Analysis of Impediments to Fair Housing Choice (AI). In preparation for the Plans data and information was collected and analyzed for an update to the *Analysis of Impediments to Fair Housing Choice* which is included in the PY2013 Fair Housing/AI Plan. The analysis was developed through a series of collaborative initiatives involving a multi-disciplinary consortium of housing organizations; meetings with federal, state, and local agencies; residents; the Greater Houston Fair Housing Center; public and private agencies; and business and civic leaders.

Through this discovery process, impediments to fair housing were identified. A detailed description of the impediments identified in the study and recommended strategies are listed below. HCCSD also maintains a report to Address Impediments to Fair Housing and Barriers to Affordable Housing Development (see appendix K).

Impediment: Overt Discrimination

Overt discrimination is the impediment that most often inhibits fair housing opportunities. Persons who are lower income or of minority status are often discriminated against through racial steering, denial of apartment showings, and higher rental charges.

Impediment: Financing

Banks and mortgage institutions fail to participate in the provision of housing opportunities for lower income groups and minorities, often through predatory lending practices.

Impediment: Insurance Discrimination

Insurance companies may compound the problem of discriminatory lending practices by denying loans based on the age of housing stock in the neighborhood, appraisal value, and the condition of the housing stock and the frequency of crime in the area. These factors disproportionately affect lower income homebuyers.

Impediment: Community Pressure

Community attitudes about the presence of housing for lower income persons reduce the availability of affordable housing opportunities (NIMBYism).

Public Policy Issues

Public policy issues impacting housing costs include: 1) fees assessed by water and sewer service districts serving subdivisions in the unincorporated area, and 2) various complex land-use regulations and strict building codes of cooperative cities, and private sector deed restrictions utilized by a number of subdivisions place an undue burden on extremely low-, low-income households.

Strategies

1. Aggressively enforce and enhance existing Fair Housing laws.
2. Eliminate discriminatory lending.
3. Eliminate barriers to affordable housing development.
4. Encourage educational activities which promote awareness about fair housing and individuals rights to fair housing choice.
5. Encourage assistance to families.

Actions

HCCSD sought to increase public awareness in Fair Housing in PY12 with the preparation of the PY2013 Fair Housing/AI Plan by participating in a series of meetings, focus groups and public hearings throughout the county by securing input from citizens, CDC's, CHDO's and other interested groups about the planning process. Also solicited information about community problems through a Needs Assessment Process, and assessed the progress of the department in securing improvements in low-income areas. HCCSD also participated in community fairs, circulated flyers at public meetings, updated community development corporations on Fair Housing rights, collaborated with the Greater Houston Fair Housing Center, researched region-wide Fair Housing complaints, and interviewing federal (HUD) and State (TDHCA) agencies.

In addition, HUD's Fair Housing guide is distributed to all new Downpayment Assistance Program (DAP) participants and is available to the public along with HUD's Housing Discrimination Complaint Form. HCCSD also continued to maintain the Housing Resource Center (HRC), which is a clearinghouse of housing related information and links in Harris County. During Hurricanes Katrina, Rita and Ike, the HRC's website and staff provides and continues to provide valuable information on shelters, evacuee resources, and permanent housing in the area. See the HCCSD Activities Performed to Address Impediments and Barriers to Affordable Housing Development report in Appendix K for more information.

Assessment

As a result of an Annual Community Assessment conducted by the local HUD Field Office on the PY2011 CAPER as it relates to Fair Housing and Equal Opportunities concerns, CSD is actively performing the following activities in the PY2012 CAPER.

1. The PY12 CAPER highlights funding expended, activities and accomplishments performed by the county regarding Fair Housing. CSD allocated \$X in general funds in addition to office space and website hosting to the Housing Resource Center (HRC); as part of the direct homeownership program (DAP), the program educates lenders, real estate agents, and housing developers on Fair Housing issues. It also seeks to protect homebuyers from predatory lending practices; CSD allocated \$3,773,006 in HOME funds to direct homeownership assistance that provides greater housing choice to eligible homebuyers. It also expended \$179,368.12 in CDBG funding for home repair to serve low-income homeowners predominately in low-income minority concentrated neighborhoods.

2. During the Citizen Participation process, CSD affirmatively solicited citizen participation by publishing in the Houston Chronicle and Spanish newspaper La Voz whose circulation has over 2.3 million readers and on the CSD website and posting the English, Spanish and Vietnamese notices on the CSD website.
3. During Citizen Participation process, notice of community meetings and comment period are made to the Limited English Proficiency (LEP) population in Spanish and Vietnamese. All public hearings and community meetings conducted by CSD have Spanish and Vietnamese interpreters available. CSD staff who speak Spanish and Vietnamese are also available to consult with LEP populations in person or via phone or email. The public notices are also published in Spanish and Vietnamese.
4. Public areas in construction projects are being made accessible to persons with disabilities. CSD requires that within its Affordable Housing Standards that all common areas and facilities as well as mail areas and spaces be designed to be handicapped accessible with particular attention given to the needs of the elderly, disabled and other special needs individuals.

For the full version, see Attachment L:PY2011 CAPER Annual Community Assessment letter and response.

In addition, CSD's grant programs furthers fair housing through the allocation of dollars to support the construction of affordable housing units, by assisting low-income homebuyers with downpayment costs, and through the rehabilitation of owner and renter-occupied low-income housing units. The support of such projects not only serves to encourage access to affordable housing, but also furthers fair housing by increasing housing options for this segment of the population. Harris County also continues to be the housing information clearinghouse for all county residents through the nationally recognized Housing Resource Center. The center reaches out to all cultures and life situations including but not limited to the elderly, low-income families, and female-head of households. Though these actions are limited, they indicate Harris County's recognition of the need for action and its ability to respond to fair housing issues.

Affordable Housing

Barriers to Affordable Housing

When compared to similar counties, housing in Harris County is relatively affordable. However, for a number of reasons, many low-income persons still cannot find quality, affordable housing to meet their needs. For the most part, this is the result of market-driven economics in the Harris County area and national housing trends. For a number of years, builders have utilized existing subdivided, improved land left vacant as a result of the economic bust of the 1980s. As a result, developers have been able to provide new homes at a lower rate, with some homes affordable for middle-income and even low-income households. During this program year, the national housing market experienced a significant decline in housing values. However, Harris County's housing market saw little decline in housing values but continues to grow, such that land is becoming scarce. At the same time, 30-year mortgage rates still remain very low.

In addition to the rising cost of land in Harris County, many low-income potential homebuyers lack the downpayment to purchase a house, thus presenting another barrier to obtaining affordable housing. In fact, the lack of downpayment funds has been cited as a major barrier for first-time homebuyers. The majority of homes that are affordable for very low- and low-income households are substandard or inappropriate for that particular household. Additionally, the percentage of units with potential lead-based-paint contamination is extremely high in the service area. In 2012, approximately 35 percent of the homes in Harris County were classified as substandard; three percent were dilapidated and 10 percent of homes were vacant.

For some households, an affordable housing unit may not be an appropriate unit. Most housing, regardless of affordability, is not appropriate for disabled persons. Depending upon the disabilities involved, rehabilitation of a home into a barrier-free environment can be relatively expensive. Even newly constructed housing often fails to address the needs of disabled persons. Many seniors, particularly the frail elderly, are faced with a similar dilemma. Large families are often forced into an overcrowded environment because smaller units are more affordable and much more readily available.

If public policy plays a role in creating barriers to the development of affordable housing, its role is relatively small. State policy impacts affordable housing only in its regulation of water districts. The state allows three types of water districts: fresh water supply districts (FWSD), water control and improvement districts (WCID), and municipal utility districts (MUD). These districts provide financing for water and sewer improvements through bonds. Most of the water and sewer services for residential subdivisions in unincorporated Harris County are provided by water districts. Payment of fees assessed by the local FWSD, WCID or MUDs can significantly impact the housing cost burden of very low-, and low-income families.

Harris County, like all Texas counties, has no regulatory powers over area land use. As a result, there are no zoning ordinances to control and plan housing development. Only minimal building codes are in effect in the unincorporated area of the county. In the absence of county land-use policies, most subdivisions have developed complex systems of deed restrictions, ranging from allowable land uses to required upkeep. While a home in a subdivision may initially be affordable, a homeowner's ability to maintain a home according to the specifications of the homeowner's association and local deed restrictions may keep extremely low- and low-income families from finding affordable housing. Many subdivisions with homes that are affordable and available to extremely low- and low-income households have permitted local deed restrictions to lapse or become invalid, often as a result of the inability to meet the legal fees necessary to enforce the private restrictions.

Each of the 34 incorporated cities, towns and villages have the legal authority to regulate land use within their boundaries. However, the extent to which land-use regulations are maintained and enforced varies considerably among those communities. Regulations requiring large residential lots, a minimum building footprint, a minimum landscaping footprint, extensive setbacks or other aesthetic requirements may increase housing costs beyond a range that is affordable to extremely low-, very low- and low-income households.

Public policy issues impacting housing cost-burden include fees assessed by water and sewer service districts serving subdivisions in the unincorporated area. Additionally, each of the cooperative cities in the service area has various land-use regulations, which may impact the cost and/or availability of area housing. Finally, private sector deed restrictions utilized by a number of subdivisions may place an undue burden on very low- and low-income households.

Strategies to be utilized by Harris County in overcoming the barriers identified above include the following:

Strategy One. To promote and support affordable housing opportunities throughout the service area, including downpayment assistance programs, new construction, minor home repair, and rehabilitation of affordable housing units for the purpose of increasing the availability of housing to the very-low and low-income persons.

Strategy Two. Expand the Harris County Housing Resource Center to be an information clearinghouse for those interested in the search of affordable housing initiatives in the service area.

Strategy Three. Promote the development of collaborations and partnerships of both non-profit and for-profit builders, developers, and other interested parties for the purpose of increasing the capacity for the development of affordable housing in the service area.

Strategy Four. Promote and assist in the development of applications for additional funds for the use in development of affordable housing in the service area, including Low-Income Housing Tax Credits and Homeownership Zones.

Strategy Five. Promote and provide technical assistance for the review and revision of land-use regulations in cooperative cities that may present an obstacle in the development of affordable housing.

Actions

Harris County has continually moved to promote the availability of affordable housing for its lower-income residents. The county is fully aware that homeownership is an essential factor for neighborhood stabilization. The summary below reflects the actions taken to eliminate barriers to, encourage, and support the development of affordable housing by this Department from March 1, 2012 to February 29, 2013.

Harris County expended \$2,787,634.70 in CDBG and HOME entitlement funds to further affordable housing throughout the county. Direct homeownership assistance, new construction housing, rehabilitation, and lead-based paint abatement were provided to 163 low-income households. Detailed information regarding the progress in meeting the County's affordable housing goals is found in Table 4: Summary of Affordable Housing Accomplishments of this report on page 32. These affordable units were provided throughout the county's service area (see map in Appendix G on distribution of projects).

- Harris County continued the Community Housing Development Organization (CHDO) Certification Program this year. The CHDO Certification Program enables communities to develop a full range of services and opportunities for citizens in need of housing. The program provides operating expense grants and project-specific pre-development loan assistance to certified Harris County CHDOs. Recertification is required each year or before allocation of new program year funds for a proposed CHDO project.
- During PY12, no new organizations submitted applications nor received CHDO certification. Five CHDO's applied for recertification and all (5) received recertification during PY12.
- The Harris County Housing Resource Center also provided additional information and referral service to affordable housing in the county. The information provided includes rental housing, homeownership, homeless shelters, homebuyer counseling, and social services. The center provides services in several languages and uses a phone system and internet website to reach a large clientele.
- Harris County continued to partner with the Harris County Housing Authority to increase the county's inventory of affordable multi-family units. Currently, eight multi-family complexes totaling 1,038 units have been developed thus far to provide housing for seniors and families.
- To support community-based organizations, HCCSD continued the Three Track program to build organizational capacity. The aim of the program is to increase the knowledge and skill base of an organization and enable them to development projects that create affordable housing for their community.
- Harris County CSD maintains a report called the Action Plan to Address Impediments to Fair Housing and Barriers to Affordable Housing Development (see appendix K), which tracks the performance activities related to strategies addressing impediments to fair housing and barriers to affordable housing development. This report is available to the public and the county's local officials.

These actions are in line with the principles of action stated in the Harris County 2008-2012 Consolidated Plan. Affordable housing for very low- and low-income persons is a high priority need for County residents. Harris County is committed to supporting affordable housing opportunities throughout the service area including the rehabilitation of existing structures.

All affordable housing actions taken during PY12 addressed three barriers to affordable housing with strategies aimed at overcoming these barriers, identified in the 2008-2012 Consolidated Plan. The following table summarizes actions taken according to the strategy addressed.

Summary of Actions Taken to Eliminate Barriers, to Encourage, and Support the Development of Affordable Housing

| Strategy | Action |
|---|--|
| <p>1. To promote and support affordable housing opportunities throughout the Harris County service area, including downpayment assistance programs, new construction and rehabilitation of affordable housing units for the purpose of increasing the availability of housing to the very-low, low-income persons.</p> | <ul style="list-style-type: none"> ▪ Harris County expended \$2,787,634.70 in CDBG and HOME entitlement funds to further affordable housing throughout the county. Direct homeownership assistance, new construction housing, minor repair, rehabilitation, and lead-based paint abatement were provided to 163 low-income households (see appendix G). ▪ HCCSD continued a Community Housing Development Organization (CHDO) Certification Program this fiscal year and included a Re-certification Program for organizations re-applying for HUD funds. Five CHDO's were recertified in PY12. Through CHDO status, organizations have the opportunity to attain funding not available to them, therefore overcoming the lack of capacity barrier to developing affordable housing. ▪ HCCSD continued the operation of the Three Track program to build organizational capacity. The aim of the program is to increase the knowledge and skill based of the organization to enable them to development projects that created affordable housing and increase the quality of life for their community. ▪ See the HCCSD Action Plan to Address Impediments to Fair Housing and Barriers to Affordable Housing Development report for more information (see appendix K). |
| <p>2. To act as a clearinghouse for affordable housing information in the county.</p> | <ul style="list-style-type: none"> ▪ The Harris County Housing Resource Center provides additional information and referral service for affordable housing in the county. The information provided includes rental housing, homeownership, homeless shelters, homebuyer counseling, and social services. The center provides services in several languages and uses a phone system and internet website to reach a large client- |

| Strategy | Action |
|--|---|
| | <p>base.</p> <ul style="list-style-type: none"> ▪ See the HCCSD Action Plan to Address Impediments to Fair Housing and Barriers to Affordable Housing Development report for more information (see appendix K). |
| <p>3. Promote the development of collaborations and partnerships of both non-profit and for-profit builders, developers, and other interested parties for the purpose of increasing the capacity for the development of affordable housing in the Harris County service area.</p> | <ul style="list-style-type: none"> ▪ Harris County continues to work with non-profit and for-profit builder to increase the affordable housing stock in the county. ▪ Harris County has continued to collaborate with nonprofit intermediaries like the OneStar Foundation, and Local Initiatives Support Corporation (LISC) to promote coordinated training for capacity building. ▪ See the HCCSD Action Plan to Address Impediments to Fair Housing and Barriers to Affordable Housing Development report for more information. |
| <p>4. Promote and assist in the development of applications for additional funds for the use in development of affordable housing in the Harris County service area, including Low-Income Housing Tax Credits and Homeownership Zones.</p> | <ul style="list-style-type: none"> ▪ Harris County provided 3 Certifications of Consistency with the Harris County Consolidated Plan. These applications, if approved by the state and HUD, will bring 243 additional affordable multi-family and senior units to Harris County. ▪ See the HCCSD Action Plan to Address Impediments to Fair Housing and Barriers to Affordable Housing Development report for more information. |
| <p>5. Promote and provide technical assistance for the review and revision of land-use regulations in cooperative cities that may present an obstacle in the development of affordable housing.</p> | <ul style="list-style-type: none"> ▪ No actions taken to address this strategy in PY12. ▪ See the HCCSD Action Plan to Address Impediments to Fair Housing and Barriers to Affordable Housing Development report for more information. |

Worst Case Housing Needs/Housing Needs for Persons With Disabilities

Worst case housing is defined as low-income renter households who pay more than half their income for rent, live in substandard housing (which includes homeless persons) or have been involuntarily displaced. Many of the households exhibiting worst case housing needs are assisted through the Harris County Housing Authority Housing Choice Voucher Program-Section 8 Assisted Housing Choice program. The Authority grants a

special consideration exception to the disabled for the \$25 minimum rent requirement, awards higher rents to landlords who make needed modification to rental units used by disabled persons, and gives preferences to elderly/disabled persons on the waiting list. As discussed in a previous section, affordable housing is a significant problem for the Harris County elderly and disabled population. During PY12, Harris County allocated funds for the construction of multi-family units (with an emphasis on homeless, disabled and elderly citizens) and increased the available number of housing units for these populations. The Harris County Downpayment Assistance Program (DAP) program also offers greater subsidies for disabled homebuyers. Harris County's Minor Home Repair program targets low-income elderly and disabled homeowner for home repair up to \$10,000. In an effort to increase public awareness of local housing services, Harris County has developed the Housing Resource Center, using Harris County local funds, to act as a clearinghouse of information to Harris County residents. Residents are encouraged to contact the 24-hour service line and interactive website for referrals to local resources.

Assessment of Housing Projects Performance

- Assessment of the performance of PY12 affordable housing projects includes an explanation of projects failing to meet expectations and actions to correct these shortcomings. In addition, areas of improvement identified in the PY12 CAPER Assessment section provide a basis for an analysis of the county's ability to address the needs identified in the Consolidated Plan, and its capacity to remove the barriers that prevent the public from reaching their goals in affordable housing.
- The county identified these projects and assigned appropriate actions and/or explanations for failing to meet expectations in the table below:

Table 16. Affordable Housing Activities Failing to Meet Service Goals

| Project ID | Project Name | Service Goal | Served in PY 12 | Total Served | Explanation/Action |
|------------|---|--------------|-----------------|--------------|--|
| 2010-0030 | Harris County Health and Safety Program | 5 | 1 | 5 | One (1) activity completed during Program Year. Awaiting retainage draws on two (2) activities in order to complete Project. |
| 2010-0031 | Harris County Minor Home Repair | 40 | 7 | 34 | Seven (7) activities completed during Program Year. Awaiting retainage draws on three (3) activities in order to complete Project. |
| 2011-0034 | Harris County Health and Safety Program | 4 | 1 | 3 | Three (3) active activities of which one (1) awaits retainage draw and two (2) in construction. |
| 2011-0035 | Harris County Minor Home Repair | 16 | 4 | 10 | Ten (10) active activities of which six (6) await retainage draws and four (4) in construction. |

- Harris County has achieved great success in its stated objective of expanding the opportunities for homeownership. The county has made a concerted effort to expand opportunities for homeownership for its target population with the creation of the HCCSD Downpayment Assistance Program (DAP) serving 112 households with entitlement funds and local funds for homeownership services. It has taken steps to assist the underserved populations such as those of limited income, disabled, and the elderly.
- Below is a listing of the HCCSD Downpayment Assistance Program’s Community Outreach Efforts during PY 2012.
 - 322 DAP information packets were mailed to potential clients
 - 567 persons were referred to counseling programs
 - 77 mortgage lenders were trained for DAP approved lenders list
 - 5 town hall/housing fairs were conducted with over 425 people in attendance
- In addition to the DAP program, the county provides Housing Repair services. The purpose of the program is to provide financial assistance to low-income elderly and/or disabled homeowners for the purpose of providing decent, safe, and sanitary housing conditions, as well as improving quality of life. The program assisted 12 households in PY12. Harris County has identified the lead-based paint problem as a priority matter for Harris County. The Harris County response was a major initiative to free homes from lead-based paint. Education and paint removal were the goals. Harris County’s Lead-Based Paint Program will continue to place priority in the

Lead-Based Paint Initiative and will continue to target this area for improvement during the next program year. Under HCPHES the program is able to streamline its lead screening and abatement process. The program abated 18 homes of lead contamination in PY12.

- Harris County has identified the need to expand its efforts in nuisance abatement and rehabilitation of County housing. HCCSD has partnered with the Harris HCPHES for the last ten years to further the effort of nuisance abatement in the county. During PY12, 18 abandoned houses were cleared.
- Harris County Housing Authority has made significant process in improving administration of the Housing Choice Voucher Program (adding more vouchers to Harris County's supply) and added to the county's short supply of affordable apartment units through the acquisition and construction of new affordable housing.
- Harris County has also provided reconstruction and rehabilitation activities to homeowners who suffered damage to their home during Hurricane Ike in 2008. During PY2012, the county's program completed 333 homes with an additional 211 underway to be completed in the next program.

Continuum of Care

During the reporting period, the following actions were taken to assist the homeless and those with special needs:

Actions

- The PY2012 Continuum of Care (CoC) funding had substantial changes in both the types of funding available and the way in which Harris County, as part of the Houston/Harris and Fort Bend County Continuum of Care submitted application for funding. In PY2012, the CoC application was submitted to HUD through a community ranking process that included dividing new and renewal projects into two separate tiers. This funding includes projects for leasing, rental assistance, permanent supportive housing and supportive services. The projects provide literacy/education training, preventive health care, transportation, supportive service for drug-dependent individuals, transitional housing and supportive services for homeless HIV infected women and their children, transitional housing and supportive services to battered women and their children, and permanent housing for homeless persons with disabilities and their families. To date, only Tier 1 renewal projects have been funded for PY2012 CoC funding, which includes 49 programs totaling \$18,169,837.
- Through its entitlement funds, the county supports the operation of a number of homeless shelters. During the reporting period, Harris County HUD programs allocated approximately two million dollars in ESG and CDBG funds to area homeless organizations. Funded projects include emergency shelters, supportive services, and programs aimed at prevention of homelessness.
- Through the HPRP program, 680 households were assisted to prevent homelessness.

Assessment

- Several activities added and continued to improve the PY 2012 Continuum of Care Consolidated Grant Application process, such as the continued use of a full-time project manager, providing a budget development workshop, the provision of more technical assistance, and a review of the Consolidated Grant Application by an independent grant consultant and review team.
- Additionally, HUD moved the application process from paper submission to electronic submission. This resulted in extending the one-on-one technical assistance with applicants from one week to two weeks. The electronic application streamlined activities and enhanced the application process. On November 15, 2011, the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act was released.
- To determine the overall success of Houston/Harris County's Continuum of Care system, the Collaborative should develop measurable objectives that correlate to the Gaps Analysis. At the end of each program year, the Collaborative should evaluate the outcomes. Based on those outcomes, new objectives should be established. The CoC continues to monitor HUD funded programs via the Annual Progress Reports to ensure HUD performance measures are met and for those programs that fall below, technical assistance is provided.

Other Actions

The following is a narrative discussion and assessment of planned actions, compliance with the 2008-2012 Consolidated Plan and program requirements and other issues related to HCCSD's programmatic performance in these areas.

- **SUPERNOFA FUNDS PURSUED**-As discussed above, Harris County pursued one of the SuperNOFA Competitive grants, the Continuum of Care.
- **FEDERAL FUNDS**-The Harris County Community Services Department (HCCSD) has grown to become an organization funded through a variety of federal funding sources from a variety of grants in an effort to further its pursuit of decent, affordable housing, a suitable living environment, economic opportunities and overall improvement in the quality of life for low-income persons throughout the service area. Please refer to pages 23-27 for a description of all federal funds received.
- **INSTITUTIONAL STRUCTURE/COORDINATION**- CSD continues to work with other Harris County departments, such as Public Health & Environmental Services, Public Infrastructure, Harris County Flood Control District, Houston-Galveston Area Council (H-GAC), Library District, and Justice to maximize federal dollars and decrease gaps in service. Innovative partnerships also assist the department to efficiently expend CDBG, ESG, and HOME funding and serve many Harris County extremely low-, very low-, and low-income households. CSD's partners ranges from for-profit developers to grass-root community groups.

Harris County has partnered with the Harris County Housing Authority to increase the county's inventory of affordable multi-family units. Currently, eight apartment complexes have been completed.

The Community Services Department and the Public Infrastructure Department collaborated to provide technical assistance on water and sewer projects, particularly for inspection and review, and conduct assessment of needs and resources for water and sewer services in the Harris County HUD target areas.

- **CONSOLIDATED PLAN IMPLEMENTATION**- Harris County did not hinder Consolidated Plan implementation by action or willful inaction, but actively addressed strategies of the 2008-2012 Consolidated Plan by funding projects which specifically met the needs of low-income persons. Program Year 2012 represents the fifth and last year of the 2008-2012 Consolidated Plan.
- **MEETING UNDERSERVED NEEDS**
Underserved Needs & Obstacles to Meeting Underserved Needs.
Harris County Underserved Needs include but are not limited to: Housing, Special Needs of the Non-Homeless, Homelessness, Non-Housing Community Development Needs (Public Facilities, Public Services, Infrastructure, Economic Development, Education and Workforce Development, and Public Safety). In the attempt to meet the needs of Harris County's low-income population, many

obstacles exist. Personal issues such as physical or mental health problems, lack of affordable child care, bad credit, low educational attainment, and lack of transportation to service locations may regularly put opportunities out of reach for disadvantaged persons. Many times, if an individual or family has more than one of these problems, these barriers can compound on each other, causing a seemingly impossible situation in which quality of life improvements are unlikely.

Lack of public awareness of available programs is a major obstacle to community development efforts. In an effort to increase public awareness, Harris County makes information on community development services available to persons at community outreach meetings, website, RFP meetings, and professional consultation forums. In addition, all public notices, press releases, and invitation letters are complete with Harris County HUD program contact information. Public awareness is also addressed at the subrecipient level by individual Harris County HUD program affiliated service providers. Harris County has also developed a Housing Resource Center to act as a clearinghouse for information on local initiatives offering housing services.

The Harris County Housing Resource Center (HRC), a service of the Harris County Community Services Department, provides a vast array of housing and related information primarily targeted to families and individuals that are experiencing housing crises or are in need of affordable housing. HRC's mission is to aide the community in finding decent, safe, and affordable housing in a manner that promotes equal opportunity and fair housing. In accomplishing this goal, the HRC is committed to serving as a viable community resource that is accessible to everyone. They are committed to bridging the communication gap in housing information between the community and other supportive and social services organizations. Referrals that the HRC provides include Affordable Housing Assistance; Homeownership Assistance; Emergency Assistance; and Support Services.

In PY12, the HRC continues to provide the public free affordable housing information which links property owners with those in need of quality affordable housing. Revisions were also made to the HRC website and the CSD brochures. In addition, HRC used social media by setting up Facebook pages for the Home Ownership Made Easy, HRC, and Veterans Services programs. HRC also participated in a number of community outreach programs including:

- Housing Opportunities for People With Aids (HOPWA)
- Houston Center for Independent Living
- Care for Elders with Sheltering Arms
- Elder Care Network
- Aging and Disability Resources
- Interagency Network
- United Way
- Mobile Health, Education, and Resource Fairs
- Greater Houston Foreclosure Task Force
- Town Hall Meetings

- Voluntary Organizations Active in Disasters (VOAD)
- Greater Houston Long Term Steering Committee
- One Voice: basic needs committee on housing
- Community Development Organization
- Alliance for Economic Inclusion
- Coalition for the Homeless
- Hunger Free Texas Regional Coalition Steering Committee
- 100 Day Initiative (housing 100 chronically homeless in 100 days)

Currently, the HRC received 5,188,513 hits with approximately 192,000 visitors and 555 landlords registered with the free affordable housing search tool. Also, HRC referred 1,169 persons to various homebuyer, foreclosure, emergency housing, and special needs assistance programs and distributed 7,505 brochures and flyers about CSD programs and fair housing laws. In addition, 225,278 individuals searched for rental units and homes using the free affordable housing search tool.

Another major obstacle of many non-profit service providers is capacity building, or the ability to bring the organization to the point of being fully staffed and functional. This may be very difficult for organizations that begin with little or no resources, other than Harris County HUD program funding. For this reason, organizations that wish to conduct programs or projects with HOME funds are required by HUD to have matching funds of greater than or equal to 25 percent of the amount granted by Harris County's HOME program. Similarly, organizations that are granted ESG funds must have matching funds of greater than or equal to 100 percent of the amount granted by Harris County ESG program.

Harris County continues to place high priority on meeting the underserved needs for Harris County residents. All projects funded during PY12 at least partly satisfied an existing unmet need of low-income persons. Harris County recognizes that many obstacles exist to meeting underserved needs. These obstacles include current funding policy, i.e. utilization of census tracts and not block groups to determine low income areas, does not favor urban counties; therefore Harris County must become innovative in securing funding for underserved Harris County residents by using income surveys. The size of the county is also an obstacle to meeting the underserved needs. Programs must offer multi-locals or require the client to travel to a central location. If the client has limited transportation options this becomes a barrier.

Harris County has become a regular recipient of grant funds for the expansion of transit services outside of the METRO service area or where service is inaccessible or unavailable for residents. In an effort to meet undeserved needs for transportation in Harris County, funding has been programmed for various projects in multiple locations within Harris County that provide access to safe transportation for low-income residents to get to work, housing, medical services, schools, shopping and other essential activities. In PY12, the RIDES program expended \$986,541 for service and made over 62,801 demand response trips. The Baytown Fixed Route and Pasadena and Baytown Park & Ride expended \$1,899,932 and made over 105,550 trips.

Harris County maintained several collaborative efforts during PY12 as innovative ways to overcome these obstacles. The CHDO certification program is an effort that Harris County continued, which supports the development of affordable housing. The county continued its partnership with the Best Practice awarded Houston/Harris County Continuum of Care collaborative. In the future, Harris County plans to focus on projects and further collaborative building to benefit special needs populations (elderly/frail elderly, persons with disabilities, persons with alcohol/drug addiction problems, and persons with HIV/AIDS) that often face more than one barrier in obtaining affordable housing, sustaining a decent quality of life, and/or accessing economic opportunity.

- **PUBLIC HOUSING/RESIDENT INITIATIVES-** Although **no** public housing exists in the county service area, Harris County strived to create affordable housing in the county. The Harris County Housing Authority has developed eight apartment complexes. These are tax-credit, Harris County, and Harris County Housing Authority partnership projects.
- **COMPLIANCE WITH PLANNING/PROGRAM REQUIREMENTS-** The Grants Management section of HCCSD is charged with monitoring compliance for all HUD programs administered by Harris County. HCCSD requires subrecipients to submit monthly, quarterly, and annual program and financial reports to facilitate monitoring. The Development section prepares the Annual Action Plan, which details the use of federal HUD entitlement funds. The Planning Section prepares the Consolidated Annual Performance and Evaluation Report (CAPER), which tracks the county's overall performance with respect to its Consolidated Plan and Annual Action Plan and evaluates the county's efforts at implementing the plans' goals and objectives.
- **PERSONS BELOW POVERTY-**The primary purpose of the Harris County HUD programs is to reduce the number of persons and families living in poverty by providing social and economic opportunities via development, housing, social services, and other activities that provide lower income persons an opportunity to improve their living standards. The primary goal of all the projects funded during PY12 was to reduce poverty and improve the quality of life for low-income persons. Harris County Community Planning is a neighborhood level initiative that seeks to assist communities to reduce poverty and revitalize their neighborhoods.
- **HARRIS COUNTY COMMUNITY PLANNING** – Due to the devastation from Hurricane Ike and resulting disaster recovery efforts, in PY09 CSD developed a Comprehensive Damage Assessment of the county and its small cities. The assessment is a tool for addressing the issues faced by citizens as they recover from the storm and face the upcoming hurricane season. In PY12, the county used this assessment to target homeowners who were damaged during the storm for the housing rehabilitation and reconstruction program operated by the county.
- **THREE TRACK PROGRAM-** Nonprofit Education- The Three Track Program was developed to assist communities who have participated in the Harris County Community Planning program. The program provides training for the three levels of the program, start-up, immediate, and advanced non-profits. Each level assists the community to develop and strengthen a nonprofit Community Development

Corporation (CDC) to serve their community. This program will allow the community and local CDCs to fully utilize their community plan and make positive change in their area.

- **CERTIFICATIONS OF CONSISTENCY-** Harris County provided certifications of consistency with the Consolidated Plan to 3 developers during PY12 which are no longer required by TDHCA in applications for low income tax credits. Certifications were provided upon request in a fair, impartial, and timely manner. The certifications were requested in conjunction with the application for Low Income Housing Tax Credits (LIHTC) and will develop 243 affordable rental housing units in the county.

Assessment

Harris County recognizes that opportunities remain for continued improvement in the organization and in the efficiency of its future performance. The following is a highlight of several promising opportunities that Harris County will be challenged within the upcoming months:

- Harris County will continue to review and expand several policies and procedures in the areas of Site and Neighborhood Standards for multi-family and single-family developments, a citizenship policy, multi-family project concentration, residential design standards, and minimum acceptable standards for residential acquisition, rehabilitation, and construction of new and existing homes.
- Harris County will continue to ensure that staff receives the necessary training, particularly in HUD entitlement programs, to ascertain compliance with HUD grant rules and regulations.
- Harris County will continue to facilitate HUD Entitlement grant program trainings to local organizations, subrecipients, and interested parties.
- Harris County will continue to improve its allocation, expenditure and disbursement processes, and continue to improve the process of subrecipient oversight.
- Harris County will continue to work to improve the overall financial management system.
- Harris County will continue to focus on disaster recovery efforts to help rebuild and rehabilitate homes and infrastructure severely damaged by Hurricane Ike.

Leveraging/Match

The funding of projects active during PY12 included significant amounts of project specific match as well as leveraging. Project match is required funds and/or in-kind services provided by the subrecipient that will be matched with entitlement funding to operate a specified program or complete a specific project. Leveraging is a source of project funds (non-HUD funds) that an organization utilizes to operate the proposed project, but are not required as is the case with match. Examples of leveraging include, but are not limited to other federal and state grant awards, proceeds from fundraisers, and grants from foundations. The following list details leveraged amounts according to Consolidated Plan priority need areas reported for PY12:

- Public Service projects leveraged allocated funds with \$2,516,005.33.
- Infrastructure projects utilized \$4,653,053.15 in leveraged funds.

- Public Facilities projects leveraged allocated funds with \$1,036,183.15.

Other sources of leveraged funds included forgone taxes, construction materials, and bond financing. For information regarding HOME matching funds, please refer to Appendix D. For a detailed explanation of ESG matching funds, please refer to the ESG Match report, Appendix D.

Citizen Comments

No public comments were received.

Self Evaluation

Impact of activities.

Harris County continued to make major strides in promoting affordable housing and providing a suitable living environment for low-income citizens during PY12. One measure of impact is the number of persons served and projects completed. In housing, the impact of Harris County's efforts resulted in direct homeownership assistance, home repair, construction of rental housing units, and lead abatement of housing units, which assisted 163 low-income persons. Harris County's efforts in other areas produced similar positive results. Public service activities provided a variety of services to more than 4,470 low-income persons. Likewise, activities benefiting the homeless population resulted in shelter and services to more than 9,868 homeless individuals and families with ESG funds and 52 with CDBG funds.

Barriers to fulfilling strategies.

While successful in implementing activities that addressed priority needs outlined in the 2008-2012 Consolidated Plan, Harris County realizes that barriers still exist to fulfilling strategies and assessing impact.

The continuation of the CHDO certification program and the addition of the CHDO re-certification program are examples of an action taken to overcome the lack of organizational capacity for local nonprofits who work on housing related issues. HCCSD has also instituted the Three Track Program to assist participating communities in the HC Community Planning program to create and expand local CDCs and gain valuable community development training. Nonprofits are offered the opportunity of building management and financial skills.

Another barrier to fulfilling strategies is the lack of strong intergovernmental coordination on the outset of projects. During PY12, Harris County continued a working relationship with several nearby cities and other county agencies to collaborate on projects, such as water/sewer improvements and social service programs. However, there still remains a need to strengthen and foster intergovernmental communication, particular when projects cross multiple jurisdictional boundaries. The effect of this has been more efficient project development schedules and the cutting of "red tape."

Explanation of activities or types of activities falling behind schedule.

This section discusses projects that have been delayed and the reasons for the delay. These projects often have complex management requirements or procedures that must be addressed before funds are expended. The majority of these projects involve

construction, which must be evaluated for environmental concerns. In PY12, there was a delay for all HUD entitlement recipients until appropriation legislation. This delay caused projects to start later than March 1. In addition, the county has focused many of its staff members on the Hurricane Ike Disaster CDBG Recovery program for Round 1 & 2 projects. HUD and the State of Texas have placed a priority for all Texas jurisdictions receiving funds to expend funding in a timely manner.

Specific to projects, nuisance abatement projects require several months of research and public notice prior to demolition. If in the event, a homeowner comes forward to reclaim their property, this time is foregone and the health inspector moves on to another home. These proceedings have concluded and work has begun with 18 abatements being completed.

It is not uncommon for most construction projects to take several years to complete. At the inception of the program year, environmental reviews are conducted. The environmental review process typically takes a minimum of 3 months, but in recent months one of the review agencies has prolonged the process and another has set up new procedures requiring more examination by the county. Once the environmental review has been completed and a release of funds has been secured, project designs begin. Architectural projects in the range of \$500,000 to \$1,000,000 require a minimum of a 12-month design time. This includes time for all appropriate city, county and state reviews and permits, as well as entity approvals. Once the design is approved, the preparation of the construction documents and bidding require an additional 4 months. Bidding tabulation, construction contract approval, and receipt of a purchase order are estimated to take approximately 3 months. The actual time of construction on these projects is at least a year. If acquisition is involved, an additional 9 months must be added to the above time frame.

To assist in improved construction project management, HCCSD has encouraged developers particularly in the public facilities and infrastructure areas to apply for funds on a phase by phase basis. Many projects in PY12 were funded for phase I design or phase II construction. This has allowed HUD funds to be used more efficiently in the year they are allocated.

Are grant disbursements timely?

During PY12, Harris County continuously monitored its CDBG expenditure rates and has successfully met the CDBG timeliness requirements, within the 1.5 ratio of expended funds to entitlement resources.

Do grant expenditures differ substantially from line of credit disbursements?

The procedure for the distribution of grant funds at Harris County requires that all checks written for grant expenditures be made from the general operating funds of Harris County. Expenditures are then reimbursed to Harris County from the segregated grant cash accounts. In the past the reimbursement to Harris County for the expenditures of grant funds has not been timely in all instances. HCCSD staff continues to work towards a monthly reconciliation process to ensure that the line of credit drawdowns reimburse Harris County for its grant expenditures on a timely and methodical basis.

Are major goals on target-what adjustments or improvements might meet needs more effectively?

Projects funded during this reporting period specifically addressed a need/strategy identified in the 2008-2012 Consolidated Plan, thus allowing Harris County to remain on target with major goals.

In the area of economic development, Harris County continues to develop programs in accordance with its Harris County Economic Development Plan. We are working with local Economic Development Organizations that are funded with local county funds by CSD and Houston-Galveston Area Council to develop these programs. It is expected that in the next program year, Harris County will begin to execute its plan for economic development.

The county also created a Harris County Transit Plan in PY05. In PY12, the county continued to receive Federal Transit funds to improve and expand transit opportunities in the underserved sections of the county. The funding was used to develop the Baytown Park-n-Ride, Pasadena Park-n-Ride, flexible routes, and circulator routes. It also provides funding for elderly and handicap transportation programs.

Harris County has made concentrated efforts to continue improvements in terms of development of subrecipient contracts, accountability and specificity, and increased monitoring. We have taken steps to improve expenditure of funds and address slow moving projects by developing a monthly project timeliness report. We have also taken steps to enhance the RFP criteria and the review/selection process, which will increase the quality of projects and increase monitoring efficiency. Harris County will continue to assess and evaluate these processes to aid in remaining on target with planned goals. Harris County staff has been working closely with HUD representatives to reconcile HUD entitlement programs.

What is the status of Harris County's Performance Measurement System?

During PY12, the county collected and reported on the performance outcomes of all open projects. See Appendix F for the performance measurement matrix.

Program Specific Assessment

CDBG

Assessing the Use of CDBG Funds to address Consolidated Plan Priorities

All CDBG funds expended during PY12 addressed 2008-2012 Consolidated Plan priorities. *Table 17. PY12 CDBG Expenditures According to Consolidated Plan Priority Need Areas* details the expenditures of CDBG funds according to Consolidated Plan priority needs areas.

Table 17. PY12 CDBG Expenditures According to Consolidated Plan Priority Need Area

| Area | Expenditure | Percent |
|----------------------------|----------------|---------|
| Economic Development | \$10,000.00 | 0% |
| Homelessness | \$374,497.27 | 4% |
| Housing | \$2,787,634.70 | 28% |
| Infrastructure | \$4,653,053.47 | 47% |
| Other (Nuisance Abatement) | \$120,951.38 | 1% |
| Public Facilities | \$1,036,183.15 | 11% |
| Public Services | \$922,482.29 | 9% |

Of the total CDBG expenditures in PY12, projects in the infrastructure category made up the highest percentage of the 201 expenditures. Housing projects were second with 28 percent followed by public facilities projects at 9 percent.

An analysis of the use of CDBG funds to address priority needs was also conducted. A summary of this analysis is provided in *Table 18. CDBG Expenditures According to Priority Needs*. [Also, please see Table 3 (pp. 13-21) for more detail.]

Table 18. CDBG Expenditures According to Priority Needs

| Priority Need Area | Expended in PY12 | Priority Level |
|--------------------------------------|------------------|----------------|
| Housing | \$2,787,634.70 | H |
| Homeless | \$374,497.27 | H |
| Public Facility | | |
| General Facility | \$330,083.11 | H |
| Senior Centers | 0 | H |
| Parks and/or Recreational Facilities | \$269,502.73 | H |
| Neighborhood Facilities | \$436,497.31 | H |
| Infrastructure Improvement | | |
| Street Improvements | \$1,053,027.73 | H |
| Water/Sewer Improvements | \$3,600,025.74 | H |
| Flood Drainage Improvements | 0 | H |

| Priority Need Area | Expended in PY12 | Priority Level |
|--|-------------------------|-----------------------|
| Sidewalks | 0 | H |
| Public Service Needs | | |
| Senior Services | \$166,177.85 | H |
| Youth Services | \$356,982.24 | H |
| Employment | 0 | H |
| Health Services | 0 | H |
| Transportation | \$329,488.60 | H |
| Abused and Neglected Children | \$180,603.99 | H |
| Substance Abuse | \$33,954.85 | H |
| Subsistence Payments | 0 | H |
| Service for the Disabled | 0 | H |
| Economic Development | | |
| Direct Financial Assistance to For-Profits | 0 | M |
| Technical Assistance | 0 | H |
| Micro-Business | 0 | H |
| Planning | \$10,000 | H |
| Other | | |
| Clearance and Demolition | \$119,951.38 | H |
| Acquisition | 0 | H |
| Total CDBG Amount Expended During PY12 Addressing Priority Needs: | \$10,048,427.50 | |

Note: Total does not include CDBG Administration expenditure.

Changes in Program Objectives

As PY12 is fifth and final year in the five year Consolidated Plan, adjustments to goals were made to reflect changes in the economy and population, which have caused changes in overall needs in the community.

Compliance with Certifications

Harris County maintains compliance with all certification requirements outlined in the 2008-2012 Consolidated Plan.

Use of funds not addressing National Objectives

All CDBG funds authorized and expended during PY12 were utilized in compliance with the three national objectives of the CDBG program.

Actions Taken to Minimize Displacement

Harris County undertook no activities involving permanent displacement or relocation in PY12. Our policy states the permanent displacement of homeowners, tenants, businesses, non-profit corporations or farms is discouraged. If permanent displacement is necessary, it must comply with federal regulations found in 24 CFR Part 42, Displacement, Relocation Assistance, and Real Property Acquisition for HUD and HUD-Assisted Programs as amended, as well as 49 CFR Part 24, Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) for Federal and Federally-Assisted Programs as amended.

Relocation Process must comply with the following:

- Harris County will follow the requirements of the Uniform Relocation Act (URA) or Section 104 (d) of the 1974 Community Development Act, as amended. These requirements provide for uniform, fair and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects.
- In the case of temporary and voluntary displacement, Harris County or their subrecipient will inform the program participant of the relocation services available. Commonly the information is distributed by flyer to homeowners or tenants, who would be receiving rehabilitation services.
- If permanent displacement is necessary, homeowners, tenants, businesses, farms, or non-profits that occupy the site of the CDBG-assisted project will be identified through tax records and/or visual inspection and informed by certified letter.
- Harris County or their subrecipient will serve as liaison between program participant, contractor, landlords, movers, etc. to ensure a problem free transition. The Harris County or their subrecipient will identify and accommodate the displaced household or business when possible as to their need or preference for a particular unit size and location. These will be determined in the in-take process for relocation services.
- Harris County or subrecipients submits necessary documentation to secure relocation payments.
- Relocation evaluation form is forwarded to program participant to evaluate the success of the relocation.
- If complaints arise Harris County program administrators, their subrecipient and the program participant will enter into informal complaint resolution.
- Relocation services and file maintenance on each program participant will be documented by Harris County subrecipients.

Economic Development Activities

Harris County completed the Economic Development Plan for Harris County in PY2008 and has overseen its implementation, such as encouraging Green building in its tax-abatement program. No specific economic development projects were funded in the program year utilizing CDBG funds.

Activities Benefiting Limited Clientele not Presumed Benefit

For activities benefiting low-income limited clientele, subrecipient organizations collected income data from primary and secondary data sources, such as check stubs, or verification of participation in public assistance programs. This information was not collected for persons defined as presumed benefit. The presumed benefit category includes homeless persons, battered or abused spouses or children, elderly persons, disabled persons, illiterate persons, or persons living with HIV/AIDS.

Program Income

During PY12, the housing rehabilitation loan program, infrastructure loan payments, and DAP recapture funds generated program income. Harris County received \$47,221.91 in program income (CDBG) in PY12. For a detailed list of program income, see appendix

B-Financial Summary-CDBG Loans/Program Income.

Rehabilitation Projects

During PY12, Harris County provided owner occupied housing rehabilitation for low-income homeowners. HCCSD's Housing Construction and Inspection Services (HCIS) section administered this program. The scope of the program included provision of assistance for the repair and/or installation of water wells and septic systems as well as rehabilitation services to elderly/disabled homeowner units. The County expended \$179,368.12 in CDBG funds and provided services to 13 low-income households. Assistance was provided in the form of grants with emphasis on elderly/disabled households.

Neighborhood Revitalization Strategy Area (NRSA)

Harris County developed and applied for a Neighborhood Revitalization Strategy Area designation from HUD in its 2008-2012 Consolidated Plan submission for the Airline Community (see appendix J for detailed plan).

HOME

Analysis of the Distribution of HOME funds among Consolidated Plan Housing Needs

All HOME funds authorized and expended during PY12 addressed 2008-2012 Consolidated Plan Housing priorities. Of the activities operating during the 2012 Program Year, three projects expended \$1,345,091.29 addressed Homeownership; six projects expended \$1,442,543.41 addressed New Construction Housing; thirteen projects expended \$179,368.12 for Single Unit Rehabilitation (Owner-Occupied), and one organization expended funding in the CHDO Operating Costs category totaling \$19,000.

HOME Match Report

See Appendix D for the HOME match report.

Program Income

During PY12, the multi-family housing development loans and recapture funds generated program income. The HOME program income was \$13,803.24. For a detailed list of program income, see appendix B-Financial Summary pg. 42 for HOME Program Income.

Affirmative Marketing

Harris County has received approval from HUD of its affirmative marketing policies and procedures for the sale or rent of housing. This policy pertains to all HUD-assisted housing containing five or more units. The policy requires that all owners of federally assisted housing affirmatively market their housing units. Harris County assesses the success of owners' affirmative marketing efforts on a quarterly and annual basis. If the efforts do not result in attracting eligible persons from all racial, ethnic and gender groups in the housing market area, Harris County determines the necessary corrective actions.

For PY12, the marketing efforts of HOME-funded projects that provided rental units were analyzed. The following table summarizes the ethnicity of tenants of HOME-assisted affordable housing units.

Table 19. PY12 HOME-Assisted Rental Units According to Ethnicity (Occupied Units Only)

| Project | White | Black | Hispanic | Asian | Indian | Black/White | Other | Total |
|---------------------------|--------------|--------------|-----------------|--------------|---------------|--------------------|--------------|--------------|
| Cornerstone Village | 25 | 7 | 1 | 1 | 1 | | | 35 |
| Destiny Village | 9 | 8 | 10 | 3 | | | | 30 |
| Enclave at Quail Crossing | 9 | 1 | 1 | | | | | 11 |
| Enclave at Copperfield | 13 | 13 | 11 | | | | 1 | 38 |
| Louetta Village | 33 | 8 | 2 | 2 | | | | 45 |
| Mid Towne II | | | 2 | | 2 | | | 4 |
| Northland Woods | | 26 | 6 | | | 1 | | 33 |
| SHED Northline Inn SRO | 7 | 12 | 2 | | | | | 21 |
| Sierra Meadows | 13 | 30 | 7 | | | | | 50 |
| Sprucewood Apts. | 5 | 3 | 3 | | | | 1 | 12 |
| Baybrook Park | 10 | 4 | 1 | 1 | | | | 16 |
| Primrose at Bammel | 7 | 30 | 5 | 3 | | | | 45 |
| Waterside Court | | 29 | 11 | 1 | | | | 41 |
| Magnolia Estates | 13 | 62 | 6 | 1 | | | | 82 |
| HomeTowne at Tomball | 39 | 1 | 2 | 1 | | | 1 | 44 |
| Pilgrim Place | 1 | 5 | 3 | | | | 1 | 10 |
| Jane Cizik Garden Place | 7 | 18 | | | | | | 25 |
| Cypresswood Estates | 17 | 46 | 10 | | 1 | | 1 | 75 |
| Grand Totals | 208 | 303 | 83 | 13 | 4 | 1 | 5 | 617 |

In coordination with the development of its HOME Program Description, Harris County includes a policy for outreach to minority and women-owned businesses. All contracts involving the construction of HOME assisted housing outline the policy for outreach to minority and women-owned businesses.

Harris County uses an outreach program to increase the participation of minority and women-owned businesses. The program consists of these components:

- For each major contracting opportunity (\$50,000+), a formal notice of bids will be placed in one major newspaper and a press release will be sent to the smaller newspapers.
- Harris County sponsored business opportunity-related meetings with minority and women business organizations during the year.

- Harris County will use the services and assistance of the local offices of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
- Harris County will require prime contractors to take affirmative marketing steps.

Results of On-Site Inspections of Affordable Rental Housing

During PY12, HOME-assisted rental housing units were inspected by HQS certified inspectors. HCCSD has continued to develop an inspection plan to meet inspection responsibilities in the area of affordable rental housing. The following table summarizes the PY12 inspection results.

Table 20. PY12 Rental Housing Inspection Summary (HOME Assisted Projects Only)

| Project | Date of Inspection | Status |
|---------------------------|---|------------------------------|
| Cypresswood Estates | 10/26/12, 11/12/12, 12/3/12, and 12/13/12 | All units passed inspection. |
| Primrose at Bammel | 11/6/12, 11/8/12, and 11/26/12 | All units passed inspection. |
| Louetta Village | 9/12/12, 9/14/12, 9/25/12, and 10/16/12 | All units passed inspection. |
| Cornerstone Village | 10/17/12 and 10/19/12 | All units passed inspection. |
| Baybrook Park Retirement | 9/6/12 | All units passed inspection. |
| Destiny Village | 1/17/13 and 2/5/13 | All units passed inspection. |
| Enclave at Copperfield | 6/21/12, 6/22/12, 6/26/12, 7/12/12, 7/24/12, 7/25/12, and 8/22/12 | All units passed inspection. |
| Enclave at Quail Crossing | 7/12/12, 7/24/12, 7/13/12, 7/27/12 | All units passed inspection. |
| Northland Woods | 7/17/12, 8/10/12, 08/29/12, 9/12/12, 10/17/12, 11/1/12 11/6/12, and 1/25/13 | All units passed inspection. |
| Sprucewood Apartments | 7/17/12 and 7/27/12 | All units passed inspection. |
| Mid-Towne II | 7/24/12 | All units passed inspection. |

| | | |
|-------------------------|---|------------------------------|
| Northline Inn SRO | As units were vacated, they were inspected prior to being leased to a new resident. | |
| Waterside Court | 10/10/12, 10/17/12, 10/22/12, and 10/31/12 | All units passed inspection. |
| Magnolia Estates | 8/15/12, 8/20/12, 9/4/12, 9/6/12, 9/10/12 9/19/12, and 9/25/12 | All units passed inspection. |
| HomeTown at Tomball | 1/23/13, 2/1/13, and 2/11/13 | All units passed inspection. |
| Jane Cizik Garden Place | 6/26/12, 6/27/12 and 7/16/12 | All units passed inspection. |
| Sierra Meadows | 6/11/12, 6/13/12, 6/19/12, 6/29/12, 7/16/12, and 11/16/12 | All units passed inspection. |
| Pilgrim Place II | 7/10/12, 7/16/12 and 7/27/12 | All units passed inspection. |

ESG

Analysis of the distribution of ESG Funds addressing Consolidated Plan Homelessness Priorities

All ESG funds authorized and expended during PY12 addressed 2008-2012 Consolidated Plan Homelessness priorities [See ESG accomplishment information on [p. 41]. Of the 11 activities operating during the program year, 6 projects expended \$122,088.25 and addressed Homeless Prevention and Rapid Rehousing. The remaining 5 projects expended \$252,409.02 for shelter and street outreach. [Also, please see Chart 9 (pp.41) for more detail.]

Sources and Amounts of Funds Used for ESG Program Match

Matching funds for the ESG Program were provided by subrecipient nonprofit organizations or other local funds. Details of the specific amounts and sources of match for the ESG program can be found in Appendix D Match Reports.

ESG Cap Analysis

The Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH) reauthorized and modified the McKinney-Vento Homeless Assistance Act of 1987 which includes the Emergency Solutions Grant program. The HEARTH Act amended the spending caps for eligible activities by eliminating the former caps under the old ESG program, adds a new cap on Shelter/Street Outreach Activities and increases the cap on administrative activities. Harris County expended ESG funds within

the required caps. See Appendix E: *ESG Cap Analysis* summarizing expenditures according to activity.

Citizen Participation

Harris County has always considered citizen participation to be vital to the development of successful planning and community revitalization efforts for low- and moderate-income communities.

Harris County makes certain that HUD entitlement related public meetings and newspaper ads provide citizens with information about the use of funds available for community development projects as well as the amount of funds expected to be used for activities that benefit persons of very-low and low-income. These actions ensure that low- and moderate-income persons have access to information pertaining to all HUD related community development activities.

Actions to Solicit Citizens Input

Harris County HUD entitlement programs provided several opportunities for public comment on the PY2012 CAPER during the 2012 program year. These opportunities included public hearings for the Annual Action Plan (AAP), previous year CAPER's and other HUD funding sources such as NSP and Hurricane Ike Disaster Recovery TXCDBG funding. Notices for opportunities for public comment were published in local newspapers prior to each event.

For the PY2012 CAPER, the public was given a 15-day review and comment period prior to its submittal to the U. S. Department of Housing and Urban Development (HUD). A legal notice was published in the *Houston Chronicle*, Spanish newspaper *La Voz* and on the CSD website. The public notice informed Harris County residents about the public hearing and opportunity to comment on the documents. The availability of the PY2012 CAPER review was between May 7 - 21, 2013. A public hearing for the CAPER was held May 17, 2013 and there were no public comments. The English notice, Spanish and Vietnamese translations of the public notice were posted to our website www.csd.hctx.net.

In addition to the public notice, HCCSD provided several opportunities for citizen participation which included the following:

1. During the Citizen Participation process, CSD affirmatively solicited citizen participation by publishing in the *Houston Chronicle* and Spanish newspaper *La Voz* whose circulation has over 2.3 million readers and on the CSD website; notices were mailed to over 500 interested parties via email blast which includes but not limited to individuals, county departments, local cities, non-profits, businesses, housing developers/providers, utility districts and healthcare organizations for distribution and information. Many of these interested parties are non-profits who advocate and serve persons in protected classes.
2. During Citizen Participation process, notice of community meetings and comment period are made to the Limited English Proficiency (LEP) population in Spanish and Vietnamese. All public hearings and community meetings conducted by CSD have Spanish and Vietnamese interpreters available. CSD staff who speak Spanish and Vietnamese are also available to consult with LEP

populations in person or via phone or email.

3. Notice of community meetings and comment is made to persons with disabilities in alternative formats. CSD sent public notices to over 500 interested parties via email blast which included several non-profits that serve and house persons with disabilities.
4. Public areas in construction projects are being made accessible to persons with disabilities. CSD requires that within its Affordable Housing Standards that all common areas and facilities as well as mail areas and spaces be designed to be handicapped accessible with particular attention given to the needs of the elderly and other special needs individuals.

Harris County is committed to citizen participation as a crucial element in promoting community-based solutions. The county continues to create new and innovative ways to gain public response to initiatives and projects for community revitalization. Despite the significant effort made by Harris County in the area of citizen participation it is anticipated that future program years will include even more opportunities for active citizen participation in the revitalization process.

Other Efforts

In addition to a broad based citizen participation effort, HCCSD annually conducts an extensive public outreach effort in the Request for Proposal (RFP) Process that is used to determine the projects to be funded with CDBG, HOME and ESG funds. This action further ensures that the RFP process is a fair, open, and competitive process in which participation by organizations throughout the community is essential. The RFP process includes a number of opportunities for public interaction, including a proposal information workshop in which potential applicants are informed of the guidelines for the application and review process.

Appendix

A: Economic Development Attachment

B: Financial Summary

C: IDIS Reports

D: Match Reports

E: ESG Cap Analysis

F: Performance Measurement Matrix

G: Geographic Analysis

H: Section 3 Summary Report

I: Public Comments

J: Neighborhood Revitalization Strategy Area (NRSA)

**K: Action Plan to Address Impediments to Fair Housing & Barriers to Affordable
Housing Report**

L: PY2011 CAPER HUD End Review Letter & Response

M: ESG IDIS Tables and Reports

A: Economic Development Attachment

Special Economic Development Activities

March 1, 2012 through February 29, 2013

No new business development or micro-loans were made during this reporting period.

TECHNICAL ASSISTANCE

No economic development technical assistance activities were undertaken during the 2012 program year.

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