

## Consolidated Annual Performance and Evaluation Report (CAPER)

### 2006 Grant Year



*527 North Market Street Acquisition for Rehab project*

**Charles W. Boyd AICP, Deputy Director  
Department of Planning and Community Development**



**The City of Frederick  
Municipal Office Annex  
140 West Patrick Street  
Frederick, Maryland 21701  
301-624-1248**

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September 11, 2007

Mr. Charles Halm  
Director, Community Planning & Development  
U.S. Department of Housing and Urban Development  
Baltimore Office  
City Crescent Building  
10 South Howard Street, 5<sup>th</sup> Floor  
Baltimore, MD 21201-2528

Dear Mr. Halm:

The Department of Planning - Community Development Division (DPCD) of the City of Frederick is pleased to submit this Consolidated Annual Performance and Evaluation Report for the 2006 Grant Year—the second program year of the City's 2005-2010 Consolidated Plan. This report provides detailed analysis of projects and activities funded by the Community Development Block Grant (CDBG) Program.

The purpose of the 2006 CAPER is to compare the achievements of City programs and activities to the goals set in the 2006 Annual Action Plan. This report was available for public review and comment for 15 days and is prepared in conformance with the 2006 CAPER Completeness Review Checklist.

We are enclosing one original and two copies for your review and approval. Should you have any questions, please call me at 301-600-1248, or Nichole Purcell at 301-600-2840.

Sincerely,

Charles W. Boyd  
Deputy Director for Planning

Enclosure

Cc: Joe Adkins, Division Manager  
Nichole Purcell, City Planner – CDBG & Housing Programs

**THE CITY OF FREDERICK, MARYLAND**  
**CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT**  
**2006 GRANT YEAR (JULY 1, 2006 – JUNE 30, 2007)**

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**2006 CAPER Completeness Review Checklist for Local Governments**

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**2006 CAPER COMPLETENESS REVIEW CHECKLIST  
FOR LOCAL GOVERNMENTS**

Grantee: City of Frederick Date CAPER Submitted:    /   /   

During the program year under review, this grantee received the following formula grant program funding directly from HUD:

CDBG   X   HOME     ESG     HOPWA    

[Note – this checklist format is modeled on the 2/18/1998 Ramirez memo, as supplemented by the Con Plan regulations at section 91.520]]

**General Performance Report Issues**

Assessment of Three- to Five-Year Goals and Objectives

Is the narrative included?                    yes   X   no                        page(s)   2-5  

Does the narrative describe how activities addressed strategic plan objectives and areas of high priority?                    yes   X   no    

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Affirmatively Furthering Fair Housing

Is the narrative included?                    yes   X   no                        page(s)   5-9  

Does the narrative include a summary of impediments identified in the analysis of impediments (AI)?                    yes   X   no    

Does the narrative describe actions taken during the program year to overcome the effects of impediments identified through the AI?                    yes   X   no    

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_





## PY 2006 CAPER REVIEW CHECKLIST -- GENERAL ISSUES (cont.)

### Other Actions

[NOTE: Grantees are not required to report actions in each of these areas each program year; however, if an area is omitted, the reviewer should contact the grantee prior to completing the initial completeness review to determine whether no actions were taken during the program year or whether the grantee did not report actions taken.]

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

Is the area addressed?            yes X    no \_\_\_            page(s) 19

Were actions taken during the program year?            yes \_\_\_    no X

#### Actions to foster and maintain affordable housing

Is the area addressed?            yes X    no \_\_\_            page(s) 19

Were actions taken during the program year?            yes X    no \_\_\_

#### Actions to eliminate barriers to affordable housing

Is the area addressed?            yes X    no \_\_\_            page(s) 19

Were actions taken during the program year?            yes X    no \_\_\_

#### Actions to overcome gaps in institutional structures and enhance coordination

Is the area addressed?            yes X    no \_\_\_            page(s) 19-20

Were actions taken during the program year?            yes X    no \_\_\_

#### Actions to improve public housing and resident initiatives

Is the area addressed?            yes X    no \_\_\_            page(s) 20

Were actions taken during the program year?            yes X    no \_\_\_

**PY 2006 CAPER REVIEW CHECKLIST -- GENERAL ISSUES (cont.)**

Other Actions (cont.)

Actions to evaluate and reduce lead-based paint hazards

Is the area addressed?                    yes **X**    no \_\_\_                    page(s) **20**

Were actions taken during the program year?                    yes **X**    no \_\_\_

Actions to ensure compliance with program and comprehensive planning requirements (including monitoring)

Is the area addressed?                    yes **X**    no \_\_\_                    page(s) **20**

Were actions taken during the program year?                    yes **X**    no \_\_\_

Actions to reduce the number of persons living below the poverty level (anti-poverty strategy)

Is the area addressed?                    yes **X**    no \_\_\_                    page(s) **20**

Were actions taken during the program year?                    yes **X**    no \_\_\_

General Comments: \_\_\_\_\_  
\_\_\_\_\_
\_\_\_\_\_
\_\_\_\_\_
\_\_\_\_\_
\_\_\_\_\_



**PY 2006 CAPER REVIEW CHECKLIST -- GENERAL ISSUES (cont.)**

Citizen comments

Is a summary of citizen comments included?            yes \_\_\_ no X            page(s) 22

Comments: no citizen comments received. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Self Evaluation

Is the narrative included?            yes X no \_\_\_            page(s) 22-29

**[Note** - Items listed below are not specifically required, but do indicate how conscientiously the grantee has undertaken the self-evaluation]

Does the narrative evaluate accomplishments?            yes X no \_\_\_

Does the narrative discuss plans for the future?            yes X no \_\_\_

Does the narrative address whether strategies are having an impact on identified needs?            yes X no \_\_\_

Does the narrative address which indicators best describe results?            yes X no \_\_\_

Does the narrative identify barriers which may have a negative impact on fulfilling the strategies?            yes X no \_\_\_

Does the narrative address the status of CPD formula grant programs?            yes X no \_\_\_

Does the narrative address the status of CPD competitive programs?            yes X no \_\_\_



**PY 2006 CAPER REVIEW CHECKLIST -- GENERAL ISSUES (cont.)**

**Additional Narratives**

Comparison of Proposed versus Actual Outcome Measures [ref: 91.520(g)]

[Note – This reporting requirement was added in the revised Con Plan final rule, issued February 9, 2006.]

Does the report include a comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan? Yes **X** No \_\_\_  
page(s) **30-31**

Does the report explain, if applicable, why progress was not made toward meeting goals and objectives? Yes **X** No \_\_\_  
page(s) **31**

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Geographical Distribution and Location of Investments [With Emphasis on Investments in Areas of Racial and Ethnic Minority Concentration] [ref: 91.520(a)]

[Note – This reporting requirement, while not treated in the Ramirez memorandum, is clearly applicable to grantees by regulation.]

Does the CAPER include a narrative which describes the actual geographic distribution and location of investments during the program year? Yes **X** No \_\_\_  
page(s) **36**

Does this treatment in the CAPER address the actual geographic distribution and location of investments during the program year with specific reference to investments in areas of racial or ethnic minority concentration? Yes **X** No \_\_\_  
page(s) **36**

Comments: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**PY 2006 CAPER REVIEW CHECKLIST -- GENERAL ISSUES (cont.)**

**CONCLUSION - Is the general portion of CAPER narrative complete?**

yes\_\_\_ no\_\_\_

**Field Office Reviewer:** \_\_\_\_\_

**Date of Initial General Issues Completeness Review:** \_\_\_/\_\_\_/\_\_\_\_\_

**Program-Specific Issues for CDBG Entitlement Grantees**

Background

Anticipated Program Year 2006 CDBG Resources (from 2006 Action Plan)

CDBG award	\$ <u>399,634.00</u>
Program income	\$ <u>40,000.00</u>
Other*	\$ _____
Total	\$ <u>439,634.00</u>

\*Source of other funds: \_\_\_\_\_

Use of CDBG Resources during Program Year **2006** (from Financial Summary Form)

Carried over from Program Year <b>2005</b>	\$ <u>731,204.00</u>
+ FFY <b>2006</b> grant	\$ <u>399,634.00</u>
+ Program income (inc. revolving funds)	\$ <u>163,743.00</u>
+ Other Title I resources	\$ <u>-</u>
= Total program resources	\$ <u>1,294,581.00</u>
- Expenditures during Program Year <b>2006</b>	\$ <u>882,518.00</u>
= Carried forward to Program Year <b>2007</b>	\$ <u>412,063.00</u>

Assessment of relationship of use of CDBG funding to Consolidated Plan

Is the narrative included?      yes X    no \_\_\_      page(s) 37-38

Does the narrative include an analysis of the extent to which CDBG funds were distributed among different categories of housing needs identified in Consolidated Plan?      yes X    no \_\_\_

## PY 2006 CAPER REVIEW CHECKLIST – CDBG ISSUES (cont.)

### Assessment of relationship of use of CDBG funding to Consolidated Plan (cont.)

Does the narrative give special attention to activities addressing the highest priorities?      yes **X**    no \_\_\_

Does the narrative evaluate the extent to which CDBG funds were used to benefit low/mod persons?      yes **X**    no \_\_\_

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### Changes in Program Objectives

Is the narrative included?    yes **X**    no \_\_\_    n/a \_\_\_    page(s) **38**

Does the narrative describe the nature of, and reasons for, any changes in program objectives?      yes **X**    no \_\_\_

Does the narrative indicate how the community would change its programs as a result of its experiences?      yes \_\_\_    no \_\_\_

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### Assessment of Grantee Efforts to Follow a Consolidated Plan

Is the narrative included?      yes **X**    no \_\_\_    page(s) **38**

Does the narrative show whether the grantee pursued all resources that it indicated it would pursue?      yes **X**    no \_\_\_

Does the narrative show whether the grantee provided all requested certifications of consistency, in a fair and impartial manner, for HUD programs for which it indicated it would support applications by other entities?      yes **X**    no \_\_\_







**PY 2006 CAPER REVIEW CHECKLIST – CDBG ISSUES (cont.)**

Program Income and Other Financial Information (cont.)

Does the narrative include required information on:

revolving funds? yes X no \_\_\_

program income from float-funded activities ? yes X no \_\_\_

income from sale of real property? yes X no \_\_\_

other loan repayments? yes X no \_\_\_

prior period adjustments? yes X no \_\_\_

loans outstanding or written off? yes X no \_\_\_

parcels of CDBG-acquired property available for sale yes X no \_\_\_

lump-sum drawdown payments yes X no \_\_\_

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Rehabilitation Programs

**[Note** – The narrative is required for **each type of rehabilitation program** for which projects or units were reported as completed during the program year.]

Is the narrative required? yes X no \_\_\_

Are the narrative(s) included? yes X no \_\_\_ page(s) 40-41

Programs included: Single-Family Rehabilitation Loan Program "Op Rehab"  
Sold on Frederick II  
Single-Family Loan Program/Lead Hazard Grant & Loan  
Acquisition 4 Rehab

## PY 2006 CAPER REVIEW CHECKLIST – CDBG ISSUES (cont.)

### Rehabilitation Programs (cont.)

Does each narrative include the type of program and the number of projects/units completed, total CDBG funds, and other public and private funds?      yes **X**    no \_\_\_

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### Neighborhood Revitalization Strategy Areas

**[Note** – The narrative is required if the grantee has a HUD-approved neighborhood revitalization strategy (NRS); however, if the NRS is for a Federal EZ or EC, the EZ/EC report will suffice.]

Is the narrative required?      yes \_\_\_    no **X**

Is the narrative included?      yes \_\_\_    no \_\_\_      page(s) \_\_\_\_\_

Does the narrative report progress against benchmarks for the program year?      yes \_\_\_    no \_\_\_

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### Financial Summary Form

Did the CAPER submission include a Financial Summary Form (FSF)?      yes **X**    no \_\_\_      page(s) **Appendix A**

Was the FSF prepared on Form HUD-4949.3?      yes **X**    no \_\_\_

OR

Was the FSF prepared using the IDIS software?      yes \_\_\_    no **X**



**PY 2006 CAPER REVIEW CHECKLIST – CDBG ISSUES (cont.)**

Financial Summary Form (cont.)

Is the grant's **2005** program year part of a multi-year overall benefit certification period? yes **X** no \_\_\_  
**[Note - This determination should be made based on information independent of the CAPER]**

If so, what is the two-year or three-year period?  
**[Note - This determination should be made based on information independent of the CAPER]**

Two-year: \_\_\_\_\_ and \_\_\_\_\_ **or**

Three-year: 2006, 2007 and 2008

If so, did the grantee include a multi-year low/mod benefit calculation? [Part IV on HUD-4949.3] yes **X** no \_\_\_

If so, were the correct program years used in the FSF? yes **X** no \_\_\_

If one or more of the years in the multi-year certification period was reported in one or more previous CAPERs, was pertinent information correctly transferred to the **PY 2006** CAPER? [lines 18-20 on HUD-4949.3] yes **X** no \_\_\_

Was the amount of program income from previous year correctly transferred to the public services cap calculation? [line 26 on HUD 4949.3] yes **X** no \_\_\_

Were the correct figures from lines 2 and 5c correctly added for the planning and admin cap calculation? [line 30 on HUD 4949.3] yes **X** no \_\_\_

Does grantee appear to have based its planning and admin cap calculation on net obligations, rather than on expenditures? [Part VI on HUD 4949.3] yes **X** no \_\_\_  
**[Note - If in doubt, seek clarification from grantee]**

Are all of the grantee's mathematical calculations on the FSF correct? yes **X** no \_\_\_

**PY 2006 CAPER REVIEW CHECKLIST – CDBG ISSUES (cont.)**

**CONCLUSION - Is the CDBG portion of the CAPER narrative complete?**

yes\_\_\_ no\_\_\_

**Field Office Reviewer:** \_\_\_\_\_

**Date of CDBG Issues Completeness Review:** \_\_\_/\_\_\_/\_\_\_\_\_

**Program-Specific Issues for HOME Participating Jurisdictions**

Was the grantee a HOME participating jurisdiction in PY **2006**?    yes\_\_\_ no **X**  
 [If the answer is “no,” go to next section of checklist.]

**Background**

Anticipated Program Year **2006** HOME Resources (from **2006** Action Plan)

HOME award	\$ _____	(including ADDI)
Program income	\$ _____	
Other*	\$ _____	
Total	\$ _____	

\*Source of other funds: \_\_\_\_\_

**Analysis of Distribution of Funds**

Is the narrative included?                    yes\_\_\_ no\_\_\_                    page(s)\_\_\_\_\_

Does the narrative describe the extent to which HOME                    yes\_\_\_ no\_\_\_  
 funds were distributed among different categories of  
 housing needs identified in the approved Consolidated Plan?

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

## PY 2006 CAPER REVIEW CHECKLIST – HOME ISSUES (cont.)

### Match Contributions

Is the HOME Match Report, HUD-40107-A included?                      yes\_\_\_ no\_\_\_                      page(s)\_\_\_\_\_

Does the match report show match contributions for the program year as the reporting period?                      yes\_\_\_ no\_\_\_

Does the match report include required information by project number or other ID, date of contribution, source, and match amount?                      yes\_\_\_ no\_\_\_

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### Minority Business Enterprise/Women's Business Enterprise

Was Part III of Form HUD-40107 submitted?                      yes\_\_\_ no\_\_\_                      page(s)\_\_\_\_\_

Does the form report on contracts and subcontracts overall and for MBEs and WBEs?                      yes\_\_\_ no\_\_\_

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### On-Site Inspections

Is the narrative included?                      yes\_\_\_ no\_\_\_                      page(s)\_\_\_\_\_

Does the narrative conform to HUD's **September 2002 direction paper**?                      yes\_\_\_ no\_\_\_

Does the narrative describe results of on-site inspections of affordable rental housing for compliance with property standards?                      yes\_\_\_ no\_\_\_



**PY 2006 CAPER REVIEW CHECKLIST – HOME ISSUES (cont.)**

Assessment of Outreach to Minority-Owned and Women-Owned Businesses (cont.)

Does the narrative conform to HUD's September 2002 direction paper? yes\_\_\_ no\_\_\_

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**CONCLUSION - Is the HOME portion of the CAPER narrative complete?**

yes\_\_\_ no\_\_\_

Field Office Reviewer: \_\_\_\_\_

Date of HOME Issues Completeness Review: \_\_\_/\_\_\_/\_\_\_\_\_

**Program-Specific Issues for ESG Formula Grantees**

Was the grantee an ESG formula grantee in PY **2006**? yes\_\_\_ no X  
 [If the answer is "no," go to next section of checklist.]

Background

Anticipated Program Year **2006** ESG Resources (from **2006** Action Plan)

ESG award	\$ _____
Program income	\$ _____
Other*	\$ _____
Total	\$ _____

\*Source of other funds: \_\_\_\_\_



## PY 2006 CAPER REVIEW CHECKLIST – HOPWA ISSUES

### Program-Specific Issues for HOPWA Formula Grantees

Was the grantee a HOPWA formula grantee in PY **2006**?                      yes\_\_\_ no **X**  
 [If the answer is “no,” go to next section of checklist.]

#### Background

Anticipated Program Year **2006** HOPWA Resources (from **2006** Action Plan)

HOPWA award	\$ _____
Program income	\$ _____
Other*	\$ _____
Total	\$ _____

\*Source of other funds: \_\_\_\_\_

#### Analysis of Distribution of Funds

Is a narrative included?                      yes\_\_\_ no\_\_\_                      page(s)\_\_\_\_\_

Does the narrative describe the extent to which HOPWA funds were distributed among different categories of housing needs identified in the approved Consolidated Plan?                      yes\_\_\_ no\_\_\_

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

#### Program Overview

Is the narrative included?                      yes\_\_\_ no\_\_\_                      page(s)\_\_\_\_\_

Does the narrative provide an overview of activities carried out?                      yes\_\_\_ no\_\_\_

Does the narrative discuss barriers encountered?                      yes\_\_\_ no\_\_\_

Does the narrative discuss actions in response to barriers?                      yes\_\_\_ no\_\_\_



**PY 2006 CAPER REVIEW CHECKLIST – HOPWA ISSUES (cont.)**

Information on Performance

Is information on performance reported on the HOPWA CAPER “Measuring Performance Outcomes” report (Form HUD-40110-D) yes\_\_\_ no\_\_\_

[Note: Use of this format is required for the 2006 and subsequent CAPERs.]

**CONCLUSION - Is the HOPWA portion of the CAPER narrative complete?**

**yes\_\_\_ no\_\_\_**

**Field Office Reviewer:** \_\_\_\_\_

**Date of HOPWA Issues Completeness Review:** \_\_\_/\_\_\_/\_\_\_\_\_





**PY 2006 CAPER REVIEW CHECKLIST – INITIAL REVIEW SUMMARY**

**Initial Completeness Review Summary**

Grantee: City of Frederick, MD

Original CAPER Submission Date: \_\_\_/\_\_\_/\_\_\_

Date Initial Completeness Review Completed: \_\_\_/\_\_\_/\_\_\_

**Results of Initial Completeness Review**

<u>CAPER Section</u>	<u>Is the Section Complete?</u>	<u>Revisions or Clarifications Needed?</u>
General	yes___ no___	yes___ no___
CDBG	yes___ no___	yes___ no___
HOME	yes___ no___ n/a___	yes___ no___
ESG	yes___ no___ n/a___	yes___ no___
HOPWA	yes___ no___ n/a___	yes___ no___
IDIS Reports	yes___ no___	yes___ no___

Initial CAPER Completeness Determination: Complete\_\_\_ Incomplete\_\_\_

**Initial Completeness Review Meeting**

Date of Initial Completeness Review Meeting: \_\_\_/\_\_\_/\_\_\_

Field Office Reviewer: \_\_\_\_\_

CPD Director: \_\_\_\_\_



**PY 2006 CAPER REVIEW CHECKLIST – SUMMARY CONCLUSION (CONT.)**

**HOME Program Section**                      (Required \_\_\_                      Not Applicable X )

Was the initial submission complete?                      yes\_\_\_ no\_\_\_

Were revisions required?                      yes\_\_\_ no\_\_\_

Were clarifications required?                      yes\_\_\_ no\_\_\_

Is the section as revised/clarified complete?                      yes\_\_\_ no\_\_\_

Final completion determination date: \_\_\_/\_\_\_/\_\_\_\_\_

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**ESG Program Section**                      (Required \_\_\_                      Not Applicable X )

Was the initial submission complete?                      yes\_\_\_ no\_\_\_

Were revisions required?                      yes\_\_\_ no\_\_\_

Were clarifications required?                      yes\_\_\_ no\_\_\_

Is the section as revised/clarified complete?                      yes\_\_\_ no\_\_\_

Final completion determination date: \_\_\_/\_\_\_/\_\_\_\_\_

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**PY 2006 CAPER REVIEW CHECKLIST – SUMMARY CONCLUSION (CONT.)**

**HOPWA Program Section** (Required\_\_\_ Not Applicable X)

Was the initial submission complete? yes\_\_\_ no\_\_\_

Were revisions required? yes\_\_\_ no\_\_\_

Were clarifications required? yes\_\_\_ no\_\_\_

Is the section as revised/clarified complete? yes\_\_\_ no\_\_\_

Final completion determination date: \_\_\_/\_\_\_/\_\_\_\_\_

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**IDIS Reports**

Was the initial submission complete? yes\_\_\_ no\_\_\_

Were revisions required? yes\_\_\_ no\_\_\_

Were clarifications required? yes\_\_\_ no\_\_\_

Is the section as revised/clarified complete? yes\_\_\_ no\_\_\_

Final completion determination date: \_\_\_/\_\_\_/\_\_\_\_\_

Comments: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**PY 2006 CAPER REVIEW CHECKLIST – SUMMARY CONCLUSION (CONT.)**

**Initial CAPER Completeness Determination Meeting Date:** \_\_\_/\_\_\_/\_\_\_

**Initial CAPER Completeness Determination:** Complete\_\_\_ Incomplete\_\_\_

**Final CAPER Completeness Determination Summary**

CAPER is complete yes\_\_\_ no\_\_\_

If CAPER is still incomplete, Field Office Reviewer recommends that HUD take one or more of the following action(s):

Make a finding of incompleteness yes\_\_\_ no\_\_\_

Send the grantee a letter listing the incomplete items and providing a timeframe for submission yes\_\_\_ no\_\_\_

Address this issue in the review letter yes\_\_\_ no\_\_\_

Other: \_\_\_\_\_ yes\_\_\_ no\_\_\_  
 \_\_\_\_\_

**Field Office Reviewer:** \_\_\_\_\_

**Final Completeness Determination Date:** \_\_\_/\_\_\_/\_\_\_

**CPD Director Concurrence**

I concur \_\_\_ I do not concur \_\_\_

**CPD Director:** \_\_\_\_\_

**Final Completeness Determination Concurrence Date:** \_\_\_/\_\_\_/\_\_\_

**Note** – All revisions and clarifications received from the grantee are to be documented on the appendices provided for documenting revisions and clarifications. Attach all appendices to the checklist.

(7/16/2007)

**The City of Frederick, Maryland  
Consolidated Annual Performance and Evaluation Report  
2006 Grant Year (July 1, 2006 – June 30, 2007)**

---

**EXECUTIVE SUMMARY**

This document is the Consolidated Annual Performance and Evaluation Report (CAPER) covering program year 2006 (July 1, 2006 to June 30, 2007) for The City of Frederick, Maryland.

Communities that receive funds from a HUD Consolidated Planning and Development (CPD) program are required to prepare a CAPER to report year-end accomplishments and evaluate their performance. The City of Frederick receives funds under the Community Development Block Grant (CDBG) Program and consequently much of the information in this CAPER report focuses on CDBG activities although every effort has been made to report on other federal, state and local programs, by the City and by others, that are aimed at addressing Consolidated Plan priority needs and meeting Consolidated Plan objectives.

Grant year 2006 is the second year of actions to fulfill goals and objectives set forth in the City's 2005-2010 Consolidated Plan adopted May 5<sup>th</sup>, 2006. The data reported on cumulative benefits and accomplishments therefore covers the Actions Plans for 2005 thru 2006.

In January 2005, the Mayor and Board of Aldermen adopted a new Citizen Participation Plan. In May 2005, they adopted a new five-year Consolidated Plan to guide actions in grant years 2005 to 2009. The "new" Consolidated Plan provides for the completion of projects and programs that will carryover from 2004 and it also sets forth objectives and targets for the next planning period, specifically the continuation of owner-occupied rehabilitations and homeownership programs.

The Department of Planning - Community Development Division is responsible for the administration of the CDBG program and handles the consolidated planning requirements such as the Annual Action Plans, CAPERS and other reporting.

# I: GENERAL PERFORMANCE REPORT

## 1. Assessment of Three-to-Five Year Goals and Objectives

The City of Frederick's Consolidated Plan 2005-2010 identifies priorities, and related goals and objectives to address the City's housing and community development needs. This section and **Appendix C: CDBG Consolidated Plan 2006 Objectives & Outcomes** summarizes these priorities and the progress that has been made toward achieving each goal for the 2006 Grant Year.

### Priority 1A: Housing for very-low to moderate-income persons

In 2006, the City of Frederick expended \$571,703.45 in CDBG funds (65% of available grant funds) to implement activities that complement the City's goal of providing decent, safe, affordable housing. The activities addressed a wide range of housing issues, including rehabilitation of owner-occupied, acquisition for rehab, homeless and homelessness prevention, and special needs housing. In response to this area of high priority, the City implemented the following activities:

<b>Objective:</b> Decent Housing
<b>Outcomes:</b> Sustainability of Decent Housing

- **Activity:** 2006-03 Single Family Rehabilitation Loans "Operation Rehab" provided direct loans to low- and moderate-income homeowners for single-family rehabilitations.
- **Assessment:** Of the targeted goal of 6 units, only 3 units were completed (50% of goal). The major obstacle in completing all of the targeted units was a lack of income-eligible households, based on the City's current income guidelines.
- **Actions:** The City has revamped the program, including increasing the income limits used to qualify applicants to 80% and increasing marketing to generate a "waiting list" of eligible households. Unexpended funds from this project will be rolled over into 2007 projects.
- **Activity(ies):** 2005-08 Water Conservation Program (Single-Family) & 2005-09 Water Conservation Program (Multi-Family), the Frederick Community Action Agency (FCAA) provided water saving retrofits to owner-occupied homes & multi-family units. These activities were re-opened in December 2006 via AAP amendment.
- **Assessment:** FCAA has increased its monthly output. The number of households proposed for assistance was 150. The funding allocated to these projects will remain unchanged until all funds have been depleted, or the end of the 2007 grant year (whichever occurs first). As of the end of grant year 2006, FCAA had assisted a total of 82 units (8 single family units; 74 multi-family units), 54% of targeted goal.
- **Actions:** The City closed these projects in IDIS at the end of the 2005GY. In December 2006, FCAA requested to have the projects re-opened and re-funded due to an increase in applicants. The Mayor and Board of Aldermen approved the amendment to reopen the projects for a six-month period on February 15, 2007.

Prior to the close of the 2006GY, FCAA requested an extension of the activities through the end of the current grant year (June 30, 2008). A new Memorandum of Understanding has been signed and will be submitted to HUD when executed.

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**Priority 1B: Direct homeownership assistance such as Sold on Fredrick II or other similar programs to assist very low to moderate-income persons with the purchase of affordable housing for owner occupancy. Citywide**

<b>Objective:</b> Decent Housing – citywide.
<b>Outcomes:</b> Affordability/Accessibility of Decent Housing

- **Activity:** 2004-14 Sold on Frederick II - This program provides down-payment and closing cost assistance to low- to- moderate income households to help them purchase homes.
  - **Assessment:** This is an on-going, established City-sponsored activity. Funds were available from prior grant years and used to assist two (2) homebuyers during the 2006 GY.
  - **Actions:** This activity will be closed as of the end of the grant year and a new activity will be implemented with increased funding for the 2007GY. The City will take actions to expand the pool of eligible applicants through increased marketing and an increase in the income guidelines used to qualify applicants.
- 

**Priority 1C: City acquisition of blighted property for rehabilitation and resale to low- to moderate-income owner occupant.**

<b>Objective:</b> Decent Housing
<b>Outcomes:</b> Sustainability of Decent Housing

- **Activity:** 2005-06 Acquisition for Rehab - 527 N. Market Street. The City acquired the property in 2004. CDBG funds are being used to rehabilitate the property for resale to a low- to moderate income household.
- **Assessment:** The acquisition phase of this project was completed in 2002 and the rehabilitation phase was initiated in GY 2005. Additional funding was allocated to this project during the 2006 GY.
- **Actions:** As part of the identified multi-year Acquisition for Rehab activity, upon completion of this project, proceeds from the resale will be used to purchase and rehabilitate additional properties.
- **Update:** The project was scheduled to be completed during the 2006GY. However, due to construction issues, completion was delayed. The project is 90+% complete and the sale is scheduled to take place by October 31, 2007.

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## Priority 2: Non-housing Community Development

<b>Objective:</b> Suitable Living Environment – citywide.
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<b>Outcomes:</b> Sustainability
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- **Activity:** 2005-11– Rehab/Lead Hazard Reduction @ 240 W. South Street involved the rehabilitation of a public facility, e.g. the removal of lead paint from a group home facility.
- **Assessment:** At the end of the 2005GY, work was still underway and the City was awaiting beneficiary data from the facility. The final lead clearances were received in the early part of the 2006GY.
- **Update:** The close-out data was received after the close of the grant year. The request for payment has been submitted and funds will be disbursed upon the execution of an amended loan document. The City will report the activity as closed in IDIS once the funds are drawn.

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## Priority 2B: Create economic development opportunities for low- to moderate-income individuals through Microenterprise development

<b>Objective:</b> Economic Opportunity – citywide.
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<b>Outcomes:</b> Sustainability
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- **Activity:** 2005-12 – Microenterprise Capacity Development by Women Entrepreneurs of Baltimore, Inc. (WEB). The purpose of this project was to provide business development education and mentoring to income-eligible applicants.
- **Assessment:** During the 2005GY, the project was slated for cancellation due to inactivity. The major obstacle facing the agency was their inability to retain an instructor for the classes. After several discussions with City staff, the agency requested an extension of the contract (approved by the Mayor and Board at the end of 2005GY). The contract was set to expire at the end of the 2006GY.
- **Update:** In June 2007, WEB submitted a formal request to terminate the contract for the Microenterprise Program with the City of Frederick due to a lack of qualified applicants. The City is in the process of submitting this request to the Mayor and Board for formal action to cancel the project and re-program these funds to other projects.

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### Priority 3: Homeless Objectives

<b>Objective:</b> Suitable Living Environment – citywide.
<b>Outcomes:</b> Availability/Affordability

- **Activity:** 2006-04 – Homeless services and facility operations by FCAA. The City provides assistance to FCAA to provide homeless services and operate its Transitional Shelter and Apartment facilities for homeless individuals and families.
- **Assessment:** FCAA utilized CDBG and other sources of funds to provide homeless services. The CDBG-funded activities involved operating costs of the agency's homeless shelter and transitional housing facility. This is a recurring activity. FCAA assisted 104 individuals (46 households) 100% of goal achieved.
- **Actions:** The City will continue to fund FCAA homeless services.

The Consolidated Plan's targets are very ambitious while funds were limited. Each year as the Action Plan is developed, selection and prioritization are necessary as we strive to achieve balance among the various needs expressed in the plan. In addition, we try to maximize our effectiveness by complementing other projects and filling gaps that perhaps others are not. The result is that some needs remain unfilled and some targets are not met.

## 2. Affirmatively Furthering Fair Housing

The City of Frederick's Fair Housing Strategy of April 2001 includes recommended action items to address impediments to further housing identified in the 1996 Analysis of Impediments and the 1997 Regional Analysis of Impediments for the Washington Metropolitan Area. The Strategy also includes general recommendations for fair housing education and outreach as well. The City is committed to Affirmatively Furthering Fair Housing and strives to achieve the goal of serving the citizens of the City of Frederick in this capacity. The following is a summary of the Fair Housing Strategy action items and action taken during 2006 with respect to each.

### A. Local Impediments

1. Lack of Information Concerning Housing Discrimination  
**2006- The Fair Housing Commission for the City of Frederick continues to be the intake office for alleged complaints of discrimination.**
2. Disparate Treatment of Group Homes  
**2006– No Activity to report during the reporting period.**
3. Communities Underserved by Lending Institutions  
**2006 - The Hispanic Chamber of Commerce of Frederick monitors banking practices for the Latino community and an ongoing activity seeks partnerships with lenders for mortgages.**

4. Limited Number of Protected Classes  
**2006 – No Activity to report during the reporting period. In May 2001, the City of Frederick Amended Appendix ‘F’ of the Code of the City of Frederick, Maryland 1966, Entitled ‘Housing Discrimination Ordinance’ to include all federally protected classes and source of income.**
5. Lack of Substantial Equivalency with Federal Fair Housing Laws  
**2006 – The City of Frederick Amended Appendix ‘F’ however elected to not make the Ordinance substantially Equivalent.**
6. Inadequate Outreach to Immigrant Communities  
**2006- The Department of Planning - Community Development Division, worked the Frederick County Association of Realtors’ Cultural Diversity committee on awareness of issues to immigrants residing in the City of Frederick and Frederick County.**
7. Lack of Affordable Housing  
The Department of Planning - Community Development Division, offers Sold on Frederick II loans of up to \$15,000 for down payment and closing cost as assistance to first time homebuyers within city limits.  
**2006 -During this reporting period, two (2) clients were assisted. See Narrative below.**

2006 –To address the lack of affordable housing, the property at 527 North Market Street was rehabilitated during the 2006 grant year. The project was 95% complete as of the close of the grant year and will be sold to a low-to-moderate income person during the first quarter of the 2007 grant year. A deferred loan of with repayment due upon sale will assist with the affordability of the property.

Staff member Eileen Barnhard is the city designate for the Affordable Housing Counsel, a joint agency committed to addressing the need for Affordable Housing. Current efforts underway include the Moderately Priced Dwelling Unit (MPDU) program. A lottery was held by Frederick County and eight units became available for purchase through this program. Staff member Eileen Barnhard attended the ribbon cutting ceremony on June 11, 2007. See attachments.

City is in the process of adopting policy on MPDU's. Staff members Nichole Purcell and Joe Adkins have met with Frederick County's MPDU Coordinator, Margie Lance for input on the County's policy and procedures in the process of implementing a program for the City.

## **B. Regional Impediments**

1. Concentration of Minorities and Affordable Housing for Low-Income Families  
Information provided is based on the 2000 Census. Areas with greater than 28% of concentration of minorities are as follows:

Tract 750300 = 58.1 %  
Tract 75051 = 41.7%  
Tract 75052 = 30.4%  
Tract 750100 = 31.8%  
Tract 750900 = 31.6%

**2006– No Activity to report during the reporting period.**

2. Lack of Information on Discrimination  
**2006 –Ongoing collection of data from the City of Frederick Police Department on Hate Crime Discrimination by Census Tract Area.**
3. Human Rights Laws do not Cover Federally Protected Classes, nor are they Substantially Equivalent to Federal Law. 2006 – The Commission on Human Relations for Frederick County expanded remedy powers on employment, housing and public accommodation in which the Fair Housing Commission and Commission on Human Relations continues to work towards promoting Fair Housing.
4. Discrimination Against Persons with Disabilities  
**2006– No Activity to report during the reporting period.**
5. Discrimination Against Families with Children  
**2006– No Activity to report during the reporting period.**
6. Lending Discrimination  
**2006– No Activity to report during the reporting period.**
7. Insurance and Appraisal Practices Discrimination  
**2006 – No Activity to report during this period.**

## **C. General Recommendations**

1. Education and Outreach

The Fair Housing Commission continually attends housing conferences and promotes fair housing at local resource fairs in addition to sponsoring the annual fair housing conference.

**2006** –DPCD staff person, Eileen Barnhard, in partnership with the Frederick County Association of Realtors hosted the Fair Housing Conference on April 25, 2007. The conference, held at the Frederick Campus of Mount St. Mary's University, was attended by approximately 50 licensed realtors, City Planning staff, City of Frederick Fair Housing Commission Members, Lydell Scott, Executive Director of the Human Relations Committee for Frederick County, and Mayor Jeff Holtzinger. The conference was a joint partnership between The City

of Frederick's Department of Planning staff, the Fair Housing Commission for The City of Frederick and the Frederick County Association of Realtors to offer a comprehensive event educating the real estate community on the importance of fair housing.

The theme of the conference was ***Code of Ethics, Predatory Lending & Flipping and Fair Housing***. The presenters were: Larry Riggs, President-Elect of the Frederick County Association of Realtors, Beto Bentiz, Realtor, served as master of ceremonies, Vanessa Carlo-Miranda, managing attorney for Beneficial Title spoke on fair housing, Gloria Castle, co-owner of Real Estate Teams and past-President of Frederick County Association of Realtors cited recent case studies on fair housing. The conference concluded with a presentation from Lydell Scott, Director of the Frederick County Human Relations on the need to examine where we are today and where we need to go with fair housing.

The staff member assigned for support of Fair Housing continues to counsel First Time Homebuyers. The staff member oversees the Direct Homeownership Assistance program and works directly with the applicants. Once a successful application is received, the first time homebuyer is then counseled on the various aspects of being a homeowner and the responsibilities involved such as maintenance, maintaining good credit, saving funds for future repairs, and how to prepare for financial emergencies.

## 2. Formal Training

Staff takes advantage of continuing education when offered by the Department of Housing and Urban Development.

**2006** - Housing Programs Financial Specialist, Eileen Barnhard took Real Estate Principles Part II at the University of Maryland, Shady Grove Campus and completed her four year degree in Communication from the University of Maryland University College in May, 2007, and seminars attended include *Appropriate Pricing and Appraisal Values* and *Real Estate Closing Transactions*.

Naomi Bowers, Housing Rehabilitation Specialist attended Lead Paint Supervisor training in January, 2007 and is now certified. Additionally, she and Nichole Purcell attended Historical Preservation Training, 106 Review March 15, 2007 and March 16, 2007.

Nichole Purcell, Planner II for CDBG & Housing Programs attended the American Planners Association conference held in Philadelphia, Pennsylvania April 14-18, 2007. Ms. Purcell attended three sessions per day on the various aspects of affordable housing.

## 3. Monitoring and Surveys

**2006 – No Activity to Report during this period.**

#### 4. Partnerships and Organizational Structure

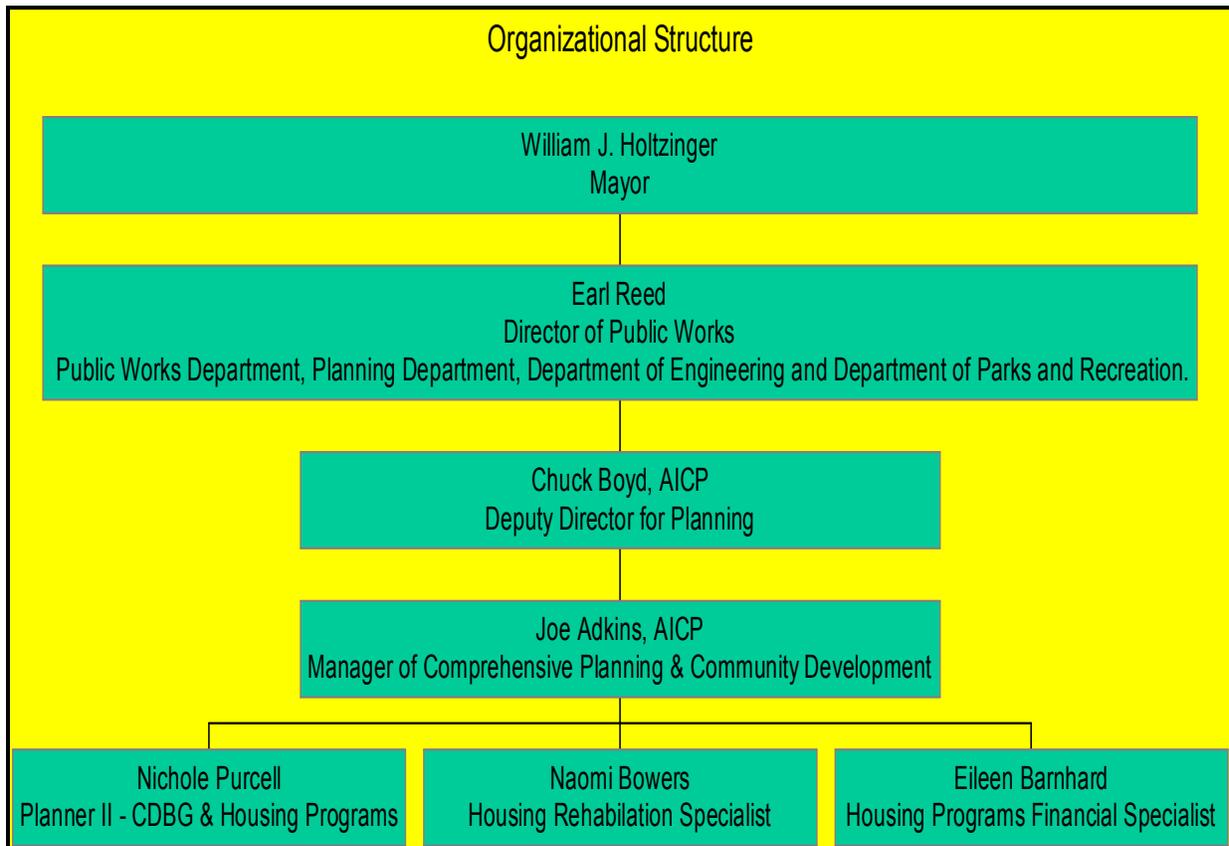
Efforts are ongoing with the cultivation and outreach of Community Partnerships. Staff attends and participates in events in the Community to broaden knowledge and awareness of City administered programs. Brochures and pamphlets are distributed at the Indian Cultural Event, Frederick Community College First Time Homebuyer Event, Human Relations Day and our Annual Fair Housing Event.

#### **2006** - A partnership between local lenders and the Community Development

Division providing homeownership counseling gives buyers a better interest rate on their loans, teaches the steps in the home buying process and strategy on foreclosure prevention.

A presentation was made by the Housing Financial Specialist to First Horizon Home Loans, a mortgage lender who recently took office space in the city. The focus of the presentation was direct homeownership assistance program and signing them as a participating lender to the program.

The organizational structure for the Department of Planning, Community Development Division, is outlined in the following flow-chart:



### **3. Affordable Housing**

The provision of affordable housing is a priority need and that need is highest for the lowest income households. In a very competitive housing market the guideline of no more than 30% of annual income for housing costs (i.e., rent or mortgage and utilities) may not be obtainable even for those with incomes over the median for the area. The needs of the very-low income, renters and owners, are the highest. The Consolidated Plan further recognized that affordable housing for special need populations is also a high priority. (See **Appendix D: 2006 CDBG Projects Map – Median Income & Census Tracts**)

To those living in Frederick, it comes as no surprise that the greater-Frederick area, especially Frederick City, is facing a severe shortage of workforce and affordable housing. Like many neighboring jurisdictions, strong job growth has combined with a very strong real estate market to price many low- and moderate-income workers out of homeownership, and in some cases, even out of the rental market. Recent studies have documented the current difficult conditions for many local residents and project an ever worsening situation. The supply of housing affordable to very-low, low- and moderate-income households in Frederick City is diminishing to a critical degree.

#### ➤ Evaluation of Progress:

As the administering agency for the City's CDBG program, the Department of Planning & Community Development offers a down-payment assistance program – "Sold on Frederick II - which provides loans of up to \$15,000 for down payment and closing costs to first time homebuyers within city limits. During this reporting period, two (2) clients were assisted.

- **Affordable Housing Council**

The Frederick County Board of County Commissioners (BOCC) and the Mayor of Frederick established the Affordable Housing Council (Council) in 1993. The Council's objectives are to create and advocate for affordable housing and to present the affordable housing message about current conditions and future trends to the Frederick County community. Membership on the Affordable Housing council includes Frederick County and City staff, as well as representatives from six segments of the community- housing consumers, private industry, religious, governmental, political and nonprofit representatives.

The Council is implementing the Affordable Housing Action Plan, which was endorsed by the BOCC. The Action Plan presents multiple strategies for addressing the affordable housing crisis in Frederick County. A major goal, the establishment of a Housing Initiative Fund, has created and expanded affordable housing programs. Other goals of the Action Plan call for the creation of a dedicated revenue source for affordable housing; the creation of a legal structure for development of additional housing; a land bank or land trust; the ongoing creation and expansion of affordable housing programs; the attack on NIMBYism (not-in-my-back-yard); the removal of regulatory barriers; and business and regional collaboration.

➤ Efforts to Address Section 215 Housing:

The CDBG funded activities - Operation Rehab loans for owner-occupied housing units, Rehabilitation Administration staff coordination of Lead Hazard Reduction loans using MD-DHCD funding, and Water Conservation (single & multi family) retrofits - do not have the affordability requirements of HOME for ownership or rental and so cannot be counted as Section 215 units.

However, upon their completion, the units (both rental and for-sale) to be developed under the HOPE VI project (administered by the Housing Authority and several non-profit & for-profit developers) will have affordability requirements attached.

➤ Actual Accomplishments vs. Proposed Goals:

**See *Affordable Housing Table 3B, page 15, and Objectives & Outcomes Performance Measures, pages 32-35.***

➤ Efforts to Address “worst case” needs:

“Worst-case needs” (defined as low-income renters paying more than half their income for rent, living in seriously substandard housing - which includes homeless persons - or persons having been involuntarily displaced) has been identified as a priority need in 2000-2005 Consolidated Plan and in the newly adopted 2005-2010 Consolidated Plan. However 2006 CDBG funds were not allocated to this group. The Hope VI Project is an effort towards this need. The focus of the City’s program has been homeownership.

➤ Efforts to address the needs of persons with disabilities:

The City of Frederick has provided funds to area non-profits that provide services to “special needs” populations. Way Station, Inc. provided services for persons disabled with mental illness. During 2006, the City was prepared to close-out the 2005 CDBG-funded activity for Way Station involving the reduction of lead hazards at its 240 W. South Street facility. As of the end of the grant year, the activity remained open pending final receipt of beneficiary data and a modification of the loan agreement from Way Station.

The City of Frederick will continue to provide assistance to similar programs as funds are available and projects remain viable.

**Table 2A  
Priority Housing Needs/Investment Plan Table**

<b>PRIORITY HOUSING NEEDS (households)</b>		<b>Priority</b>		<b>Unmet Need</b>
<b>Renter</b>	Small Related	0-30%	-	
		31-	-	
		51-	-	
	Large Related	0-30%	-	
		31-	-	
		51-	-	
	Elderly	0-30%	-	
		31-	-	
		51-	-	
	All Other	0-30%	-	
		31-	-	
		51-	-	
<b>Owner</b>	Small Related	0-30%	High	
		31-	High	
		51-	High	
	Large Related	0-30%	High	
		31-	High	
		51-	High	
	Elderly	0-30%	High	
		31-	High	
		51-	High	
	All Other	0-30%	High	
		31-	High	
		51-	High	
<b>Non-Homeless Special Needs</b>	Elderly	0-80%	-	
	Frail Elderly	0-80%	-	
	Severe Mental Illness	0-80%	-	
	Physical Disability	0-80%	-	
	Developmental	0-80%	-	
	Alcohol/Drug Abuse	0-80%	-	
	HIV/AIDS	0-80%	-	
	Victims of Domestic	0-80%	-	

**Table 2A  
Priority Housing Needs/Investment Plan Goals**

<b>Priority Need</b>	<b>5-Yr. Goal Plan/Act</b>	<b>Yr. 1 Goal Plan/Act</b>	<b>Yr. 2 Goal Plan/Act</b>	<b>Yr. 3 Goal Plan/Act</b>	<b>Yr. 4 Goal Plan/Act</b>	<b>Yr. 5 Goal Plan/Act</b>
<b>Renters</b>						
0 – 30% of MFI						
31 - 50% of MFI						
51 - 80% of MFI						
<b>Owners</b>						
0 –30% of MFI						
31- 50% of MFI						
51- 80% of MFI						
<b>Homeless*</b>						
Individuals		100/91	100/104			
Families						
<b>NON-HOMELESS SPECIAL NEEDS</b>						
Elderly						
Frail Elderly						
Severe Mental Illness						
Physical Disability						
Developmental Disability						
Alcohol/Drug Abuse						
HIV/AIDS						
Victims of Domestic Violence						
Total						
Total Section 215						
<b>212 Renter</b>						
<b>215 Owner</b>						

\* Homeless individuals and families assisted with transitional and permanent housing

**Table 2A  
Priority Housing - Activities**

<b>Priority Need</b>	<b>5-Yr. Goal Plan/Act</b>	<b>Yr. 1 Goal Plan/Act</b>	<b>Yr. 2 Goal Plan/Act</b>	<b>Yr. 3 Goal Plan/Act</b>	<b>Yr. 4 Goal Plan/Act</b>	<b>Yr. 5 Goal Plan/Act</b>
<b>CDBG</b>						
Acquisition of existing rental units						
Production of new rental units						
Rehabilitation of existing rental units						
Rental assistance						
Acquisition of existing owner units	5	1/*underway	1/*underway	1	1	1
Production of new owner units						
Rehabilitation of existing owner units	30/7	6/4	6/3	6	6	6
Homeownership assistance	25	5/0	5/2	5	5	5
<b>HOME</b>						
Acquisition of existing rental units						
Production of new rental units						
Rehabilitation of existing rental units						
Rental assistance						
Acquisition of existing owner units						
Production of new owner units						
Rehabilitation of existing owner units						
Homeownership assistance						
<b>HOPWA</b>						
Rental assistance						
Short term rent/mortgage utility payments						
Facility based housing development						
Facility based housing operations						
Supportive services						
<b>Other</b>						
Water Conservation	1000	200/6	150/82	200	200	200

**Table 3B - ANNUAL HOUSING COMPLETION GOALS**

GRANTEE NAME: CITY OF FREDERICK <b>Program Year: 2006</b>	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
<b>BENEFICIARY GOALS (SEC. 215 ONLY)</b>						
Homeless households			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non-homeless households	7	6	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special needs households			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Total Sec. 215 Beneficiaries*</b>	7	6	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>RENTAL GOALS (SEC. 215 ONLY)</b>						
Acquisition of existing units			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Rental</b>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>HOME OWNER GOALS (SEC. 215 ONLY)</b>						
Acquisition of existing units			<input type="checkbox"/>	<input type="checkbox"/>		
Production of new units			<input type="checkbox"/>	<input type="checkbox"/>		
Rehabilitation of existing units	7	4	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Homebuyer Assistance	0	2	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Owner</b>	7	6	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>COMBINED RENTAL AND OWNER GOALS (SEC. 215 ONLY)</b>						
Acquisition of existing units			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	7	4	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Homebuyer Assistance		2	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>Combined Total Sec. 215 Goals*</b>	7	6	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>OVERALL HOUSING GOALS (Sec. 215 + Other Affordable Housing)</b>						
Annual Rental Housing Goal			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Annual Owner Housing Goal	7	6	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Total Overall Housing Goal</b>	7	6	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\* The total amounts for "Combined Total Sec. 215 Goals" and "Total Sec. 215 Beneficiary Goals" should be the same number.

#### **4. Continuum of Care Narrative**

Founded in 1983, the Frederick County Coalition for the Homeless (FCCH) is the oldest local coalition working to end homelessness in the state of Maryland. The FCCH is a coalition composed of governmental and non-profit human service and community development organizations, religious institutions and faith-based organizations, for-profit businesses such as banking institutions, local government officials, colleges and students, local foundations, interested citizens, police and public safety agencies, and homeless and formerly homeless persons. In addition to other activities, the FCCH serves as the lead entity for the Continuum of Care planning process and works to bring together diverse stakeholders in order to plan, develop and implement a well-integrated Continuum of Care.

Many public agencies and private sector service providers, work with in the Continuum. Almost all service providers do not distinguish programmatic services between homeless and non-homeless. Therefore it is difficult to determine that a specific service is exclusively for the homeless or those at risk of homelessness. There are several groups that advocate for and assist HUD specified sub-populations (***see Appendix G: CoC Organizations Chart***). While these groups may have a focus on a particular group or administer a specific program, it is important to note that a key feature of the Continuum of Care is to coordinate services and foster cooperation among providers for all (***see Appendix H: CoC Services Inventory& Appendix I: CoC Point-in-Time Homeless Population and Subpopulations Charts***).

The City's efforts to help prevent homelessness include the provision of crisis oriented programs and services to provide legal services, emergency financial assistance housing counseling mental health and substance abuse treatment, longer term homeless prevention services such as budget/ debt counseling, educational and job skills.

To address emergency shelter and transitional housing needs of the homeless there are two emergency shelters and two motel placement programs located in the City. Additionally, there are several transitional housing providers such as the Frederick Community Action Agency, Advocates for Homeless Families, Heartly House, the Frederick Rescue Mission and Gale Houses, Inc.

Actions taken to help the homeless make the transition to permanent housing and independent living include many programs by in the area of education, job skill training, childcare, transportation, housing assistance etc. Again, there are many public and private non-profit groups that provide these services to the homeless, persons at risk of homelessness and all others who may need assistance. A key feature of the Continuum of Care is to facilitate access to "main stream" services and programs, for the homeless and those at risk, including the subpopulations. The Frederick County Coalition for the Homeless has developed several tools to achieve that goal. These include – standardized social history and intake form procedures, establishing FCAA and the Dept. of Social Services as the principal one stop centers for homeless services, standardized referral forms, joint training of agency / organization staff and joint presentation of case histories. These measures will aid all, including the sub-

populations that HUD asks us to track, to access programs that lead to self sufficiency and permanent housing.

While the City of Frederick does not assume a direct role in addressing the needs of the homeless, those at risk of homelessness or “special needs” groups (as defined by HUD), the City does participate in FCCH’s CoC and provides funding assistance to FCAA through its annual CDBG allocation. In addition, as the City’s homeless services provider, FCAA receives funds funding from other sources (*see funding priorities chart below & Appendix J: CoC Project Priorities Chart. See also, Appendix K: CoC Leveraging Summary Chart*).

**FY 2006 Continuum of Care Homeless Assistance Funding Priorities**

<b>Agency</b>	<b>Funding Source</b>	<b>Funding Award</b>
Friends for Neighborhood Progress, Inc.	SHP	\$ 21,751.00
City of Frederick	SHPR	\$135,536.00
Heartly House, Inc.	SHPR	\$ 35,074.00
Advocates for Homeless Families, Inc.	SHPR	\$ 24,008.00
City of Frederick	SHPR	\$ 65,896.00
Maryland Dept. of Health & Mental Hygiene	SPCR	\$ 91,596.00
Maryland Dept. of Health & Mental Hygiene	SPCR	\$137,904.00
<b>TOTAL:</b>		<b>\$511,765.00</b>

**Statistical Information on Homelessness  
Frederick County, Maryland**

~  
**Report Prepared by the Frederick County Coalition for the Homeless  
Updated: July 2007**

<b>Homeless Services Statistics for State Fiscal Year 2006 (July 1, 2005 through June 30, 2006) (FY 2006 is the most recent statistics available from the Maryland Dept. of Human Resources)</b>			
Number of Homeless Persons Sheltered in Emergency and Transitional Shelters ⇨		872 persons (adults and children)	
Number of Homeless Persons Sheltered in Motels ⇨		658 persons (adults and children)	
<b>Total Number of Homeless Persons Sheltered in Frederick County in FY 2006 ⇨</b>		<b>1,530 persons (adults and children)</b>	
Total Number of Bed nights of Shelter Provided ⇨ (one person in one bed for one night)		69,449 bed nights of shelter	
Number of Recorded Turnaways ⇨ (persons turned-away usually due to lack of available beds)		703 persons turned-away	
% of Females Sheltered (adults only) ⇨	43% of all adults sheltered	% Sheltered as Families ⇨	57% of the households sheltered
% of Males Sheltered (adults only) ⇨	57% of all adults sheltered	% Sheltered as Single Individuals ⇨	43% of the households sheltered

<b>Statistical Information from the Point-In-Time Count of Homeless Persons in Frederick County conducted by the Frederick County Coalition for the Homeless on 1/27/2006</b>	
Total Number of Homeless Adults Counted in Shelters and on the Streets (unduplicated count) ⇨	176 homeless adults (unduplicated count)
Total Number of Homeless Children Counted in Shelters and on the Streets (unduplicated count) ⇨	47 homeless children (ages 0 to 17) (unduplicated count)
<b>Total Number of Homeless Adults and Children Counted (unduplicated count) ⇨</b>	<b>223 homeless adults and children total were counted on 1/27/2006 (unduplicated)</b>
Number of Homeless Persons That Have Been Homeless for 12 Months or More ⇨	42 homeless persons reported being homeless for 12 months or more (unduplicated count)

Shelter and Transitional Housing Providers Are:

- ✓ Advocates for Homeless Families
- ✓ Frederick Community Action Agency
- ✓ Frederick Rescue Mission
- ✓ Heartly House
- ✓ Hope Alive
- ✓ Religious Coalition for Emergency Human Needs

## **5. Other Actions**

### ➤ ***Actions to Address Obstacles to Meeting Underserved Needs***

Staff of the Frederick Department of Community Development, Frederick Community Action Agency and other departments who play a role in Consolidated Plan implementation are active in the coordination and advocacy groups that strive to identify and address underserved needs such as the Frederick County Affordable Housing Council, Affordable Housing Steering Committee for HOPE VI, Frederick County Coalition for the Homeless, Frederick County Human Services Coalition, Advocates for Non English Speaking Residents. These regular contacts help with referrals of clients, and assistance to clients who are difficult to serve.

**2006 Actions:** No specific actions taken during the grant year.

### ➤ ***Actions to Foster and Maintain Affordable Housing***

Land and building cost are very high in Frederick. The City encourages the use of various county, state and federal programs designed to underwrite the cost of producing new units and does assist applicants with letters of support.

A new Frederick City Comprehensive Plan was adopted in August 2005. There were a number of specific recommendations aimed at affordable housing such as a proposal for a moderately priced dwelling unit ordinance and revised regulations to allow SRO, Single Room Occupancy dwellings. A major tool for implementing Plan recommendations is the land use and other development regulations. The new Land Management Ordinance was adopted in July 2005, and revised in January 2007.

**2006 Actions:** Additionally, the City has proposed a Moderately Priced Dwelling Unit (MPDU) ordinance that is proceeding through the review and approval process. The MPDU program is one tool the City will use to address the affordable housing crisis that exists in Frederick.

### ➤ ***Actions to Eliminate Barriers to Affordable Housing***

In 2006, the Frederick Community Action Agency and Housing Authority submitted competitive grant applications to HUD.

**2006 Actions:** A *Questionnaire for HUD's Initiative on Removal of Regulatory Barriers* was submitted on behalf of both applicants. See *Appendix L* for a copy of that questionnaire completed by the Deputy Director for Planning, Mr. Chuck Boyd.

### ➤ ***Overcome Gaps in Institutional Structure and Enhance Coordination***

There are several groups that have been established to help coordinate the activities of public agencies and non-profit and advocacy groups who work to address the needs of low income people and neighborhoods. In addition to those noted above there is a Local Management Board to coordinate services for children and families and a Workforce Development Board for job training and employment services. The newly established City Education Committee advocates for and promotes improvements to the Frederick County Public Schools, which are within City limits. The City has 12 neighborhood advisory councils, an initiative that has improved the

two-way communication process between City hall and neighborhoods and establishes a formal mechanism for evaluating neighborhood improvement projects.

**2006 Actions:** No specific actions taken during the grant year.

➤ ***Improve Public Housing and Resident Initiatives***

The Housing Authority of The City of Frederick (HACOF) continued work on the rehabilitation of units in the Sagner community using Capital Fund grant funds from HUD.

HACOF continued the ongoing resident services activities using Family Self Sufficiency and Hot Spots funding. By far the most significant initiative was the HOPE VI grant to demolish John Hanson and R. B. Taney communities and replace them with a new community that will revitalize this neighborhood in the north end of Frederick's Historic district. In 2005, the John Hanson apartments were demolished and approvals for several of the off site replacement projects were secured.

**2006 Actions:** The City continues to maintain an outside role as the approval process continues for all of the proposed units in the HOPE VI project.

➤ ***Evaluate and Reduce Lead-Based Paint Hazards***

A good working relationship has been established between Community Development, FCAA, Frederick County Housing Rehab program and the Frederick County Health Department. The staff meets on a regular basis and refers cases of elevated blood lead level children, work cooperatively on education and prevention of lead poisoning.

**2006 Actions:** Staff continues to apply for and administer the County's Lead Hazard reduction loans for eligible homeowners.

➤ ***Ensure Compliance with Program and Planning Requirements***

Staff of the Department of Planning -Community Development Division strives to keep current on all program requirements including changes to regulations. In addition to various training opportunities, we rely upon our representatives at the Baltimore HUD office for guidance.

**2006 Actions:** Staff has attended a number of HUD-sponsored training sessions throughout the year.

➤ ***Reduce the Number of Persons Living Below the Poverty Level***

This is a key part of the mission of all of the State, County and City departments, who work in concert to address this segment of the City's population. Frederick's efforts are led by the Frederick Community Action Agency (FCAA). FCAA participates in the various coordinating organizations, both formally and informally, that help low-income people. There is close coordination between FCAA and the CDBG program.

**2006 Actions:** CDBG funds were allocated to FCAA under the Public Services cap.

## **6. Leveraging Resources**

It is a primary goal of the Consolidated Plan to encourage the use of funds from federal, state and local sources (leverage) so as to address the many needs of the community. This is a simple recognition that the CDBG dollars must be leveraged if we are to meet all high and medium priority needs in the Consolidated Plan. Page 3 of this CAPER lists other funds that were secured during the grant year. No doubt other resources were also employed such as low interest loan programs by banks to meet Community Reinvestment Act requirements.

### **➤ *Progress in obtaining other public and private resources to address needs:***

Our partner organizations with whom the City works closely to address needs apply for, and have received, grants and awards from a wide range of granting agencies (both federal and non-federal).

- Way Station, Inc. received funding from the Maryland Department of Health and Mental Hygiene in the amount of \$23,250 for the purpose of providing decent, affordable housing for 10 disabled adults.
- FCAA received a \$20,000 grant during the 2006GY from HUD for Housing Counseling to provide housing services to very-low and low-income homebuyers and homeowners.
- The Frederick County Board of County Commissioners (BOCC) and the Frederick County Department of Housing and Community Development reserved over \$1 million for its county-wide deferred loan program for housing development. The Deferred Loan Program provides loans to housing developers to help create and preserve affordable housing for Frederick County through leveraging of other funding sources including local, state, federal, public and private sources.

### **➤ *How Federal resources leveraged other public and private resources:***

There are other federal and state resources employed by the City and by employed by others in the community. The following is a description of Non- CDBG resource used or secured in 2006 to implement Frederick's Consolidated Plan.

- The City received a Community Legacy award of \$150,000 from the Maryland Department of Housing and Community Development (DHCD) to assist the City and its non-profit partners in carrying out comprehensive community revitalization initiatives. The award will be used to create administrative office space for the Religious Coalition for Emergency Human Needs.
- Frederick Community Action Agency (FCAA) is the City's primary agency responsible for providing of a wide spectrum of programs and services to assist the lower income residents of the City. The total budget expended for services in 2006 was \$2,938,215, which included federal (CDBG and non-CDBG), state, local and private fund sources.

- In Frederick County, the Frederick Coalition for the Homeless is the lead agency for planning aspects and grant applications under the Continuum of Care. The Coalition is made up of various service providers, both governmental and non-profits. Federal Fiscal Year 2006 grants awarded under the COC for Frederick County & City totaled \$511,765.00, of which the City of Frederick received \$201,443.
- The Housing Authority of the City of Frederick (HACOF) employs federal resources in the form of operating subsidies and housing assistance payments and grants for modernization of properties and resident services. The HACOF was also awarded a HOPE VI grant of \$15.9 Million in March 2003 for the demolition of John Hansen and Roger B Taney communities, revitalization of the site and replacement of Public Housing units in mixed income communities on site and at other locations in the City. In connection with HOPE VI the HACOF was awarded a \$200,000 Neighborhood Networks Grant for a computer-learning center.

In 2006, the HACOF expended Capital Grant funds for the comprehensive modernization of communities. The HACOF is currently implementing three multi-year ROSS (Resident Opportunities and Self Sufficiency) Grants in the amount of \$296,772. The HACOF administers HOPWA Housing Choice Vouchers that are available to Frederick County residents with HIV/AIDS.

- The City's Department of Planning – Division of Community Development is an administering agency for State of Maryland Department of Housing and Community Development Residential Rehabilitation Loans (STAR and MHRP) and Lead Reduction Grants. In 2006, the Department completed three jobs using State funds for Rehab:

9 East All Saints Street	\$ 89,038.00 / LHGRP - \$22,500
149 W. All Saints St	\$ 35,243.00 / LHGRP - \$15,000
326 Park Ave	\$ 21,510.00- <i>lead assistance from FCAA</i>

## **7. Citizen Comments**

During the grant year there were several notices of completed regarding CDBG environmental reviews, findings of no significant impact, and action plan amendments. The public was given opportunities to comment. No comments were received.

## **8. Self Evaluation**

The overall goals of HUD's Community Planning and Development programs are to develop viable communities by providing decent housing and a suitable living environment and expanding economic opportunity principally for low and moderate-income persons. It is with that overall goal in mind that we annually examine the Consolidated Plan Strategic Plan recommendations, identify barriers that may have emerged, look at actual performance of the CDBG program and other programs, and consider course corrections that will improve our performance.

Each year as the Action Plan is developed, new opportunities emerge and all are evaluated as to their effectiveness, the funds that will be leveraged and readiness. The Consolidated Plan's targets are very ambitious and funds are limited. Selection and prioritization of activities during the Action Plan process is critical. Every effort is made to achieve balance and maximize the limited dollars among the various needs expressed in the plan. Each year brings new opportunities. We try to fill gaps that perhaps others are not filling. The result is that some needs remain unfilled and some targets are not met.

➤ ***Evaluation of accomplishments/ Plans for the future:***

***See charts on pages 25-28.***

➤ ***Address whether strategies are having an impact on identified needs:***

The activities undertaken in 2006 further one or more of the Consolidated Plan's identified needs. While the City of Frederick has taken steps to widen the scope of activities funded with its annual CDBG award, the focus continues to be funding those projects that address the housing crisis in Frederick. As an example, for the GY2007 application process, we received and approved a variety of housing-related applications from area non-profits.

➤ ***Address which indicators best describe results:***

For the past several years, the City of Frederick's CDBG program has focused primarily on "bricks and mortar" projects – especially rehabilitation of existing housing units. In addition, the City has placed a high priority on assisting its sister-agency, FCAA, with providing it homeless services activities. Therefore, the indicators that best describe the results of the annual activities would be number of units rehabbed/assisted and number of persons assisted.

➤ ***Address the status of CPD formula grant programs:***

While the timely use of CDBG had been an issue since the 2003GY (due primarily to receipt of unusually high amounts of program income from loan payoffs and property sales), the City has taken steps to ensure that we meet this requirement each year. In 2006, the City met both of its timeliness standard tests well before the May 1<sup>st</sup> deadline.

➤ ***Address the status of CPD competitive programs:***

The Plan is based upon the fundamental premise that many different resources, beyond CDBG must be brought into the mix to address the many high priority needs. The City alone cannot do all that needs to be done but rather cooperation and coordination among the City and for profit and non-profit partners is essential.

Additional funding from other federal, state and local sources is awarded to partner agencies and/or sub-recipients that the City of Frederick supports: The Housing Authority of the City of Frederick (HACOF) was awarded a HOPE VI grant of \$15.9 Million in March 2003. The City has donated land and will provide funding for various aspects of the Hope VI project, including the construction of a Community Center.

Frederick County & City received grants totaling \$511,765.00 (of which the City of Frederick received \$201,442) as part of the Continuum of Care for Competitive Grants Program FFY 2006.

➤ ***Address whether any activities or types of activities are falling behind:***

Only one activity fell behind during the grant year. During the previous grant year (2005), the Women Entrepreneurs of Baltimore (WEB) Microenterprise Program was slated for cancellation. The major obstacle facing the agency was their inability to retain an instructor for the classes. Upon correcting the staffing issue and after several discussions with City staff, the agency requested an extension of the contract (approved by the Mayor and Board at the end of the 2005 Grant Year). The contract was set to expire at the end of the 2006GY (June 30, 2007).

On June 19, 2007, WEB submitted a formal request to terminate the contract for the Microenterprise Program with the City of Frederick due to a lack of qualified applicants. The City is in the process of submitting this request to the Mayor and Board for formal action to cancel the project and re-program these funds to other projects.

During the 2005GY, the City received very few requests from FCAA for their two Water Conservation activities (single- and multi-family). By the end of the grant year, only six (6) units had been serviced – two (2) single-family units, and four (4) multi-family units. As the CAPER was being prepared and IDIS cleanup was being performed, the two activities were reported as “complete”, and the funds reverted back to the general CDBG account. FCAA then identified over 100 units requiring water conservation upgrades, and requested that the projects be re-opened and funds re-allocated.

In February 2007, the Mayor and Board of Aldermen approved a substantial amendment to the Annual Action Plan to reopen and re-allocate funds to these activities. The activities have progressed well during the grant year, and FCAA has requested an extension of the Agreement through the end of the current 2007GY.

➤ ***Address whether disbursements have been timely:***

The City has a well established financial management policy which governs the timely payment of expenditures and receipt of income/credits. In grant year 2006, all CDBG disbursements were made in a timely manner. Each month, DPCD staff receives a detailed account activity report from the Finance Dept. from which the drawdown requests are made in IDIS. The account activity reports detail the expenditures for each activity for the previous month.

➤ **Address any differences between actual expenditures and letter of Credit disbursements:**

In 2006, the City expended \$882,518.20 of CDBG funds on five (5) 2006 projects and 10 carryover projects from prior grant years (successfully completed during the GY).

CDBG FUNDS AVAILABLE AND EXPENDED IN 2006	
CDBG Expended in the 2006 Grant Year	\$ 882,518.20
CDBG Grant for 2006 Grant Year	\$ 399,634.00
<b>DIFFERENCE TOTAL</b>	<b>482,884.20</b>
CDBG Program Income received during the Grant Year	*\$ 163,742.88
<i>*Includes income received from loan pay-offs, property sales, homeownership fees and rental income.</i>	

The difference between actual expenditures and the Letter of Credit disbursements (\$482,884.20) can be attributed to an influx of program income from previous grant years and from several loan pay-offs and higher than expected attendance for the homebuyer education classes. As a result, the City spent less of its grant funds, funding much of its monthly expenses with program income. **See Appendix F: CDBG Income & Expenses– 2006 GY**

➤ **Address whether the grantee is on target to meet major goals:**

The City of Frederick is on target to meet its goal of providing decent, affordable housing through its various rehabilitation activities and its support of the Housing Authority's HOPE VI project.

➤ **Address what adjustments or improvements to strategies and activities might meet needs more effectively:**

The Consolidated Plan and Annual Action Plan are both based upon the fundamental premise that many different resources, beyond CDBG must be brought into the mix to address the many high priority needs. The City alone cannot do all that needs to be done, but rather cooperation and coordination among the City and for profit and non-profit partners is essential. To that end, its is our intention to broaden the scope of the types of activities the City will fund in the future in order to address the myriad of social and economic needs of the residents of Frederick.

The following section provides an analysis of the accomplishments for Grant Year 2006 in relation to the objectives outlined in the Consolidated Plan. It also details each activity (and proposed targets) and the actual outcomes at the close of the year. In addition, the barriers impacting the completion of activities are also identified:

**AFFORDABLE HOUSING**

Goal	Objectives/Targets	Activities	Outcomes
<p>The City's goal centers on the renovation and rehabilitation of the City's housing stock including owner-occupied housing, public housing, acquisition and demolition of distressed properties, and homeownership assistance for first-time homebuyers</p>	<p>Rehabilitate existing single-family units for six (6) low/mod income homeowners</p>	<p>2006-03 Operation Rehab</p>	<p>3 Housing Units</p>
	<p>City acquisition of blighted property for rehabilitation and resale to low/mod income owner-occupant</p>	<p>2005-04 Acquisition for Rehab 527 N. Market Street</p>	<p>Project carried over from 2005GY. Rehabilitation underway and was scheduled to be completed in GY 2006. Sale slated to take place in October 2007.</p>
		<p>Acquisition for Rehab 16 W. 7<sup>th</sup> Street – FOP Lodge</p>	<p>Carry over project from 2004GY. Sale of site to the Housing Authority for its HOPE VI housing project completed during 2006GY. Units will be rehabbed &amp; resold to low/mod income households.</p>
		<p>18, 20-22 W. 7<sup>th</sup> Street</p>	<p>Carryover project from 2002GY. Sale to Habitat for Humanity for rehabilitation &amp; sale to low/mod income household completed during 2006GY.</p>
		<p>2004-14 Sold on Frederick II</p>	<p>2 applicants during grant year</p>
		<p>HACOF Settlement Grants -5</p>	<p>no applicants during grant year</p>
<p>Rehabilitate 150 existing single- and multi-family housing units through the City's Water Conservation Program</p> <p>Residential Historic Preservation - Elimination of Slum/Blight – Spot Basis</p> <p>New rental and ownership housing for very-low and low income persons. Mixed-income housing.</p>	<p>Rehabilitate 150 existing single- and multi-family housing units through the City's Water Conservation Program</p>	<p>2005-08 WCP – SF 2005-09 WCP - MF</p>	<p>Activity closed at end of 2005 GY. Agency requested project to be reopened and refunded. Project to be extended thru 2007GY. 82 units completed</p>
	<p>Residential Historic Preservation - Elimination of Slum/Blight – Spot Basis</p>	<p>2004-7 Asbury Trust Stabilization of 108 W. All Saints Street for rehabilitation</p>	<p>Carry over project from GYs 2004 &amp; 2005. Project complete; awaiting final invoices.</p>
	<p>New rental and ownership housing for very-low and low income persons. Mixed-income housing.</p>	<p>HOPE VI replacement units 181 total rental units by year 5 29 total ownership units by yr 5</p>	<p>No units were proposed to be completed in 2006 GY</p>

**Evaluation of Accomplishments:** In FY2006, three (3) units were rehabilitated (50% of goal) through the Operation Rehab program. 82 units (54% of goal) received water conservation upgrades.

**Barriers:** The major obstacle in completing all of the targeted units under the Operation Rehab program was a lack of income-eligible households, based on the City's current income guidelines. Barriers to meeting the targeted goal for the Water Conservation Program were a lack of identified units and a low applicant pool. However, FCAA has made a concerted effort to identify units and the project is moving forward.

**Future Activities to Overcome Barriers:** The City will revamp the program, including increased marketing to generate a "waiting list" of eligible households. DPCD staff is requesting to increase in the income guidelines used to qualify applicants, including the use of HUD's "uncapped" income limits. Unexpended funds from this project and other 'non-performing projects' will be rolled over into the 2007 Op Rehab activity. Additionally, the City of Frederick is in the process of adopting a Moderately Priced Dwelling Unit ordinance in an effort to effectuate the provision of affordable housing units (both for sale and rental) within the City.

PUBLIC SERVICES/HOMELESSNESS			
Goal	Objectives/Targets	Activities	Outcomes
To assist homeless families and individuals with housing with supportive services for families with children.	Continuation of the homeless services and operation of the transitional housing facility by the Frederick Community Action Agency (FCAA)	Homeless Services	CDBG funds used to provide homeless services and operate transitional housing/shelter

**Evaluation of Accomplishments:** Homeless services and facility operations are provided by FCAA. The City provides assistance to FCAA to provide homeless services and operate its Transitional Shelter and Apartment facilities for homeless individuals and families. FCAA utilized CDBG and other sources of funds to provide homeless services. This is a recurring activity. In FY2006, the goal was to provide housing and supportive services to 100 homeless individuals; 104 very-low income/homeless persons were assisted through FCAA's homeless services program (100% of target).

**Barriers:** The major obstacle in completing all of the targeted units was a lack of funding.

**Future Activities to Overcome Barriers:** The City will continue to designate its program income to fund FCAA homeless services and support FCAA and the members of the Frederick County Coalition for the Homeless.

**PUBLIC FACILITY AND INFRASTRUCTURE IMPROVEMENT**

Goal	Objectives/Targets	Activities	Outcomes
Improving infrastructure and facilities and providing high quality services and programs critical to meeting the demands of growth and service.	Providing assistance to partner organizations serving special needs populations.	Way Station – architectural design @ 228 W. Patrick St. Way Station- lead paint abatement @ 240 W. South St	Rehabilitation of facility for the homeless, disabled, and persons with HIV/AIDS. Architectural design activity completed. Beneficiary data received; activity will be reported as complete.
	Rehabilitation and/or development of community facilities such as childcare, youth or senior centers	Gale Houses, Inc. new HVAC @ 336 N. Market Street	Rehabilitation of facility for homeless and recovering adult females. Project complete.
		Accessibility Retrofits	4 City buildings and 8 other locations made ADA compliant. Project complete.

**Evaluation of Accomplishments:** In FY2006, the four (4) public facility/infrastructure projects reported as ongoing pending receipt of beneficiary data were completed and closed out. (100% of goal).

**Barriers:** Projects extended beyond contract period.

**Future Activities to Overcome Barriers:** The City will monitor the progress of the project at various intervals in the program year. In addition, more stringent monitoring of sub-recipients will occur.

**ECONOMIC DEVELOPMENT**

Goal	Objectives/Targets	Activities	Outcomes
Provide assistance to micro-enterprises in the form of training, counseling and access to capital (direct loan or loan guarantee programs)	Establish a business development education and mentoring program for micro-enterprises to increase entrepreneurship for low/mod-income Frederick City residents.	WEB Microenterprise Program	Project contract was cancelled at the end of 2006GY. Funds will be reprogrammed to 2007 Op Rehab activity.

**Evaluation of Accomplishments:** In GY2005, the City contracted with Women’s Entrepreneurs of Baltimore, Inc. (WEB), to establish their 12-week Microenterprise Capacity Development program in Frederick. This program provides business development education and mentoring to eligible applicants. The program includes recruitment and screening of applicants, registration, and course completion. The City has assisted WEB in promoting the program. However, WEB was unable to complete the project.

**Barriers:** Due to inactivity, the project was slated for cancellation at the end of GY2005. However, the agency requested an extension of the agreement (approved by the Mayor and Board at end of Grant Year). The contract was scheduled to expire at the end of the 2006 GY (6/30/07). WEB submitted a formal request to cancel the project just prior to the end of the grant year. The funds from this activity (\$37,000) will be reprogrammed to the 2007 Operation Rehab activity.

**Future Activities to Overcome Barriers:** The City will monitor the progress of the project at various intervals in the program year. In addition, more stringent monitoring of sub-recipients will occur.

**9. Comparison of Proposed versus Actual Outcome Measures**

	<b>Outcome #1 Availability/Accessibility</b>	<b>Outcome #2 Affordability</b>	<b>Outcome #3 Sustainability</b>
<b>Objective #1</b> Suitable Living Environment	Enhance <u>Suitable Living Environment</u> through Improved/New <u>Accessibility</u>	Enhance <u>Suitable Living Environment</u> through improved/new <u>Affordability</u>	Enhance <u>Suitable Living Environment</u> through improved/new <u>Sustainability</u>
<b>Objective #2</b> Decent Housing	Create <u>Decent Housing</u> with Improved/New <u>Availability</u>	Create <u>Decent Housing</u> with Improved/New <u>Affordability</u>	Create <u>Decent Housing</u> with Improved/New <u>Sustainability</u>
<b>Objective #3</b> Economic Opportunity	Provide <u>Economic Opportunity</u> through Improved/New <u>Accessibility</u>	Provide <u>Economic Opportunity</u> through improved/new <u>Affordability</u>	Provide <u>Economic Opportunity</u> through improved/new <u>Sustainability</u>

**Objective I. Suitable Living Environment**

**Outcome: Sustainability**

- 1. 500+ (100 people/yr) people will have access to improved or newly developed services through the provision of funds to local shelters and homeless service providers.**

In GY2006, the number of persons having access to homeless services was 104, 104% of annual goal; 21% of the five-year goal.

**Objective II: Decent Housing**

**Outcome: Affordability**

- 1. 5 households per year have access to affordable housing through a down payment and closing cost assistance program for the purpose of creating decent, affordable housing.**

In GY2006, the number of households provided with down payment and closing cost assistance was 2, 40% of annual goal; 8% of the five year goal.

- 2. 1 affordable housing unit will be created through the acquisition and rehabilitation of city-owned, blighted property for resale to a low/mod income household for the purpose of creating decent, affordable housing.**

In GY2006, 1 unit carried over from the 2005GY was rehabbed and final sale is pending.

**Outcome: Sustainability**

- 1. 6 households per year have access to home rehabilitation services for the purpose of providing decent housing.**

In GY2006, the number of households receiving rehabilitation assistance was 3, 50% of the annual goal; 1% of the five year goal.

- 2. 150 households per year have access to water conservation program services to provide decent housing.**

In GY2006, the number of households receiving water conservation assistance was 82, 55% of annual goal; 16% of the five year goal.

- 3. 8 people with mental and developmental disabilities will have improved access to services for the purpose of providing decent housing.**

In GY2006, the number of people with mental and developmental disabilities provided improved access to services was 8, 100% of the annual goal.

- 4. 1 unit of affordable housing will be created by a non-profit organization for the purpose of creating decent, affordable housing for a LMI household.**

In GY 2006, 1 unit was stabilized for the future development of an affordable housing unit. The project began in 2004, and was 95% complete in 2006.

**Objective III: Economic Opportunity**

**Outcome: Availability/Accessibility**

- 1. 20 persons will be provided access to advocacy/counseling/training services for the purpose of creating economic opportunity.**

In GY2006, the number of persons provided with access to advocacy/counseling/training services to create economic opportunity was 0.

**OUTCOMES & OBJECTIVES PERFORMANCE MEASUREMENT**

**HOMELESS**

OBJECTIVES			PERFORMANCE INDICATORS		OUTCOMES																												
Objective #	Activities under Specific Annual Objectives	Sources of Funds	Year	Expected Number	Actual Number	Percent Completed																											
<b>SL-3 Sustainability of Suitable Living Environment</b>																																	
SL-3.1	Improve the sustainability of the suitable living environment by assisting the FCAA with the provision of homeless services and operation of its Transitional Shelter and Apartments	CDBG		<ul style="list-style-type: none"> <li>▪ Number of people assisted</li> </ul>	<table border="1"> <tr><td>2005</td><td>100</td><td>91</td><td>91%</td></tr> <tr><td>2006</td><td>100</td><td>104</td><td>104%</td></tr> <tr><td>2007</td><td>100</td><td></td><td></td></tr> <tr><td>2008</td><td>100</td><td></td><td></td></tr> <tr><td>2009</td><td>100</td><td></td><td></td></tr> <tr><td colspan="4"><b>FIVE YEAR GOAL</b></td></tr> <tr><td></td><td>500</td><td>195</td><td>39%</td></tr> </table>	2005	100	91	91%	2006	100	104	104%	2007	100			2008	100			2009	100			<b>FIVE YEAR GOAL</b>					500	195	39%
2005	100	91	91%																														
2006	100	104	104%																														
2007	100																																
2008	100																																
2009	100																																
<b>FIVE YEAR GOAL</b>																																	
	500	195	39%																														
<b>Status: Project ongoing. FCAA provides homeless services &amp; operates Transition Shelter.</b>																																	

**2006GY Activities Expenditure: \$65,945**

**SPECIAL NEEDS POPULATIONS (NON-HOMELESS)**

OBJECTIVES			PERFORMANCE INDICATORS		OUTCOMES																												
Objective #	Activities under Specific Annual Objectives	Sources of Funds	Year	Expected Number	Actual Number	Percent Completed																											
<b>SL-3 Sustainability of Suitable Living Environment</b>																																	
SL-3.2	Improve the sustainability of the suitable living environment by providing direct loans to non-profits that service special needs residents and families. (Gale Houses, Inc. HVAC @ 336 N. Market)	CDBG		<ul style="list-style-type: none"> <li>▪ Number of persons assisted</li> <li>▪ Number of persons receiving improved or new access to services</li> </ul>	<table border="1"> <tr><td>2005</td><td></td><td></td><td></td></tr> <tr><td>2006</td><td>Carryover</td><td>11</td><td>100%</td></tr> <tr><td>2007</td><td></td><td></td><td></td></tr> <tr><td>2008</td><td></td><td></td><td></td></tr> <tr><td>2009</td><td></td><td></td><td></td></tr> <tr><td colspan="4"><b>FIVE YEAR GOAL</b></td></tr> <tr><td></td><td>-</td><td>11</td><td>100%</td></tr> </table>	2005				2006	Carryover	11	100%	2007				2008				2009				<b>FIVE YEAR GOAL</b>					-	11	100%
2005																																	
2006	Carryover	11	100%																														
2007																																	
2008																																	
2009																																	
<b>FIVE YEAR GOAL</b>																																	
	-	11	100%																														
<b>Status: Project carried over from prior GY. Beneficiary data received and project reported as complete.</b>																																	

**2006GY Activities Expenditure: \$20,000**

**OUTCOMES & OBJECTIVES PERFORMANCE MEASUREMENT**

**HOUSING**

OBJECTIVES		PERFORMANCE INDICATORS		OUTCOMES			
Objective #	Activities under Specific Annual Objectives	Sources of Funds	Status	Year	Expected Number	Actual Number	Percent Completed
<b>DH-2 Affordability of Decent Housing</b>							
DH-2.1	Address the need for affordable decent housing by offering down-payment assistance to very-low to moderate-income households	CDBG	<ul style="list-style-type: none"> <li>▪ Number of low/mod-income households assisted</li> <li>▪ Number of households receiving down-payment/closing costs</li> </ul> <p><i>Status: No applicants were anticipated during GY. However, 2 loans were approved.</i></p>	2005	5	0	0
				2006	5	2	40%
				2007	5		
				2008	5		
				2009	5		
<b>FIVE YEAR GOAL</b>					25	2	8%
DH-2.3	Acquire and Rehabilitate city-owned blighted property for resale to a low- to moderate-income household	CDBG	<ul style="list-style-type: none"> <li>▪ Low-income first time homebuyer</li> </ul> <p><i>Status: Project completion delayed – 95% complete. Sale to occur by Oct. 2007</i></p>	2005	1	0	0
				2006	<b>Carryover</b>	1	100%
				2007		1	
				2008		1	
				2009		1	
<b>FIVE YEAR GOAL</b>					5	1	20%

**2006GY Activities Expenditure: \$440,330.45**

## OUTCOMES & OBJECTIVES PERFORMANCE MEASUREMENT

OBJECTIVES			PERFORMANCE INDICATORS		OUTCOMES		
Objective #	Activities under Specific Annual Objectives	Sources of Funds	Year	Expected Number	Actual Number	Percent Completed	
<b>DH-3 Sustainability of Decent Housing</b>							
DH-3.1	Address the need for affordable decent housing by offering rehabilitation assistance to low and moderate income homeowners	CDBG	2005	6	4	67%	
			2006	6	3	50%	
			2007	6			
			2008	6			
			2009	6			
			<b>FIVE YEAR GOAL</b>	<b>30</b>	<b>7</b>	<b>23%</b>	
DH-3.2	Water Conservation Program to provide water saving retrofits to single- and multi-family homes.	CDBG	2005	200	6	3%	
			2006	150	82	54%	
			2007				
			<b>FIVE YEAR GOAL</b>	<b>500</b>	<b>88</b>	<b>18%</b>	
DH-3.3	Rehabilitation of home for mentally ill to address lead-hazard reduction @ 240 W. South Street and architectural design services @ 228 W. Patrick Street	CDBG	2005	<b>Carryover projects</b>	-	0	
			2006		8	100%	
			2007				
			2008				
			2009				
			<b>FIVE YEAR GOAL</b>	<b>8</b>	<b>8</b>	<b>100%</b>	
DH-3.4	Loan to religious non-profit to stabilize dilapidated property for renovation and sale to low-income household.	CDBG	2005	<b>Carryover 04 project</b>	1	1	
			2006				
			2007				
			2008				
			2009				
			<b>FIVE YEAR GOAL</b>		<b>1</b>	<b>100%</b>	

2006GY Activities Expenditure: \$162,390.57

**OUTCOMES & OBJECTIVES PERFORMANCE MEASUREMENT**

**Economic Opportunity**

OBJECTIVES		PERFORMANCE INDICATORS	OUTCOMES			
Objective #	Activities under Specific Annual Objectives		Year	Expected Number	Actual Number	Percent Completed
<b>EO-1 Availability/Accessibility of Economic Opportunity</b>						
EO-1	Enhance the accessibility of economic opportunity and promote job creation by providing a Micro-enterprise development training program.	CDBG	2005	1	0	0
			2006	<b>Carryover</b>	0	0
			2007			
			2008			
			2009			
			<b>FIVE YEAR GOAL</b>	1	*0	*0

**2006GY Activities Expenditure: -0-**

## **10. Geographic Distribution and Location of Investments**

All prospective projects were evaluated based upon how viable, cost effective, and prepared they were to begin. Primary consideration was given based on the degree to which they furthered Consolidated Plan high or medium priority objectives and targets. Location factors were considered in light of the Plan's stated priority for infill and redevelopment as opposed to newer development as a general rule. The majority of site-specific projects were located within Census Tracts 7501, 7502 and 7509 with high (over 50 %) minority concentrations. While there was no intent to target those areas, our analysis revealed that those areas were also the areas with a high number of facilities and services for low and moderate-income persons.

***See chart below and Appendix D: CDBG Projects Map which identifies the projects that correspond to the census tract listed below.***

### **Geographic Distribution of Activities Areas of Minority Concentration**

<b>Area /Census Tracts</b>	<b>Percentage of non-white and Hispanic</b>	<b>Area of Minority Concentration</b>	<b>2006 CDBG Activities</b>
City wide or no site identified at this time Sites determined by application.	27.9%		<u>2006-03</u> Operation Rehab <u>2005-08</u> Water Conservation <u>2005-09</u> Water Conservation
750100	31.82%	Yes	<u>2005-06</u> Rehab of 527 North Market Street <u>2006-03</u> Op Rehab project @ 326 Park Ave.
750200	12.84%	No	<u>2005-07</u> Gale Houses, Inc., 336 N. Market St.
750300	58.14%	Yes	* <u>2004-07</u> Asbury Trust, 108 W All Saints St. <u>2006-03</u> Op Rehab project @ 9 W. All Saints St. <u>2006-03</u> Op Rehab project @ 149 W. All Saints St. <u>2005-11</u> Way Station, Inc. - 240 West South St.
750400	24.84%	No	
750501	41.17%	Yes	
750502	30.36%	Yes	
750600	10.71%	No	
750700	22.03%	No	
750800	13.39%	No	
750900	31.62%	Yes	<u>2006-04</u> Homeless Services, 100 S. Market St.
751000	small %	N/A	
751200	14.28%	No	

## ***II: PROGRAM SPECIFIC ISSUES FOR CDBG ENTITLEMENT GRANTEES***

### **1. Background – Anticipated Program Year 2006 CDBG Resources**

#### **CDBG FUNDS AVAILABLE AND EXPENDED IN 2006**

CDBG Grant for 2006 Grant Year	\$ 399,634.00
CDBG Program Income received during the Grant Year	\$ 163,742.88
CDBG Funds at the start of Grant Year (Balance from prior program years)	<u>\$ 731,204.38</u>
<b>TOTAL CDBG Funds Available for use during Grant Year</b>	<b>\$ 1,294,581.00</b>
CDBG Expended in the 2006 Grant Year	<u>\$ 882,518.20</u>
<b>Unexpended Balance</b>	<b>\$ 412,062.80</b>
Balance in the Revolving Loan Fund at start of the Grant Year	\$ 0.00
Balance in the Revolving loan fund at end of the Grant Year	\$ 0.00
CDBG Program Income on hand at start of Grant Year	\$ 0.00
CDBG Program Income on hand at end of Grant Year	\$ 19,484.88

### **2. Use of CDBG Resources during Program Year 2006**

In 2006, the City expended \$882,518 of CDBG funds on five (5) 2006 projects and 10 projects carried over from prior years were successfully completed.

***See Appendix F: CDBG Income & Expenses – 2006 GY***

### **3. Assessment of relationship of use of CDBG funding to Consolidated Plan**

The City of Frederick's 2005-2010 Consolidated Plan serves as a strategic plan that provides a course of action for building livable communities throughout the City and allows the City an opportunity to build on local assets and coordinate a response to the needs of the community.

Through the Annual Action Plan, activities are identified to be undertaken, which will further enhance the City's housing, community, and economic development programs. The various activities that made up the 2006 CDBG program were all selected to address the housing, homeless, economic and community development needs and goals described in the Consolidated Plan that benefit low to moderate-income residents. Project selection is inherent in the Action Plan process. Balance among the major elements- homelessness, housing special needs populations, and non- housing community development is a key factor in project selection. Other factors that come into play are project readiness, leveraging, geographic distribution, and the availability of alternative sources of funding to gain the same results.

In Grant Year 2006, the City of Frederick received \$399,634 in CDBG funds to finance a range of activities that benefited low- and moderate-income persons/households. Annual CDBG funds are leveraged with other federal, state, local and private funds to carry out community and housing activities.

As in years past, a large portion of the City's annual CDBG allocation is targeted to addressing housing-related activities. In 2006, the City of Frederick expended \$571,703.45 (65%) of available CDBG funds (which includes prior year grant funds, unexpended prior year grant funds and program income) to implement activities that complement the City's goal of providing decent, safe, affordable housing. Grant funds were distributed among the approved housing rehabilitation activities: Operation Rehab, Homeownership Assistance (Sold on Frederick II & Homeownership Admin), and Historic Preservation Rehab. These activities are income-based and targeted to low/mod income homeowners.

			Percent of 2006 Grant Funds	Percent of available Grant Funds
<b>Program Admin 20% max</b>	General Admin	\$ 66,958.21	8%	8%
	Fair Housing	\$ 3,739.22		
	<b>TOTAL PROGRAM ADMIN</b>		<b>\$ 70,697.43</b>	<b>18%</b>
<b>Housing Activities</b>	<b>Operation Rehab</b>	\$ 42,697.80	11%	5%
	<b>Asbury Trust - 108 W. All Saints</b>	\$ 88,675.20	22%	10%
	<b>527 N. Market Street Sold on Frederick II</b>	\$ 410,330.45	<i>includes funds carried over from prior grant years</i>	
		\$ 30,000.00	8%	3%
<b>TOTAL HOUSING ACTIVITIES</b>		<b>\$ 571,703.45</b>	<b>-</b>	<b>65%</b>

However, because CDBG funds are limited, not all of the needs identified in the Consolidated Plan could be addressed. Every effort was made to program the CDBG funds in a strategic way to maximize effects and undertake viable projects that further Plan goals.

#### **4. Changes in Program Objectives**

During the program year there were no changes to program objectives.

#### **5. Assessment of Grantee Effort to Follow a Consolidated Plan**

The Consolidated Plan is a guide for the selection of CDBG funded activities and a guide to evaluate a non-CDBG funded proposal for which a Plan consistency certification is required. The Plan calls for the utilization of other sources of funds but does not necessarily call for specific grants to be applied for. During the grant year, no additional federal grants were sought.

Certifications of Plan consistency were provided, when requested, in a fair and impartial manner and filed with Annual Action Plans. The Deputy Director for Planning, in his role as Certifying Officer for the City of Frederick, signed several Plan Consistency Certifications for the Housing Authority for the City of Frederick (HACOF) for their Annual PHA Plan for Fiscal Year 2006 submission to HUD. In addition, nine (9) Certifications for various Homeless Services Programs for FCAA were also signed.

At no time during this or any other grant year, did the City of Frederick hinder Consolidated Plan implementation by action of willful in-action.

## 6. Limited Clientele

Programs and activities assisted with CDBG funds are required to demonstrate that they are serving a limited clientele. Programs that offer services to the homeless or identified “special needs” populations are presumed to benefit persons of low- to moderate-incomes, as are programs located in census tracts with a percentage of low- to moderate-income households greater than 51%. Moreover, recipients are required to keep records on file, which are then reported to the City to certify that assisted activities are serving qualified beneficiaries. This data was then used to report grant year activities and outcomes in IDIS.

During the 2006GY, the City of Frederick implemented six (6) limited clientele activities that offered services to the homeless and/or identified special needs populations. Of the six activities, three (3) were designed to benefit at least 51 percent low/mod income persons based on family size and income. The remaining activities qualified based on the presumed benefit criteria. The following, provides a summation of each activity as related to Limited Clientele criteria:

### City of Frederick, Maryland Limited Clientele Narrative Activity List for Program Year 2006 CAPER

Criterion	Activity #	Activity Name	Other Information
<b>Presumed Benefit</b>	1154	Homeless Services	<i>CDBG funds used to provide homeless services and operate transitional housing/shelter</i>
	1117	Accessibility Retrofits	<i>Completion of ADA compliance retrofits of 4 City buildings and 8 other locations.</i>
	1155	Way Station - lead paint abatement 240 W. South Street	<i>Rehabilitation of facility for the homeless, disabled, and persons with HIV/AIDS</i>
<b>Family size &amp; Income</b>	1152	Water Conservation – SF	<i>Incomes documented through source documentation/application process.</i>
	1153	Water Conservation - MF	<i>Incomes documented through source documentation/application process.</i>
	1156	WEB Microenterprise Program	<i>Incomes documented through source documentation/application process.</i>

## 7. Program Income and other Financial Information

There were no revolving funds, income from float-funded activities, or prior period adjustments. The City received \$163,743 in program income from loan payments and pay-offs, homebuyer education counseling fees, and rental income. There were no lump sum draw downs, nor any loans written off. The City did not receive any income from the sale of real property. There is one CDBG-acquired property that has been under renovation/rehabilitation since 2005. That property is scheduled to be sold to an income-eligible homebuyer in October 2007.

**See Appendix A: Financial Summary Form & Appendix F: CDBG Income & Expenses - 2006GY**

## 8. Rehabilitation Programs

Through the CDBG program, the City of Frederick's Department of Planning - Community Development Division (DPCD) provides support for a variety of housing rehabilitation activities for the benefit of low- and moderate-income households. This section summarizes each type of rehab activity sponsored by the City:

### ➤ Single Family Rehabilitation Loan Program - "Operation Rehab"

The City of Frederick Operation Rehabilitation Program serves to eliminate deteriorated housing and to increase homeownership opportunities. The program's intent is to preserve, upgrade and stabilize neighborhoods, and eradicate housing conditions which are harmful to the health, safety, and welfare of the public through rehabilitation, code enforcement, housing finance assistance, demolition, relocation, and other appropriate activities. Loans are provided for property rehabilitation to remedy unsafe conditions, correct code violations, restore structural soundness, comprehensively upgrade building systems such as plumbing, wiring, roofing etc. Loans are not made solely for general property improvements i.e. work that simply enhances the condition and value of the property.

Loans may be used in conjunction with other loan and grant programs such as Weatherization Assistance and the Maryland Department of Housing and Community Development Single Family Loans and Lead Hazard Reduction Loans and Grants.

During the 2006GY, three (3) units were rehabilitated using both CDBG and Maryland Department of Housing and Community Development Residential Rehabilitation Loans (STAR and MHRP) and/or Lead Hazard Reduction Grant & Loan Program.

Address	CDBG	MHRP	LHRGLP	
9 East All Saints Street	\$75,000.00	\$89,038.00	\$22,500	\$186,538.00
149 W. All Saints Street	\$28,003.00	\$35,243.00	\$15,000	\$78,246.00
326 Park Avenue	\$21,510.00	\$21,510.00	<i>lead assistance from FCAA</i>	\$43,020.00
<b>GRAND TOTAL</b>	<b>\$124,513.00</b>	<b>\$145,791.00</b>	<b>\$37,500.00</b>	<b>\$307,804.00</b>

➤ **Sold on Frederick II**

DPCD provides second mortgage loans of up to \$15,000 to eligible first time homebuyers for purchase of owner occupied dwellings within the City limits. Applicants apply through participating lenders and must complete a qualified Homebuyer Education class. In 2006, two (2) first-time homebuyers were assisted with funds remaining from the 2004 activity.

Homebuyer	CDBG
L. Chase	\$15,000.00
C. Fox	\$15,000.00
<b>TOTAL</b>	<b>\$30,000.00</b>

➤ **Single Family Loan Program/Lead Hazard Reduction Grant & Loan Program**

DPCD is a local administrator for the Maryland Department of Housing and Community Development's (DHCD) Single Family Loan Program and Lead Hazard Reduction Grant and Loan Program. The low interest rehabilitation loans are available to owners of rental property of one to four units. Nonprofit and for-profit property owners can utilize these programs subject to program eligibility and underwriting guidelines. Once a unit has been rehabilitated there will be income limit requirements for the tenant, and caps on the rent that can be charged. DHCD Lead Hazard Reduction Grant and Loan Program funds are available for rental properties of one to 100 units. **See Chart under Operation Rehab, on page 40.**

➤ **“Acquisition 4 Rehab”**

This activity involves the purchase of blighted and/or vacant property for housing rehabilitation or new construction. Started in 2000, the City acquires blighted property for resale after rehabilitation to a low- to moderate-income household. To date, the City has purchased and resold 3 properties. A fourth property, 527 N. Market Street, was expected to be completed and ready for sale by the close of the 2006GY. However, construction issues delayed the completion. As of this submission, the project is 95% complete and is slated for sale by October 2007.

**Narratives Not Required for Reporting**

➤ **Primary Objective Problems**

Funds expended in 2006 were only allocated to activities that met a CDBG National Objective. **See Appendix – 2005GY Expenditures by National Objective.**

➤ **Displacement**

Generally, the City's rehabilitation projects are performed while residents continue to occupy the property. In those instances where temporary relocation was necessary, residents were able to reside with family members. No relocation assistance was necessary.

➤ **Job Creation through “Available-to” Criterion**

During the 2006 Grant Year, there were no expenditures for a job creation or economic development projects.

➤ **Neighborhood Revitalization Strategies**

Frederick has not identified a Revitalization Strategy area pursuant to HUD regulations nor is Frederick City an EC or EZ Community.

## **LIST OF APPENDICES:**

- A. Financial Summary HUD 4949.3 – Grantee Performance Report & Attachment**
- B. 2006 Action Plan- Description of Projects**
- C. CDBG Consolidated Plan 2006 Objectives & Outcomes**
- D. 2006 CDBG Projects Map**
- E. 2006GY Expenditures by National Objectives**
- F. CDBG Expenses & Program Income – 2006GY**
- G. CoC D: Planning Process Organizations Chart**
- H. CoC H: Services Inventory Chart**
- I. CoC K: Point-in-Time Homeless Population and Subpopulations Chart**
- J. CoC Q: Project Priorities Chart**
- K. CoC S: Project Leveraging Summary Report**
- L. Certification of Consistency with the Consolidated Plan**
- M. IDIS reports: C04PR03, C04PR06, C04PR23**



**The City of Frederick, Maryland  
 Consolidated Annual Performance and Evaluation Report  
 B-2006-MC-24-00013  
 Attachment to Grantee Performance Report (HUD Form 4949.3)**

**A. PROGRAM INCOME RECIEVED**

1.	Program Income returned to Revolving Loan Funds		
	Rehab RLF	\$	0.00
	Sold on Frederick RLF	\$	0.00
2.	Amount repaid to float-funded activities:	\$	0.00
	There was no float-funded activity		
3.	Program Income		
	Loan repayments and payoffs	\$86,992.00	
	Miscellaneous income (Homeownership fees)	\$66,800.00	
	Rent	\$ 1,600.00	
4.	Other	\$	8,350.00

**B. PRIOR PERIOD ADJUSTMENTS**

There were no reimbursements for expenditures that were disallowed

**C. LOANS AND OTHER RECIEVABLES**

1. There were no float funded activities
2. Outstanding loans making monthly payments (Single family & Multi-Family):
  - Number of loans: 10
  - Principal balance: \$235,428.00
- 2.1 Outstanding loans making annual payments:
  - Number of Loans: 3
  - Principal balance: \$190,900
- 2.2 Outstanding loans deferred payments:
  - Total Number of outstanding deferred loans: 48
  - # of Twenty-year deferred loans: 3
  - Principal balance: \$230,885.00
  - # of Declining balance loans: 16
  - Principal balance: \$230,885.00
  - # of Loans due on sale of property: 27
  - Principal balance \$258,795.00

3. There were no loans that have gone into default and written off.
4. There were no parcels acquired or improved with CDBG funds available for sale at end of GY (6-30-07).
5. There were no lump sum drawdown agreements in the 2006 GY.

**D. RECONCILIATION OF LINES OF CREDIT (LOC) AND CASH BALANCES TO EXPENDED BALANCES OF CDBG FUNDS SHOWN ON GPR.**

Unexpended balance shown on GPR, line 13:	\$	
Reconciliation:		
ADD: LOC balance as of June 30, 2007	\$412,001.12	
Cash on hand	\$ 0.00	
Grantee program account	\$ 19,484.88	
Sub recipient program account	\$ 0.00	
Revolving fund cash balance	\$ 0.00	
Section 108 cash balance	<u>\$ 0.00</u>	
Total:	\$431,486.00	
DEDUCT:		
Grantee CDBG liabilities	\$	
Sub-recipient liabilities	<u>\$ 0.00</u>	
	\$	
Un-reconciled difference	\$ 0.00	

**E. CALCULATION OF BALANCES OF UNPROGRAMMED FUNDS**

Funds available during reporting period  
 ADD Income expected and not yet realized  
 Subtotal  
 LESS Total budgeted amount on HUD 4949.2a  
 UNPROGRAMMED BALANCE:

## 2006 Action Plan- Description of Projects

Project Number	Title	Funding Source/Amount	Eligible Activity	National Objective	Con Plan	Specific Objectives	Objectives	Outcomes
2006-01	General Program Admin & Fair Housing	GA: \$84,560 FH: \$3,340	24 CFR 91	Benefit Low Income persons	N/A	N/A	Decent Housing	Sustainability: Promoting Livable/Viable Communities
2006-02	Rehab Program Administration	\$116,340	24 CFR 570.202 <i>Rehab Administration</i>	Benefit Low/Mod Income persons via Housing Standard 24 CFR 570.208 9(a)(3)	Rehab	MD SLP 8 units	Decent Housing	Sustainability: Promoting Livable/Viable Communities
2006-03	Single-Family Rehabilitation Loan Fund	\$11,109	24 CFR 570.202 <i>Single-Family Rehab</i>	Benefit Low/Mod Income persons via Housing Standard 24 CFR 570.208 9(a)(3)	Rehab	Rehab 6 units	Decent Housing	Sustainability: Promoting Livable/Viable Communities
2006-04	Homeless Services & Transitional Shelter/Apartments Operation	\$65,945	24 CFR 570.201(C) <i>Public Services Homeless Services</i>	Low/Mod Income persons (Homeless) 24 CFR 570.208(2)(i)(a)	Homeless Services	Homeless Housing	Suitable Living Environment	Availability/ Accessibility
2006-05	Homeownership Counseling	\$3,340	24 CFR 91	Benefit Low-Income Persons	N/A	N/A	N/A	N/A
2005-06	527 N. Market Street	\$155,000	24 CFR 570.202 (a) <i>Residential Rehab</i>	Benefit Low/Mod Income persons via Housing Standard 24 CFR 570.208 9(a)(3)	Rehab	Rehab City-owned property for rehab/resale - 1 unit	Decent Housing	Sustainability: Promoting Livable/Viable Communities
<b>TOTAL</b>		<b>\$439,634</b>						

## CDBG Consolidated Plan 2006 Objectives & Outcomes

### HOUSING

Objective #	Con Plan Objective	Specific Objectives	2006 Projects	Target	Actual	Explanation
1A	Rehabilitation of owner occupied housing for the very low to moderate income homeowner. Citywide.	CDBG "Operation Rehab" by Planning Community Development	2006-03 Operation Rehab	6	3	This is a city-wide project and applications are accepted at any time. During the 2005GY only 4 applications were approved from those submitted.
		CDBG funded Water Conservation Program operated by FCAA	2005-08 WCP-SF 2005-09 WCP-MF	150	82	These services are performed by the Frederick Community Action Agency that provides various services to low income and homeless populations. Activity was cancelled at end of 05GY and reopened in 06GY.
1B	Rehabilitation of rental and transitional housing for the very low to low income homeowner. Citywide.	-	-	-	-	None during this GY.
2	Direct homeownership assistance such as Sold on Fredrick II or other similar programs to assist very low to moderate-income persons with the purchase of affordable housing for owner occupancy. Citywide	CDBG Sold on Frederick II second mortgages	-	0	2	Two (2) applicants were assisted during grant year.
		DHCD HOME ( ADDI ) second mortgages - 5 per year beginning in year 2.	-	N/A	N/A	N/A
		CDBG Settlement Grants for Housing Authority clients - 5 in 2005.	-	5	0	No applicants during grant year
3	City acquisition of blighted property for rehabilitation and resale to low to moderate owner occupants. Citywide.	Use resale proceeds from 114 Ice Street for rehab of 527 N Market St, sell 527 N Market St, use proceeds for acquisition of fifth property, location to be determined.	2005-06 Acquisition for Rehab	1	-	This is an on-going rehab project. Project is 99% complete. City is now preparing for sale to low/mod income household. Sale scheduled to be completed in GY 2007.

## CDBG Consolidated Plan 2006 Objectives & Outcomes

### HOUSING, continued

Objective #	Con Plan Objective	Specific Objectives	2006 Projects	Target	Actual	Explanation
4A	New rental housing affordable for persons of very low or low income. Citywide however it is important that affordable units be located within a mixed income project so as to not negatively impact the neighborhood.	*Housing Authority HOPE VI replacement units: year 1- 0 units year 2 - 28 units year 3 - 50 units year 4 - 34 units year 5 -69 units	-	0	0	Under development but none to be completed during this GY.
4B	New housing affordable for purchase by persons of very low or low income. Citywide	Housing Authority HOPE VI replacement units year 1- 0 units year 2 - 7 units year 3 - 11 units year 4 - 11 units year 5 - 0 units	-	0	0	Housing Authority HOPE VI replacement units will be under development but none to be completed during this GY.
5	Development of Single Room Occupancy (SRO) housing serving primarily very low-income individuals. Citywide locations should be considered provided they are appropriately zoned.	At this time there are no specific projects proposed for this anticipated need.	-	N/A	N/A	N/A

## CDBG Consolidated Plan 2006 Objectives & Outcomes

### NON-HOUSING

Objective #	Con Plan Objective	Specific Objectives	2006 Projects	Target	Actual	Explanation
1	Improvements to public infrastructure such as streets sidewalks and alleys, parks, utilities, within areas of primarily low and moderate- income households are Frederick's highest priority non-housing community development need.	<p>Establish the Tax Increment Financing (TIF) improvement district for the planned North Market Street Rehabilitation (HOPE VI).</p> <p>*Identify realistic and achievable projects for neighborhood enhancement relying on the Community Legacy Neighborhood plans and other resources such as the Downtown Frederick Partnership, Neighborhood Advisory Councils, and Capital Improvement Program</p>	-	-	-	<p>After several discussions, plans to establish a TIF have been permanently dismissed.</p> <p>Housing Authority HOPE VI replacement units will be under development but none to be completed.</p>
2	Rehabilitation and or the development of community facilities such as childcare, youth, or senior centers are Frederick's second highest priority non-housing community development need.	Construct the planned multipurpose Community Center in conjunction with the North Market Street Rehabilitation (HOPE VI).	-	-	-	The Housing Authority of the City of Frederick has yet to finalize its HOPE VI redevelopment plans. The City of Frederick approved several lot dedications to the project.
3	Providing assistance to micro enterprises in the form of training, counseling and access to capital (direct loan or loan guarantee programs) is Frederick's third highest priority non-housing community development need. Citywide.	<p><b>Short term Specific Objectives</b></p> <p>* Continue to promote the CDBG funded Microenterprise Loan Program - year 1</p> <p>*Set up a business development education and mentoring program for micro enterprises and or those planning to start a microenterprise - year 1.</p> <p><b>Longer term Specific Objectives</b></p> <p>*Secure additional funding for microenterprise programs via competitive grants from US Treasury (CDFI Program), Small Business Administration, Federal Home Loan Bank of Atlanta or other sources.</p>	2005-12 Micro- enterprise Capacity Development by WEB	1	-	<p>Due to programmatic delays with WEB, this project contract with WEB was cancelled at the end of 2006GY. Funds reprogrammed to 2007GY activity.</p>
			N/A	N/A	N/A	N/A

## CDBG Consolidated Plan 2006 Objectives & Outcomes

### NON-HOUSING, continued

Objective #	Con Plan Objective	Specific Objectives	2006 Projects	Target	Actual	Explanation
4	Expanded access to services particularly job training and skills development programs via a Community Outreach Partnership Center is Frederick's fourth highest non-housing community development need. Citywide.	Undertake a cooperative effort with Frederick Community College to develop a Community Outreach Partnership Center that will focus on Economic Empowerment and Neighborhood Revitalization and Community Organization. HUD COPC grant funding is to be applied for in year 1. Implementation in years 2- 5.	N/A	-	-	The City has not yet undertaken this project due to organizational changes and a re-focus of program resources.
5	Historic preservation and adaptive reuse of non- residential property for neighborhood serving job creation is Frederick's fifth highest non- housing community development priority.	<i>*At this time there are no specific projects or programs proposed. However opportunities to realize this priority will avail themselves in the future. Each will be evaluated on its merits but as a general rule emphasis should be placed on areas of primarily low and moderate-income households.</i>				

## CDBG Consolidated Plan 2005 Objectives & Outcomes

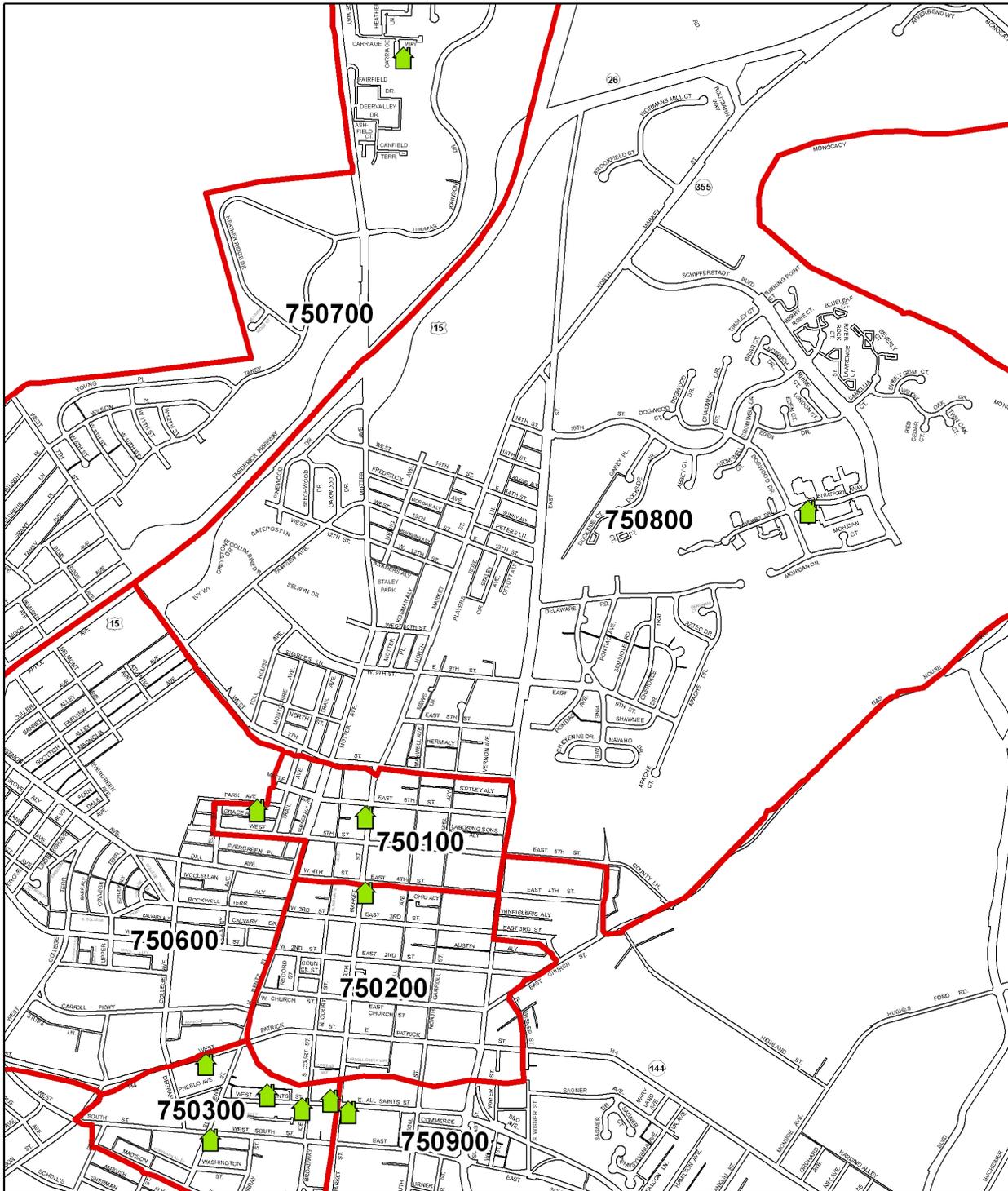
### HOMELESS

Objective #	Con Plan Objective	Specific Objectives	2006 Projects	Target	Actual	Explanation
1	The City of Frederick will continue to work within the Frederick County coalition for the Homeless Continuum of Care (COC) which has been a very successful vehicle for addressing homelessness and priority needs of the homeless.	<p>The Strategy to end chronic homelessness is set forth in the 2006 COC Plan includes:</p> <ul style="list-style-type: none"> <li>-Develop, expand, and operate housing first models that place the chronically homeless directly from the streets to permanent supportive housing with appropriate services.</li> <li>-Develop, expand, and operate transitional housing programs.</li> <li>-Develop, expand, and operate below market rate rental housing and minimize or reduce service expectations.</li> <li>-Develop, expand, and operate shelters and supportive housing that offer low demand or harm reduction conditions.</li> <li>-Develop, expand, and operate homeless outreach services</li> </ul>	2006-04	100	104	FCAA provided homeless services and operated a Transitional Housing Shelter and Apartment complex.

### SPECIAL NEEDS POPULATIONS – NON-HOMELESS

Objective #	Con Plan Objective	Specific Objectives	2006 Projects	Target	Actual	Explanation
1	The rehabilitation and/or development of affordable housing, particularly transitional housing with supportive services is Frederick's highest priority special populations housing need. Citywide.	Assist private non profits to rehabilitate and remove lead hazards within transitional housing working with the MD DHCD lead grant and STAR/MHRP, water conservation and or weatherization or FLHRP - 3 during the year.	2005-11	3	1	CDBG funds were used to assist rehabilitation of a home for the mentally disabled. Way Station Inc has secured HUD Section 811 funding for a acquisition for rehabilitation at 240 West South Street. CDBG funding for lead hazard reduction for this project. Project completed during GY.

# 2006 CDBG Sites

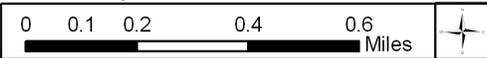


Prepared by the  
City of Frederick  
Geographic Information System



Path Name: G:\Data

## City of Frederick GIS



Note: This map is prepared solely for the purpose of illustrating the City of Frederick. It should be used for no other purpose. Data on this map was prepared from several original sources and is subject to change as source data changes. This map is not a legal document.

Sources: City of Frederick GIS  
Frederick County GIS  
Orthophotos produced 03/05

TES 08/27/07

























**Appendix L:  
Certification of  
Consistency with the Consolidated Plan**

**Appendix M:**

**IDIS reports: C04PR03, C04PR06, C04PR23, C0PR01**