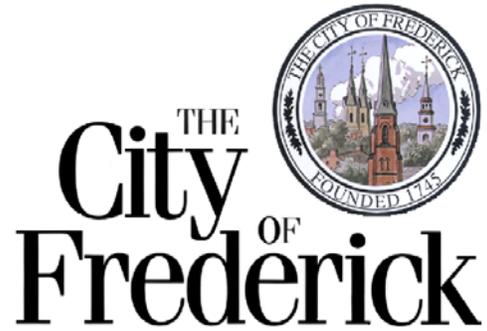




Housing Rehabilitation



Public Services



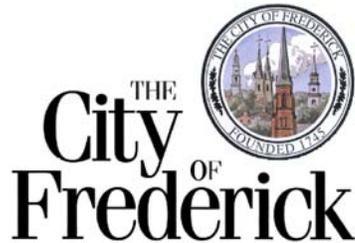
**The City of Frederick, MD
Community Development
Block Grant
2007 Annual Action Plan
July 1, 2007 – June 30, 2008**



**Department of Planning
Division of Community Development**
Charles W. Boyd, Deputy Director for Planning

Acknowledgements

US Department of Housing and Urban Development
Community Development Block Grant Program



Mayor



William J. Holtzinger

Board of Aldermen



C. Paul Smith, Donna K. Ramsburg, Alan E. Imhoff, Marcia A. Hall, David P. Koontz

This Annual Action Plan was prepared by the staff of the Division of Community Development, Department of Planning, City of Frederick, Maryland

Department of Planning

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The City of Frederick Action Plan for Program Year 2007

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CITY OF FREDERICK
MAYOR AND BOARD OF ALDERMEN

RESOLUTION No. 07-11

A RESOLUTION FOR THE PURPOSE OF ADOPTING THE COMMUNITY DEVELOPMENT
BLOCK GRANT ANNUAL ACTION PLAN FOR FISCAL YEAR 2007

WHEREAS, the City of Frederick (City), Maryland receives an annual Community Development Block Grant (CDBG) award directly from the US Department of Housing and Urban Development (HUD); and

WHEREAS, on May 5, 2005 the Mayor and the Board of Aldermen adopted the City of Frederick's Consolidated Plan 2005-2010 which assessed community needs and developed a Five-Year Strategic Plan in order to address those needs; and

WHEREAS, as an entitlement community, the City must prepare and submit an Annual Action Plan detailing the activities to be undertaken to address the goals and objectives outlined in the Consolidated Plan; and

WHEREAS, the objectives outlined in the Five Year Strategic Plan will be implemented annually using all available resources including CDBG and municipal funds; and

WHEREAS, for Federal Fiscal Year 2007 the City will receive a CDBG award totaling \$398,794.00 to carry out activities that meet one of three National Objectives, as described by HUD; and

WHEREAS, the City has adhered to the public participation requirements set forth in the Citizen Participation Plan in the development of the 2007 Annual Action Plan.

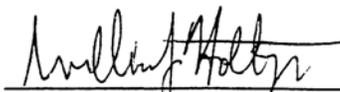
NOW THEREFORE, BE IT RESOLVED that the Mayor and Board of Aldermen of the City of Frederick, Maryland do hereby approve and adopt the 2007 Annual Action Plan, as submitted in the attachment to this Resolution; and

BE IT FURTHER RESOLVED that the Deputy Director for Planning is authorized to submit this plan to the US Department of Housing and Urban Development for their review and approval.

APPROVED and ADOPTED this 3rd day of May, 2007.

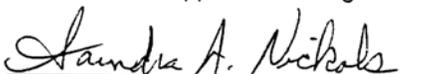
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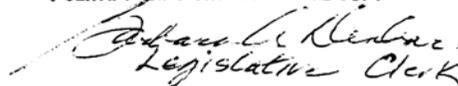
William J. Holtzinger, Mayor

Reviewed and Approved for Legal Sufficiency:



Sandra A. Nickols, Legal Department

I CERTIFY THAT THIS IS A TRUE COPY



Legislative Clerk

**APPLICATION FOR
FEDERAL ASSISTANCE**

Version 7/03

		2. DATE SUBMITTED 05/14/07	Applicant Identifier	
1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction	Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	3. DATE RECEIVED BY STATE		State Application Identifier
		4. DATE RECEIVED BY FEDERAL AGENCY		Federal Identifier
5. APPLICANT INFORMATION				
Legal Name: City of Frederick, Maryland		Organizational Unit: Department: Department of Planning		
Organizational DUNS: 619357650		Division: Community Development		
Address: Street: 140 West Patrick Street		Name and telephone number of person to be contacted on matters involving this application (give area code)		
City: Frederick		Prefix: Mr.	First Name: Charles	
County: Frederick		Middle Name: W.		
State: MD		Last Name: Boyd		
Zip Code: 21701	Suffix:			
Country: US		Email: cboyd@cityoffrederick.com		
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 52-6000789		Phone Number (give area code) 301-600-1248	Fax Number (give area code) 301-600-1837	
8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify) <input type="checkbox"/> <input type="checkbox"/>		7. TYPE OF APPLICANT: (See back of form for Application Types) C. Municipal Other (specify)		
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: TITLE (Name of Program): Community Development Block Grant Program/Entitlement Grants 14-218		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: CDBG 2007 Annual Action Plan		
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc.): City of Frederick, Maryland		9. NAME OF FEDERAL AGENCY:		
13. PROPOSED PROJECT Start Date: 07/01/2007		14. CONGRESSIONAL DISTRICTS OF: a. Applicant 6th		
Ending Date: 06/30/2008		b. Project 6th		
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?		
a. Federal	\$ 398,794 ⁰⁰	a. Yes <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON DATE:		
b. Applicant	\$ ⁰⁰	b. No <input checked="" type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372		
c. State	\$ ⁰⁰	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
d. Local	\$ ⁰⁰	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?		
e. Other	\$ ⁰⁰	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input checked="" type="checkbox"/> No		
f. Program Income	\$ 276,000 ⁰⁰			
g. TOTAL	\$ 674,794 ⁰⁰			
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.				
a. Authorized Representative				
Prefix: Mr.	First Name William		Middle Name J	
Last Name: Holtzinger	Suffix:			
b. Title Mayor	c. Telephone Number (give area code) 301-600-1380		e. Date Signed 6-21-07	
d. Signature of Authorized Representative 				

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Standard Form 424 (Rev.9-2003)
Prescribed by OMB Circular A-102

A. Executive Summary

The Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990 require jurisdictions receiving assistance under the US Department of Housing and Urban Development's (HUD) Community Planning and Development (CPD) programs to prepare and submit a five-year Consolidated Plan detailing the use of federal resources.

The City of Frederick's Consolidated Plan 2005-2010 was adopted in May 2005. The Plan identified priority needs and established targets or benchmarks for revitalizing neighborhoods, increasing economic development opportunities, and providing improved community facilities and services. The Consolidated Plan serves to guide CDBG funding decisions over several grant years.

As an entitlement community, the City of Frederick receives an annual award through the Community Development Block Grant (CDBG) Program which also requires filings of an Annual Action Plan and a Consolidated Annual Performance Evaluation Report (CAPER). The Department of Planning, Community Development Division, is the lead agency responsible for the coordination and administration of the City's CDBG program.

The City of Frederick's 2007 Annual Action Plan details how the funds received for the pending fiscal year will be spent to meet priority needs identified in the City's Consolidated Plan. All of the funded activities must tie into one of HUD's three prescribed goals:

- To provide decent housing;
- To provide suitable living environments; and
- To expand economic opportunities, particularly for low- and moderate-income persons.

As in years past, the major focus of Frederick's CDBG program is on physical and social development. The City undertakes several CDBG-funded activities directly to address a wide range of housing issues, including affordable for-sale housing, property acquisition for rehabilitation, rehabilitation of existing housing, homelessness prevention and special needs housing. As permitted by HUD, a restricted portion of the grant funds may be expended for administrative and planning costs, and public services.

The City of Frederick has been awarded Community Development Block Grant funds totaling \$398,794 for Grant Year 2007 (July 1, 2007 to June 30, 2008). In addition, we anticipate receiving \$76,000 in program income from loan repayments, homeownership counseling fees, and rents. In addition, during the grant year, the City will sell the property purchased and rehabilitated with CDBG funds at 527 N. Market Street to a low/mod income household. With anticipated sales proceeds of \$200,000, the City will purchase, rehabilitate and sell another property to a low/mod income household. There are no proceeds from Section 108 loan guarantee funds anticipated.

For the 2007 CDBG funding round, the City received 13 project proposals – six (6) City-sponsored projects, and seven (7) proposals from qualified non-profit and community-based organizations. Each of the proposals was reviewed for compliance with HUD regulations to ensure that each met one of the prescribed National Objectives and met the criteria of an eligible activity. Project sponsors were required to schedule a pre-submission screening to discuss the scope of the projects and to demonstrate their ability to carry out projects that will have a greater impact in benefiting low and moderate-income persons during the coming fiscal year. Two public hearings were held to allow the public to hear and comment on each of the submissions. (**See B. Citizen Participation**).

After thorough review and consideration by the CDBG Ad Hoc Committee, the 12 projects recommended for funding were presented to the Mayor and Board of Alderman for final approval. The **Description of Projects (pages 6 - 13)** provides a detailed summary of each project, the requested funding amounts, and the eligibility criteria citations for each project.

City Project ID	Activity
2007-01	General Program Admin
2007-02	Fair Housing
2007-03	Rehab & Homeownership Program Administration
2007-04	Operation Rehab
2007-05	Acquisition for Rehab
2007-06	Sold on Frederick II
2007-07	Homeless Services
2007-08	FCAA Rehab of Transitional Shelter
2007-09	Way Station Inc. – 235 W. South Street Sprinkler System
2007-10	Community Living – Rehab @ 246 Wyngate Drive
2007-11	Advocates for Homeless Families IDA Program
2007-12	Frederick Rescue Mission – Rehab @ Beacon House

Objectives and Outcomes

For the past several years, the City of Frederick’s CDBG program has focused primarily on “bricks and mortar” projects – especially the rehabilitation of existing housing units. In addition, the City has placed a high priority on assisting its sister-agency, Frederick Community Action Agency (FCAA), with the provision of its 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.

The 12 projects approved for inclusion in this year’s action plan highlight objectives and outcomes to be carried out by project sponsors. **See Appendix D. Annual Action Plan 2007 - Objectives & Outcomes Chart.**

Evaluation of Past Performance

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 the City annually examines the Consolidated Plan's Strategic Plan recommendations, identify barriers that emerge, 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.

The City of Frederick, through the Annual Action Plan development process, makes every effort to ensure that the activities undertaken during the grant year further one or more of the Consolidated Plan's identified needs.

Timeliness:

While the timely use of CDBG has 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 2005, there were several non-substantial amendments aimed at timeliness. Projects that were slow or stalled were reduced in funding or cancelled and more viable projects were increased to allow them to proceed. While receipt of additional "windfalls" of program income is not anticipated for the pending grant year, a process is in place to address the required timeliness standard.

Timely funds disbursement:

The City has a well established financial management policy which governs the timely payment of expenditures and receipt of income/credits. In grant year 2005, all CDBG disbursements were made in a timely manner. Each month, DPCD staff receives a detailed account activity report from the City's Finance Department from which the drawdown requests are made in IDIS. The account activity reports detail the expenditures for each activity for the previous month.

Summary of efforts to broaden public participation:

Every effort was made to involve citizens and service providers in the preparation of the plan and to seek public input on the plan recommendations prior to adoption. Staff prepared published several notices in the local newspaper and posted information on the City's website announcing the Plan preparation process. Staff also contacted the City's 11 Neighborhood Advisory Councils (NACs) to inform each community of the funding opportunities available across the City.

For the 2007 Annual Action Plan process, no alternative public participation techniques were employed by the City. Plans are being developed, however, to initiate an expanded public participation component for the 2008 plan development process.

Summary of comments or views:

DPCD staff hosted two public information meetings (March 13th & 14th) to discuss the CDBG program guidelines and the proposed 2007 Grant Year projects. During the meetings, project sponsors were asked to briefly describe their projects and the public was invited to ask questions and/or provide comment.

At the March 13th public meeting, Frederick Community Action Agency (FCAA) presented two proposals for homeless services for operational expenses in the amount of \$65,000 and \$50,000 for the transitional shelter apartments for renovations.

Two clients served by FCAA gave testimony to the assistance given by the shelter and the improvement to their lives. A client who had been at the shelter since November 2005 was moving out today into public housing and is able to live independently. The other client lived in a tent and had been on the streets since 1980 and in Frederick County since 1987. One problem with becoming established was “no way to get in touch with people or for them to have a way to get in touch with you.” This client is currently enrolled in the Shelter Care-Plus Program.

At the March 14th meeting, Big Brothers/Big Sisters requested \$28,000 for a mentoring program for high risk children between the ages of 6 to 14. Funds would be used for Case Management - program administration and volunteers would provide one-on-one mentoring and tutoring.

Two BBBS Board members and volunteer mentors gave testimony about the need for expanding the program to provide needed services and programs for the youth and gave their endorsement of the application. Additionally, on March 21st comments/questions were received via email from the Executive Director of Big Brothers/Big Sisters regarding the denial of their proposal by the Ad-Hoc Committee. The issues in the email messages dealt with the eligibility of “faith-based” and “city-financed” organizations to receive federal funding; the integrity of the Ad Hoc Committee process; and the specific strengths/weaknesses of the submitted application.

Summary of comment or views not accepted and the reasons therefore:

DPCD staff drafted a detailed response to the email received by Big Brothers/Big Sisters (dated March 26th) explaining that the process for project selection and funding has been, and would continue to be unbiased and fair, and providing specific citations from the CDBG regulations regarding the eligibility of grantees and sub-recipients. The response also provided specific reasons for the rejection of the application, which included a lack of information on the specific uses of the funds and no discussion on how CDBG funds would be leveraged with other funding sources.

B. Citizen Participation

Federal regulations call for a grantee to develop and follow a detailed plan which provides for, and encourages, citizen participation and emphasizes participation by persons of low- and/or moderate-income. This Annual Action Plan (AAP) was prepared following the process set forth in the City's Citizen Participation Plan adopted January 20, 2005. **See Appendix C. Citizen Participation Plan & Public Notices.** Every effort has been made to involve citizens and consult with service providers in the preparation of the plan and to seek public input on the plan recommendations prior to adoption. As in year's past, an ad hoc group of advisors assisted in the review and recommendation of candidate projects for the grant year. The following is an overview of the planning process and 2007 public comments.

Developing the Recommended Plan

The City begins the process of developing a recommended plan early in the calendar year upon notification from HUD of the amount of the next grant. The public is advised that the City is developing the Plan and project proposals are requested. The community contacts mailing list includes approximately 35 groups and individuals. This year, despite a delay in funding notification, the process began in early January with application packets mailed on January 20th. In addition, the City's Neighborhood Advisory Council members were contacted notifying them of the funding opportunity. A public notice was published in the *Frederick News and Post* on January 19, 2007 (**See Appendix C-1. Citizen Participation Plan**).

The Department of Planning's Community Development staff is available for technical assistance to any group wishing to submit a proposal. A pre-submission screening meeting is required of all potential applicants to review all of the HUD requirements and to ensure that each project will meet a National Objective and is an eligible activity.

This year there were 13 proposals for funding submitted for consideration totaling \$551,012. The City was awarded a grant in the amount of \$398,794. Funds available to allocate were \$474,794 (which includes grant funds, and program income of \$76,000 from loan repayments and property sales).

A group of ad hoc advisors were solicited to assist the CDBG Coordinator in prioritizing and recommending the projects to be approved for funding in the Recommended Action Plan. The Ad Hoc Committee included the following individuals:

- Charles Boyd, Deputy Director for Planning
- Joe Adkins, Community Development Division Manager
- Stephanie Davis, Community Outreach Specialist
- Richard Griffin, Director of Economic Development
- Jenny Short, Director Frederick Co. Department of Housing & Community Development (DHCD)
- Margie Lance, MPDU Coordinator – Frederick Co. DHCD
- Chris Bickle, Assistant Director, MD Department of Social Services
- Nichole Purcell, City Planner II – CDBG & Housing Programs

Each year, two public hearings are held to discuss project proposals. This year, the meetings were held on Tuesday, March 13th @ 10am at the Frederick Community Action Agency, and on Wednesday, March 14th @ 7pm at City Hall. Project sponsors were requested to attend each meeting to present their proposals and answer any questions posed by the Committee or members of the public. (Copies of the meeting minutes are included in **Appendix C - Citizen Participation Plan & Public Notices**.)

Review & Adoption of the Draft Annual Action Plan

The 30-day period for public review and comment on the Recommended 2007 Annual Action Plan extended from March 19, 2007 to April 19, 2007. All comments were forwarded to the Mayor & Board of Aldermen for their review prior to adoption of the plan. Staff received written comments on the 2007 Annual Action Plan, on March 23rd and March 26th (A copy of the comments received and the City's written response is included as Appendix C-3).

The Mayor and Aldermen held a public hearing to hear comments on the recommended Draft Annual Action Plan on Thursday, April 19, 2007. A second meeting to adopt the Plan was held at City Hall on Thursday, May 3, 2007.

The schedule for adoption of the annual plan follows:

The City of Frederick, Maryland Schedule for Submission of Project Proposals & Adoption of the Annual Action Plan Grant Year 2007 (July 1, 2007 to June 30, 2008)	
1.	Public Notice given to the public, NACs and interested organizations on January 19, 2007.
2.	Sponsors of projects must meet with the Department to review National Objective/Eligible Activity compliance, administrative, record keeping, reporting, monitoring, and timeliness requirements the week of <u>February 12-16, 2007</u> .
3.	Due date for complete Project Proposals Form is Friday, March 2, 2007.
4.	Ad Hoc Advisory Committee will hold public meetings to review and hear public comments on all proposed activities: <ul style="list-style-type: none">• Tuesday March 13, 2007 @ 10:00 A.M. – FCAA – Activities Room• Wednesday March 14, 2007 @ 7:00 P.M. – City Hall – Board Room
5.	Ad Hoc Advisory Committee meets to recommend activities for 2007 Annual Action Plan.
6.	Draft 2007 Action Plan is available for public review and comment on or about Monday March 19, 2007. The period for written public comment on the recommended plan will extend from March 19, 2007 to April 19, 2007 <ul style="list-style-type: none">• Mayor and Board of Alderman public hearing to receive comments Thursday April 19, 2007 @ 7:00 PM City Hall.
7.	Target date for adoption by the Mayor and Alderman is Thursday May 3, 2007 @ 7:00 PM City Hall.

C. Resources

Both the Consolidated and Annual Action Plans are based upon the fundamental premise that many different resources, beyond CDBG, must be brought into play to address the many high priority needs. The City alone cannot do all that needs to be done, but rather cooperation and coordination among all levels of government, as well as for- 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: For example, the Housing Authority of the City of Frederick (HACOF) was awarded a HOPE VI grant of \$15.9 million in March 2003. In support, the City has donated land and will provide funding for various aspects of the Hope VI project, including the construction of a Community Center.

While the focus of this plan is on the City's use of its Community Development Block Grant (CDBG), we recognize that there are many other resources utilized by the City and other agencies and organizations to provide decent housing, provide a suitable living environment and expand economic opportunities primarily for low or moderate-income persons. There are several competitive grants awarded that will be expended in this grant year. The following HUD grants and other funding sources have been reported:

1. 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. Frederick's Continuum of Care for homeless services FY 2006 award totaled \$511,765.00, of which the City of Frederick will receive \$201,443.00.
2. 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 funds received for the various programs include:
 - Five-year Capital Fund Grant for the comprehensive modernization of low-income communities in the amount of \$3,500,725.
 - Housing Choice Voucher Family Self Sufficiency Program in the amount of \$98,924.
 - The City of Frederick was selected to administer the 2007 HOPWA grant to assist Frederick and Montgomery County residents with HIV/AIDS. The HOPWA award for FY 2007 totals \$539,000. The City has opted out of administering the grant.

3. The Housing Authority's HOPE VI Project will be a significant undertaking spanning several years. The 2002 grant of \$15.9 million will be expended in part during this year.
 - Frederick Revitalization I, the development agent for Frederick's Hope VI program, received a Low Income Housing Tax Credit (LIHTC) award in the amount of \$1million in 2007. They also received a Rental Housing Fund award of \$1.5 million.
 - There will be additional resources from the community in the form of tax credit projects, loans and grants from Federal Home Loan Bank of Atlanta, low interest rate loans from banks, and services to relocated residents by local service agencies and organizations, in-kind services and donations of property from the City of Frederick in some detail. The estimated value of "local match" contributions, all tolled, is estimated to be about \$44,000,000.

Other Resources

As in years past, State and local funds can be expected to help implement the Annual Action Plan. However, for certain programs, the exact amounts will depend upon the number of applications received and grants applied for as the year unfolds. The following state and local grant sources are very likely to be used in this year.

1. The Dept of Community Development helps owners secure Maryland DHCD Rehabilitation Loans (STAR and MHRP) and Lead Reduction Grants. The dollar amount & exact number of loans depends upon application in any given year.
2. The 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 homeless and low-income residents of the City. FCAA receives funding of approximately \$2.7 million from a number of federal and state sources to administer its programs, including:
 - FCAA provides weatherization assistance, county wide, with funds from the US Dept. of Energy through Maryland Dept. of Housing & Community Development (DHCD). The FY 2007 funding amount will be \$366,045.
 - As the only HUD-approved Housing Counseling provider in the City of Frederick, FCAA received a grant award for FY 2006 in the amount of \$20,000 to provide housing services to very-low and low-income homebuyers and owners.
4. The Frederick County Board of County Commissioners (BOCC) and the Frederick County Department of Housing & Community Development (DHCD) have over \$1 million available from the Frederick City/County Affordable Housing Council for its county-wide deferred loan program for housing development. The Deferred Loan Program (DLP) provides flexible loans to

housing developers to help create and preserve affordable housing for Frederick County through leveraging of other funding sources, such as local, state, federal, public and private sources.

5. 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.
6. 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.

There are many other competitive HUD grants available and assistance from other federal and state agencies which the City and/or non-profit organizations may elect to apply for should opportunities arise during the 2007 grant year. At this time, the City does not anticipate applying for a Section 108 loan or other competitive grant funding.

Uses of CDBG Funds by Category and Budget

Categories	Funds Recommended
<i>Planning & Administration</i>	
Planning & Administration	\$89,507
Rehab & Homeownership Program Administration	\$105,830
<i>Economic Development</i>	
Economic Development	\$20,000
<i>Public Facilities and Infrastructure</i>	
Public Facilities	\$79,625
<i>Public Services</i>	
Homeless Services	\$59,819
<i>Affordable Housing</i>	
Housing Rehabilitation	\$45,013
<i>Housing Acquisition*</i>	\$200,000*
Homebuyer Assistance	\$75,000
Total CDBG Budget	\$474,794

**Not included in total budget*

See Appendix A – Sources of Funds

D. Statement of Specific Annual Objectives

A summary of the priorities and the specific objectives that emerged as a result of the planning process undertaken for the Consolidated Plan follow below. They are not constrained by estimates of the funds available to address them but rather are assessments of the five-year needs of a large and complex community. There are needs in the areas of Housing, Homeless Services and Facilities, Special Populations and General Community Development. The projects and programs to address those needs and realize the objectives must cover much more than just CDBG and must include the actions of all sectors of the community, government, non- and for-profit organizations, private business as well as private citizens. Each year produces new opportunities and there are new partners with projects that deserve consideration.

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, **Appendix D. Annual Action Plan 2007 - Objectives & Outcomes**, and **Appendix E. Table 3A – Specific Annual Objectives** summarizes these priorities and the expected outcomes toward achieving each goal for the 2007 Grant Year.

Low-to-Moderate income housing is the first priority in the 2005-2010 Consolidated Plan. Recent studies by the Frederick County Council on Affordable Housing, as well as several news articles reporting on the increasing costs of housing in and around the City of Frederick, have highlighted the need for a local response to the crisis. The housing-related activities proposed for the 2007 Grant Year are part of an expanded affordable housing initiative that the Mayor and Board of Aldermen are implementing for low-to-moderate income residents.

The City of Frederick anticipates expending \$235,830 in CDBG funds (50% of the annual grant plus program income) to implement activities that complement the City's goal of providing decent, safe, affordable housing. The activities address 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 will implement the following activities:

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

Objective: Decent Housing
Outcomes: Sustainability of Decent Housing

- **Activity:** 2007-04 - "**Operation Rehab**" provides direct loans to low- and moderate-income homeowners for single-family rehabilitations.
- **Target:** Six (6) units rehabbed for low/mod-income homeowners
- **Performance Measure:** # of units rehabbed and/or # of households assisted

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

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

- **Activity:** *2007-06 Sold on Frederick II:* This program provides down-payment and closing cost assistance to low- to moderate-income households to help them purchase homes.
- **Target:** five (5) low/mod-income 1st time homebuyers purchasing within the City.
- **Performance Measure:** # of homebuyers assisted

- **Activity:** *2007-11 – Advocates for Homeless Families IDA Program.* The City will provide assistance to Advocates for Homeless Families, Inc. to set up Individual Development Accounts (IDA) for 20 very-low and low-income families or individuals for the purchase of homes.
- **Target:** 20 very-low and low-income families or individuals
- **Performance Measure:** # of persons assisted.

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

Objective: Decent Housing
Outcomes: Sustainability of Decent Housing

- **Activity:** *2007-05 – Acquisition for Rehab* The City will acquire blighted property to rehabilitate the property for resale to a low- to moderate income household. This is a multi-year “Acquisition for Rehab” activity, whereby proceeds from the resale of the previous year’s property will be used to purchase and rehabilitate additional properties.
- **Target:** one (1) unit purchased, rehabbed, and resold to a low/mod-income homebuyer
- **Performance Measure:** # of units rehabbed & resold to a low/mod income household.

Priority 3: Homeless Objectives (housing & services/facilities)

Objective: Suitable Living Environment – citywide.

Outcomes: Availability/Affordability

- **Activity:** *2007-07 – Homeless Services* and facility operations by FCAA. The City will continue to provide assistance to FCAA to provide homeless services and operate its Transitional Shelter and Apartment facilities for homeless individuals and families. This activity receives the allotted 15% cap for Public Services. The City will continue to designate its program income to fund FCAA homeless services.
- **Target:** 150+ persons assisted. This is a recurring activity. (100% of goal)
- **Performance Measure:** # of persons assisted

- **Activity:** *2007-08 – FCAA Rehab of Transitional Shelter.* The City will provide assistance to FCAA to rehabilitate its Transitional Shelter and Apartment facilities for homeless individuals and families.
- **Target:** 42-bed facility
- **Performance Measure:** # of persons assisted; rehabilitation complete

Priority 4: Special Needs Populations (housing & services/facilities)

Objective: Suitable Living Environment – citywide.

Outcomes: Availability/Affordability

- **Activity:** *2007-10 – Rehab of Group Home @ 246 Wyngate Drive.* The City will provide assistance to Community Living, Inc. to rehabilitate one of its group homes.
- **Target:** Rehabilitate 3 bathrooms and basement pipes for 3 group home residents.
- **Performance Measure:** # of persons assisted.

- **Activity:** *2007-12 – Installation of Security Fence @ 419 West South Street.* The City will provide assistance to the Frederick Rescue Mission to purchase and install a security fence for its food service facilities.
- **Target:** Rehabilitate kitchen to improve daily feeding program.
- **Performance Measure:** # of persons assisted.

E. 2007 Annual Action Plan- Description of Projects

The Recommended 2007 Annual Action Plan includes 12 projects. Projects selected for grant Year 2007 were based on the housing, homeless service and community development needs and goals described in the City's 2005-2010 Consolidated Plan. All projects benefit low and moderate-income residents.

2007-01 General Program Administration (subject to 20% cap)

Sponsor: CoF Department of Planning - Community Development

CDBG funds will be used for department expenses necessary to administer the CDBG program (staff salary, benefits and supplies and services) and for Fair Housing activities. This activity will cover the required Action Plan and CAPER financial and reporting requirements, project monitoring, other reporting and record keeping responsibilities for CDBG. Staff activities to affirmatively further Fair Housing will also be included.

Funds Requested:	\$86,168
Funds Recommended:	\$86,168
<u>Eligible Activity:</u>	24 CFR 570.206(a) Program Administrative Costs
<u>National Objective:</u>	Presumed Benefit to Low/Mod Income Persons
<u>Consolidated Plan Priority:</u>	N/A
<u>Objectives:</u>	N/A
<u>Outcomes:</u>	N/A
<u>Performance Measures:</u>	N/A

2007-02 Fair Housing

Sponsor: CoF Department of Planning – Community Development

CDBG funds will be used for department expenses necessary to promote and affirmatively further Fair Housing activities (staff salary, benefits and supplies and services), including expenses for the Annual Fair Housing Conference.

Funds Requested:	\$3,339
Funds Recommended:	\$3,339
<u>Eligible Activity:</u>	24 CFR 570.206(c) Program Administrative Costs
<u>National Objective:</u>	Presumed Benefit to Low/Mod Income Persons
<u>Consolidated Plan Priority:</u>	N/A
<u>Objectives:</u>	N/A
<u>Outcomes:</u>	N/A
<u>Performance Measures:</u>	N/A

2007-03 Rehab Program Administration

Sponsor: CoF Department of Planning - Community Development

CDBG funds will be used for department expenses necessary to administer the rehabilitation program (staff salary, benefits and supplies and services). Staff will conduct site inspections, prepare scopes of work and work with contractors for SF rehab program.

Funds Requested:	\$51,915
Funds Recommended:	\$51,915
<u>Eligible Activity:</u>	24 CFR 570.202(b) Eligible Rehabilitation & Preservation Activities
<u>National Objective:</u>	24 CFR 570.208(a)(3) LMH
<u>Consolidated Plan Priority:</u>	Rehab is the highest priority for housing
<u>Specific Objective:</u>	N/A
<u>Objectives:</u>	Decent Housing
<u>Outcomes:</u>	Sustainability: Promoting Livable / Viable Communities
<u>Performance Measures:</u>	N/A

2007-03 Homeownership Program Administration

Sponsor: CoF Department of Planning - Community Development

CDBG funds will be used for department expenses necessary to administer the homeownership program (staff salary, benefits and supplies and services). Staff will conduct homeownership counseling classes, and receive, review and approve applications for Sold on Frederick II and MD State Loan Program.

Funds Requested:	\$53,915
Funds Recommended:	\$53,915
<u>Eligible Activity:</u>	24 CFR 570.201(n) Homeownership Assistance
<u>National Objective:</u>	24 CFR 570.208(a)(3) LMH
<u>Consolidated Plan Priority:</u>	
<u>Specific Objective:</u>	N/A
<u>Objectives:</u>	Decent Housing
<u>Outcomes:</u>	Sustainability: Promoting Livable / Viable Communities
<u>Performance Measures:</u>	N/A

2007-04 Operation Rehab
Sponsor: CoF Department of Planning - Community Development

CDBG funds will be used as direct loans to low/mod-income homeowners to rehabilitate and upgrade single-family homes.

Funds Requested:	\$ 55,000
Funds Recommended:	\$ 45,013
<u>Eligible Activity:</u>	24 CFR 570.202(b)(3) Eligible Rehabilitation & Preservation Activities
<u>National Objective:</u>	24 CFR 570.208(a)(3) LMH
<u>Consolidated Plan Priority:</u>	Rehab is the highest priority for housing
<u>Specific Objective:</u>	Rehab 6 units
<u>Objectives:</u>	Decent Housing
<u>Outcomes:</u>	Sustainability: Promoting Livable / Viable Communities
<u>Performance Measures:</u>	# of households assisted - Target: 6 households

2007-05 Acquisition for Rehab
Sponsor: CoF Department of Planning – Community Development

CDBG funds and property sales proceeds will be used to purchase vacant, blighted properties city-wide for rehabilitation and resale to low /mod- income households.

Funds Recommended:	\$200,000* (Activity will be funded with <i>program income received from the sales proceeds of 527 N. Market St.</i>)
<u>Eligible Activity:</u>	24 CFR 570.202
<u>National Objective:</u>	24 CFR 570.208 (a)(3) LMH
<u>Consolidated Plan Priority:</u>	Rehab is the highest priority for housing
<u>Specific Objective:</u>	Rehab City acquired blighted property for rehab/resale – 1 unit
<u>Objectives:</u>	Decent Housing
<u>Outcomes:</u>	Sustainability: Promoting Livable / Viable Communities
<u>Performance Measures:</u>	# of housing units acquired/rehabbed – Target 1

2007-06 Sold on Frederick II

Sponsor: CoF Department of Planning – Community Development

Funds request will be used for the City’s down payment and closing cost assistance program. A soft second mortgage is placed on the property for 1st time homebuyers to use toward the purchase of an owner-occupied property. No interest or monthly repayment required until the sale or transfer of the property or the property is no longer owner-occupied.

Funds Requested:	\$ 75,000
Funds Recommended:	\$ 75,000
<u>Eligible Activity:</u>	24 CFR 570.201(n) Homeownership assistance
<u>National Objective:</u>	24 CFR 570.208 (a)(3) LMH
<u>Consolidated Plan Priority:</u>	Housing is the highest priority for housing
<u>Specific Objective:</u>	Direct loans to low/mod 1 st time homebuyers
<u>Objectives:</u>	Decent Housing
<u>Outcomes:</u>	Affordability
<u>Performance Measures:</u>	# of households assisted – Target: 5 households

2007-07 Homeless Services- Frederick Transitional Shelter & Transitional Apartments Supportive Services for the Homeless (Public Services)

Sponsor: The Frederick Community Action Agency

The Frederick Community Action Agency operates two (2) transitional shelter facilities with a total of 141 beds and approximately 10 cribs for homeless families and physically disabled adults. The Shelters provide short-term emergency and transitional shelter and supportive services for homeless families and physically disabled adults.

Funds Requested:	\$65,000
Funds Recommended:	\$59,819 * (subject to *15% cap on Public Services)
<u>Eligible Activity:</u>	24 CFR 570.201(e) Public Services- Homeless
<u>National Objective:</u>	24 CFR 570.208 (a)(2)(i)(A) LMC
<u>Consolidated Plan Priority:</u>	Homeless Services are Frederick’s overall Third Priority Need
<u>Specific Objective:</u>	Homeless Housing Priority #1 * FCAA will be given Highest Priority for CDBG service dollars to provide homeless services / operate transitional housing facilities
<u>Objectives:</u>	Decent Housing & Suitable Living Environment
<u>Outcomes:</u>	Availability / Accessibility
<u>Performance Measures:</u>	# of persons assisted – Target: 150 homeless persons

2007-08 Rehabilitation of Transitional Shelter
Sponsor: Frederick Community Action Agency

The FCAA is requesting \$30,000 for the rehabilitation of the Frederick Transitional Shelter. The facility has been in continuous operation since April 1994 and many issues need to be addressed and properly rehabilitated. Examples of items to be addressed include: replacement of VCT tile on the entire first floor; re-painting of the interior and exterior painted surfaces; installation of tinted film on all bedroom windows (to reduce light for sleeping infants and children); installation of better blinds on all bedroom windows; installation of pantry cabinets for shelter residents; re-design and re-installation of kitchenette exhaust hood.

Funds Requested:	\$ 50,000
Funds Recommended:	\$ 30,000
<u>Eligible Activity:</u>	24 CFR 570.201(c) Public facilities and improvements
<u>National Objective:</u>	24 CFR 570.208 (a)(2)(i)(A) LMC
<u>Consolidated Plan Priority:</u>	Homeless Services are Frederick's overall Third Priority Need
<u>Specific Objective:</u>	Develop or rehabilitate various public facilities that provide services to low- and moderate-income persons
<u>Objectives:</u>	Decent Housing
<u>Outcomes:</u>	Availability / Accessibility
<u>Performance Measures:</u>	Assist public and non-profit organizations in the renovation of public facilities.

2007-09 235 W. South St. Sprinkler System
Sponsor: Way Station Inc.

Way Station, Inc. is requesting funds to provide the gap funding needed to install a sprinkler system at 235 W. South Street. This large 4,000 sq. ft. home provides housing and services to very low-income adults disabled by a chronic mental illness. The Maryland Department of Health and Mental Hygiene provided funds toward the acquisition of the property and committed 75% of the cost of the sprinkler system. Way Station has made a commitment to place safety features such as a sprinkler system, in all of its larger homes.

Funds Requested:	\$ 7,750
Funds Recommended:	\$ 7,750
<u>Eligible Activity:</u>	24 CFR 570.201(c) Public Facilities & Improvements
<u>National Objective:</u>	24 CFR 570.208 (a)(2)(i)(A) LMC
<u>Consolidated Plan Priority:</u>	Supportive Services for the Homeless

Specific Objective: Special Needs Populations: The rehabilitation and/or development of affordable housing, particularly transitional housing with supportive services.

Objectives: Decent Housing & Suitable Living Environment

Outcomes: Availability / Accessibility

Performance Measures: Assist public and non-profit organizations in the renovation of public facilities.

2007-10 Rehabilitation of bathrooms & basement piping @ 246 Wyngate Drive
Sponsor: Community Living

In group home for disabled individuals, renovate three bathrooms; replace copper pipes with a more durable and energy efficient PVC materials; and adapt one bathroom to be totally wheelchair accessible.

Funds Requested: \$ 38,375

Funds Recommended: \$ 38,375

Eligible Activity: 24 CFR 570.201(c) Public Facilities & Improvements

National Objective: 24 CFR 570.208 (a)(2)(i)(A) LMC

Consolidated Plan Priority: Housing for very-low to moderate income persons

Specific Objective: Special Needs Populations: The rehabilitation and/or development of affordable housing, particularly transitional housing with supportive services.
Assist private, non-profits develop new transitional housing using CDBG for gap financing

Objectives: Decent Housing

Outcomes: Availability / Accessibility

Performance Measures: Assist public and non-profit organizations in the renovation of public facilities.

2007-11 Individual Development Accounts Program
Sponsor: Advocates for Homeless Families

The purpose of this grant is to fund an Individual Development Account (IDA) program for Advocates participants and other qualified individuals participating in different Frederick County homeless or housing agencies. IDAs are specialized savings accounts for low-income individuals and families that are matched with reserve funds in addition to accruing market-rate interest. The funds requested will serve as matching funds for the participants' own savings, providing both an incentive to save and a boost to the participants' home buying or post-secondary education prospects.

Funds Requested:	\$20,000
Funds Recommended:	\$20,000
<u>Eligible Activity:</u>	24 CFR 570.201(n) Homeownership Assistance
<u>National Objective:</u>	24 CFR 570.208 (a)(3) LMH
<u>Consolidated Plan Priority:</u>	Housing is the highest priority for housing
<u>Specific Objective:</u>	Direct homeownership assistance to low/mod-income persons.
<u>Objectives:</u>	Decent Housing
<u>Outcomes:</u>	Affordability
<u>Performance Measures:</u>	# of persons assisted; # of housing units purchased by low/mod persons

2007-12 **Installation of Security Fence
Sponsor: Frederick Rescue Mission**

FRM is in need of a security/privacy fence at their food service facility. The purchase and installation of the fence will allow FRM to better serve the increasing number of people that come to the mission, by securing the environment in and around the facility.

Funds Requested:	\$3,500
Funds Recommended:	\$3,500
<u>Eligible Activity:</u>	24 CFR 570.201(c) Public Facilities & Improvements
<u>National Objective:</u>	24 CFR 570.208 (a)(2)(i)(A) LMC
<u>Consolidated Plan Priority:</u>	Special Needs Populations: rehabilitation or development on non-housing facilities.
<u>Specific Objective:</u>	Improving facilities and providing high quality services and programs critical to meeting the demands of growth and service.
<u>Objectives:</u>	Suitable Living Environment
<u>Outcomes:</u>	Availability/Accessibility
<u>Performance Measures:</u>	1 Public Facility

TOTAL REQUESTED:	\$509,962
TOTAL RECOMMENDED:	\$474,794

F. Geographic Distribution

The following 2007 Action Plan projects have a specific location know at this time.

Activity ID	Activity	Address
2007-07	FCAA Homeless Services	100 S Market Street
2007-08	FCAA Transitional Shelter Rehabilitation	301 S. Market Street
2007-09	Way Station Sprinkler System Installation	235 W. South Street
2007-10	Community Living Group Home Rehabilitation	246 Wyngate Drive
2007-12	Frederick Rescue Mission Fence Installation	419 W. South Street

The “job sites” for the following are not known at this time but will be determined via application.

Activity ID	Activity	Address
2007-04	“Operation Rehab” - <i>Single Family Rehabilitation</i>	TBD
2007-05	Acquisition for Rehab	TBD
2007-06	Sold on Frederick II – <i>Homeownership Assistance</i>	TBD
2007-11	Advocates for Homeless Families IDA Program	TBD

All recommended projects were evaluated based on several criteria:

- The degree to which they further Consolidated Plan high or medium priority objectives and targets
- Feasibility
- Cost effectiveness
- Preparedness

Location factors are considered in light of the Plan’s stated priority for infill and redevelopment as opposed to newer development as a general rule. **See Appendix F. Project Location Map.**

Minority Concentration

Based on 2000 Census data, the City of Frederick is 77% white, 14% African American, 4.8% Hispanic and the remainder non-white. We have identified areas of racial/ethnic concentration as census tracts that have a greater percentage than 23% non-white, and greater than 4.8% Hispanic. Those census tracts are:

- Census Tract 750300: 58.1% non-white (A traditionally African American neighborhood located on West All Saints and West South Streets since the 19th century)
- Census Tract 750501: 41.7% non-white, 9.75% Hispanic (An area with a large concentration of aging garden apartments)
- Census Tract 750502: 30.4% non-white, 5.7% Hispanic (An area of late 70s/early 80s townhouses and condominiums, as well as garden apartments)
- Census Tract 750100: 31.8% non-white (A less gentrified area of the Downtown Historic District)
- Census Tract: 750900: 31.6% (another less gentrified historic area of mixed commercial, retail and industrial uses).

The proposed 2007 site-specific projects are located within Census Tracts 7501, 7503 and 7509 with a high (over 30 %) minority concentration. There was no intent to target those areas; rather those areas are also the areas with a high number of facilities and services for low and moderate-income persons. **See the Appendix G. 2007 CDBG FUNDED PROJECTS Map.**

Geographic Distribution of Activities Areas of Minority Concentration

City of Frederick Census Tracts	Percentage of non-white and Hispanic	Area of Minority Concentration	2007 CDBG activities
City-wide. No sites identified. Sites will be determined by specific project applications.	27.9%		2007-01 General Admin 2007-02 Fair Housing 2007-03 Rehab & Homeownership Admin 2007-04 Operation Rehab 2007-05 Acquisition for Rehab 2007-11 IDA Program 2007-12 Security Fence Installation
750100	31.82%	Yes	
750200	12.84%	No	
750300	58.14%	Yes	2007-07 Homeless Services 2007-08 Transitional Shelter Rehab 2007-09 Sprinkler System Installation
750400	24.84%	No	2007-10 Group Home Rehab
750501	41.17%	Yes	
750502	30.36%	Yes	
750600	10.71%	No	
750700	22.03%	No	
750800	13.39%	No	
750900	31.62%	Yes	
751000	City small % of Tract	N/A	
751200	14.28%	No	

G. Affordable Housing

To those living in Frederick, it comes as no surprise that the greater-Frederick area, especially Frederick City, is facing a severe shortage of affordable housing. Like many neighboring jurisdictions, increased growth has combined with a very strong real estate market to price many low- and moderate-income residents 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.

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. The chart below provides a schedule for activities proposed to address this high priority need.

Priority Housing - Activities

Priority Need	5-Yr. Goal Plan/Act	Yr. 1 Goal Plan/Act	Yr. 2 Goal Plan/Act	Yr. 3 Goal Plan/Act	Yr. 4 Goal Plan/Act	Yr. 5 Goal Plan/Act
CDBG						
Acquisition of existing rental units	-	-	-	-	-	-
Production of new rental units	-	-	-	-	-	-
Rehabilitation of existing rental units	-	-	-	-	-	-
Rental assistance	-	-	-	-	-	-
Acquisition of existing owner units	5/	1/1	1/1	1/	1/	1/
Production of new owner units	10/	-	10/0	10/		
Rehabilitation of existing owner units	30/	6/4	6	6	6	6
Homeownership assistance	25/	5/0	5/	5/	5	5
HOME						
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						
HOPWA						
Rental assistance						
Short term rent/mortgage utility payments						
Facility based housing development						
Facility based housing operations						
Supportive services						
Other						

TABLE 3B - ANNUAL HOUSING COMPLETION GOALS

	Annual Expected Number Completed	Resources used during the period			
		CDBG	HOME	ESG	HOPWA
ANNUAL AFFORDABLE HOUSING GOALS (SEC.215)					
Homeless households	0	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non-homeless households	32	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special needs households	3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ANNUAL AFFORDABLE RENTAL HOUSING GOALS (SEC. 215)					
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	3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	-	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Rental	3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ANNUAL AFFORDABLE OWNER HOUSING GOALS (SEC. 215)					
Acquisition of existing units	1	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Production of new units	-	<input type="checkbox"/>	<input type="checkbox"/>		
Rehabilitation of existing units	6	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Homebuyer Assistance	25	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Owner	32	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ANNUAL AFFORDABLE HOUSING GOALS (SEC. 215)					
Acquisition of existing units	1	<input checked="" 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	9	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Homebuyer Assistance	25	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Housing	35	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ANNUAL HOUSING GOALS					
Annual Rental Housing Goal	3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Annual Owner Housing Goal	32	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Total Annual Housing Goal	35	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

H. Needs of Public Housing

The HOPE VI revitalization project is gaining momentum and will yield new affordable units during 2007. This is a very significant undertaking that, when complete, will replace sub-standard public housing units with about 375 new units most of which will be affordable (60% or lower of Metro median).

While the focus of the City's housing program has been homeownership, the Hope VI Project is an effort towards addressing the public housing need. Although the 2007 Annual Action Plan does not include any projects owned by the Housing Authority, the City continues to be a major supporter and contributor (of the program that is now underway (including several prior year projects and City donations of property).

The City has maintained an open project 2004-14 Housing Authority of the City of Frederick (HACOF) Settlement Grants, to assist graduates of the Housing Authority's Family Self-Sufficiency Program who are homebuyer-ready, purchase homes in the City of Frederick. As units are completed under the HOPE VI project, the funds will be available for down payment and/or closing costs specifically for Housing Authority clients.

I. Homeless and Special Needs Population

The 2007 Action Plan reflects a very strong commitment to the overall community's efforts to assist the homeless within a Continuum of Care. There are two (2) projects in the plan that specifically devotes CDBG funds to the homeless, Frederick Community Action Agency Homeless Services and the Rehabilitation of the Transitional Shelter and Apartments. The shelter is a 42 bed, 10 crib transitional facility and the apartments consist of 3 transitional units. Over 150 clients go through the FCAA program annually. The clients range from single individuals, married couples, or families with children.

The homeless services component involves intensive case management services and puts clients into contact with many support services both at FCAA and in the community at large. These services include health care, childcare, transportation, education, readiness for permanent housing, job training and more. Many FCAA clients are unfortunately a paycheck away from homelessness and so FCAA case management and supportive services can often be a key to the prevention of homelessness. The \$59,819 in CDBG funds is the full amount (15% cap) allowable for public services.

The City's efforts toward addressing the housing needs of special needs populations (i.e. elderly, frail elderly, persons with disabilities, persons with HIV/AIDS, persons facing substance abuse problems, etc.) will include assisting private, non-profits working with the Maryland Dept. of Housing and Community Development) to acquire properties for development, rehabilitate and remove lead hazards within transitional housing projects, and provide weatherization assistance to low income homeowners and renters.

For the 2007 Grant Year, the City will continue to fund Homeless Services activities with project 2007-07. These services are provided by the Frederick Community Action Agency (FCAA), whose Executive Director is also serves as Chair of the Frederick County Coalition for the Homeless (FCCH). One of the major objectives of the agency is to increase the number of permanent housing options available to the chronically homeless. The 2006 Continuum of Care Plan lists the creation of one or more additional permanent housing beds in FCAA's Transitional Shelter as well as the associated intensive case management services. FCAA will use CDBG funding (as well as other Federal, State and private funding sources) to cover the costs of these services.

J. Barriers to Affordable Housing

Recent surges in home prices, higher interest rates and lower incomes, and scarcity of land for new housing as a result of regional growth pressures have become the major barriers to affordable housing and an increasing problem in Frederick. The City of Frederick is fast becoming a desirable address because of its location and amenities. As a result, it has become much more difficult for first-time homebuyers to get into the housing market, and for existing homeowners to trade up to larger homes.

The City of Frederick recognizes the need for decent, affordable housing for its current and future residents. While no universal strategy exists to resolve the affordable housing crisis, a combination of government assistance, relief from regulatory barriers, fostering of public private partnerships, collaborating on a regional level, and leveraging funds in new and innovative ways, may make a significant contribution to resolving the local problems.

To address the issue, the City will revamp its "Sold on Frederick II" loan program which provides up to \$15,000 to eligible first-time homebuyers for down payment and closing cost assistance. For the 2007GY, the City will implement proposed changes to the program, including but not limited to, increasing the amount of funding budgeted for this activity; establishing a lower maximum loan amount to make funds available for more applicants; and, increasing the income limits to 80% (this will apply to all housing programs).

The Mayor and Board of Aldermen are preparing to adopt an Adequate Public Facilities Ordinance (APFO) to ensure that new residential development and infrastructure keeps pace with the growth in population within the City of Frederick. The ordinance is being reviewed and is expected to be adopted by the fall of 2007.

In addition, the City is in the process of adopting Frederick County's Moderately Priced Dwelling Unit Program Ordinance (MPDU). The purpose of the MPDU Program is to increase the city's and county's supply of moderately priced housing units as a natural function of the development process. The housing units created as part of an approved residential development are required to have *the sales price or rental fee capped* and targeted to households earning a moderate level of income.

K. Other Actions

- **Meeting Underserved Needs**

Funding remains the largest obstacle to meeting underserved needs. To address this issue, the City of Frederick provides funds to area non-profits that provide services to “special needs” populations. For instance, Way Station, Inc. provides services for persons disabled with mental illness. The City has funded several projects sponsored by Way Station during the past four grant years. This year, the City will once again provide CDBG funding to Way Station for installation of a sprinkler system at their group home facility.

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

- **Fostering & Maintaining Affordable Housing**

The supply of housing affordable to very-low, low- and moderate-income households in Frederick City is diminishing to a critical degree. With the recent surges in home prices, higher interest rates and lower incomes, housing affordability has become an increasing problem in Frederick. It has become much more difficult for first-time homebuyers to get into the housing market, and for existing homeowners to trade up to larger homes.

The City of Frederick recognizes the need for decent, affordable housing for its current and future residents. While no universal strategy exists to resolve the affordable housing crisis, a combination of government assistance, relief from regulatory barriers, fostering of public private partnerships, collaborating on a regional level, and leveraging funds in new and innovative ways, may make a significant contribution to resolving the local problems.

To address the issue, the City’s will implement the following activities to create and maintain quality, affordable housing:

- Revamping the “Sold on Frederick II” loan program which provides up to \$15,000 to eligible first-time homebuyers for down payment and closing cost assistance. In the 2007GY, the City will make several changes to the program, including but not limited to, increasing the amount of funding budgeted for this activity; establishing a lower maximum loan amount to make funds available for more applicants; and, increasing the income limits to 80% (this will apply to all housing programs).
- Continuing the City’s blighted property acquisitions & rehabilitation program.
- Continuing to utilize the Frederick County /City Affordable Housing Council deferred loan program. Other resources such as State Community Legacy funding will be explored.
- Adopting an Adequate Public Facilities Ordinance (APFO) to ensure that new residential development and infrastructure keeps pace with the growth in population within the City of Frederick. The ordinance is being reviewed and is expected to be adopted by the fall of 2007.

- Creating and adopting Frederick County's Moderately Priced Dwelling Unit Program Ordinance (MPDU). The MPDU Ordinance allows for the purchase of MPDUs for rental or resale to very-low or low-income residents.
- Affordable Housing Council: The Affordable Housing 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.

- **Reducing Lead-Based Paint Hazards**

During the 2007 grant year the City will continue efforts to reduce the number of dwellings with lead hazards. Lead hazard reduction and abatement is an important component of the residential rehabilitation program. Through CDBG-funded and the State of Maryland Lead Hazard Reduction grants, assistance to owner-occupants, landlords and non-profits is available. The City rehabilitation staff is active in promoting lead reduction working with other agencies promoting our programs via posters, flyers and speaking engagements.

- **Developing an Anti-poverty Strategy**

The principal department within the City responsible for anti-poverty programs is the Frederick Community Action Agency. This department provides a variety of services that assist low-income individuals and families and thereby helps to reduce the number of poverty level families. The FCAA staff does not work in isolation. There are many other service providers whose activities are aimed at the elimination of poverty. These agencies include the Dept of Social Services, County Dept of Citizen Services, Head Start, Family Partnership, Frederick County Public Schools CASS program and Adult Education, State Department of Education, Job Training Agency and others. There is coordination among agencies as evidenced by these multi-agency coordinating committees -Work Force Development Board, and Local Management Board (focus on Children and Families) and Coalition for the Homeless, Advocates for Non English Speaking Residents.

- **Developing Institutional Structures**

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.

- **Public & Private Coordination & Monitoring**

There are many in the public and private sector who work to help lower income persons and persons with special needs with housing, support services and facilities. The City participates in coordinating organizations such as the Affordable Housing Council, Coalition for the Homeless, the Lead Poisoning Prevention Working Group, and the One Stop Partnership for Job Training. Frequent staff to staff communication and consultation also helps to ensure coordination. Staff from City departments is assigned to many and often there is an Aldermanic representative as well.

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 City Education Committee advocates for and promotes improvements to the Frederick County Public Schools, which are within City limits. The City now has 12 neighborhood advisory councils (NAC's), an initiative establishes a system to improve the two-way communication process between City Hall and neighborhoods, and establish a formal mechanism for evaluating neighborhood improvement projects.

The Community Development Division staff strives to monitor its CDBG sub-recipients annually. It is our goal to monitor a project within two months of closeout. The City uses several approaches to achieving sub-recipient compliance including, program orientation prior to proposal submission, funding agreement reviews just prior to the beginning of the grant year; and ongoing technical assistance throughout the grant year.

Monitoring for program compliance is based upon the checklist provided to the Community Development staff by the HUD-Baltimore Office. The staff also relies upon the various related HUD publications for guidance on monitoring for labor relations, financial record keeping and procurement and particularly compliance with HUD regulations for minority business outreach.

L. Program-specific requirements – CDBG

For Grant Year 2007, the City of Frederick received \$398,794 in CDBG funds to finance a range of activities that will benefit 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.

CDBG Funds Available and Expected to be Expended in 2007	
CDBG Grant for 2007 Grant Year	\$398,794.00
CDBG Program Income expected to be received during the Grant Year	*\$276,000.00
TOTAL FUNDS AVAILABLE (GRANT + PROGRAM INCOME)	\$674,794.00
CDBG Funds at the start of Grant Year	**\$132,626.53
CDBG Program Income on hand at start of Grant Year	***\$ 0.00
TOTAL FUNDS AVAILABLE AT START OF GRANT YEAR	\$807,420.53
CDBG Funds expected to be Expended in 2007 Grant Year	-\$474,794.00
TOTAL FUNDS AVAILABLE	****\$332,626.53
<i>*Includes income received from loan pay-offs, homeownership fees and sales proceeds from sale of city-owned property (sales proceeds will be rolled-over into the purchase and rehab of additional property).</i>	
<i>**Balance of funds from "To Commit" line in IDIS.</i>	
<i>***Program established a "first in- first out" policy whereby all program income earned during the grant year is allocated for Homeless Services Activities.</i>	
<i>****Any unanticipated program income and/or reprogrammed funds (from cancelled or completed projects) are re-allocated to "Operation Rehab" activity.</i>	

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 approximately 45% in CDBG funds to implement activities that complement the City's goal of providing decent, safe, affordable housing. For Grant Year 2007 we anticipate expending slightly more (50%) of the grant funds among the proposed housing and rehabilitation activities: Operation Rehab, Sold on Frederick II, Acquisition for Rehab. These activities are income-based and targeted to low/mod income homeowners.

2007 CDBG ACTIVITY FUNDING %		
PROGRAM ADMINISTRATION 20% cap		
General Admin	\$ 86,168.00	
Fair Housing	\$ 3,339.00	
TOTAL PROGRAM ADMIN	\$ 89,507.00	18%
HOUSING		
Rehab & Homeownership Admin	\$ 105,830.00	
Operation Rehab	\$ 45,013.00	
Sold on Frederick II	\$ 75,000.00	
TOTAL HOUSING ACTIVITIES	\$ 225,843.00	47%
PUBLIC SERVICES 15% cap		
Homeless Services	59,819.00	15%
PUBLIC FACILITIES & INFRASTRUCTURE IMPROVEMENT		
Transitional Shelter Rehab	\$ 30,000.00	
Sprinkler System Installation	\$ 7,750.00	
Group Home Rehab	\$ 38,375.00	
Security Fence Installation	\$ 3,500.00	
TOTAL PUBLIC FACILITIES ACTIVITIES	\$ 79,625.00	16%
IDA Program	\$ 20,000.00	4%
TOTAL FUNDS TO BE EXPENDED	\$ 474,794.00	100%

M. Low/Mod Benefit

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.

To ensure that CDBG-assisted activities are serving qualified beneficiaries, the City asks each sub-recipient to provide detailed beneficiary data on those persons who received services at several steps during the grant year. Project sponsors are required to provide beneficiary data as part of their funding applications; report beneficiary data during the grant year period, and provide a final beneficiary data report at the conclusion of the grant year in preparation for the required CAPER. This data is used to report grant year activities and outcomes in IDIS.

The following, provides a summation of each recommended activity as related to Limited Clientele, and/or Low/Mod Benefit criteria:

City of Frederick Low/Mod Benefit Activity List for Program Year 2007

Criterion	Activity Name	Other Information	Funding Amount	% of Grant
Presumed Benefit	Homeless Services	<i>CDBG funds used to provide homeless services and operate transitional housing/shelter</i>	\$59,819.00	15% <i>falls under guidelines for Public Services</i>
	Transitional Shelter Rehabilitation	<i>Rehabilitation of facility for the homeless, disabled, and persons with HIV/AIDS</i>	\$30,000.00	7.5%
	Way Station – sprinkler system 235 W. South Street	<i>Rehabilitation of facility for the homeless, disabled, and persons with HIV/AIDS</i>	\$7,750.00	1.9%
	Community Living – Rehabilitation of bathrooms & basement piping	<i>Rehabilitation of facility for homeless and recovering adult females</i>	\$38,375.00	9.6%
	Advocates for Homeless Families Individual Development Account Program	CDBG funds used to set up matching funds savings accounts for homeless families, and/or very-low to low-income individuals and families.	\$20,000.00	5%
	TOTAL			\$155,944.00

N. Monitoring

The City of Frederick's Department of Planning – Community Development Division (DPCD) is responsible for reviewing, monitoring and reporting the accomplishments of agencies implementing programs identified in this Annual Action Plan as well as reporting on the progress made in reaching the goals outlined in the Consolidated Plan.

DPCD staff assures fair and accurate monitoring of grantee and sub-grantee program functions and activities to maintain compliance with city, state and federal requirements. The Division has established a detailed process and procedures to ensure long-term monitoring and compliance of housing and community development projects.

The objectives of the monitoring procedures are:

- To ensure compliance with Federal statutory and regulatory requirements for the Community Development Block Grant program.
- To ensure that funds are used effectively and for the purpose for which they are made available.
- To enhance the administrative and management capabilities of sub-recipients through training, orientation and technical assistance.
- To ensure production and accountability.
- To evaluate organizational and project performance.

Application Process

Following an extensive application process, all applications for CDBG funding are thoroughly reviewed by staff to ensure compliance with federal guidelines. All applicants must provide a detailed project narrative which must include clearly stated objectives, outcomes and relevant federal regulation citations. The applications are reviewed at the staff level for accuracy, completeness and compliance with federal and local regulations. If approved at the staff level, the applications are then forwarded to the ad hoc committee for review and funding recommendation.

Contracting Process

Each sub-recipient selected to receive funds is required to sign a contract (developer's agreement) with the City of Frederick. No costs incurred prior to the execution of an agreement with the City for services will be reimbursable.

Integrated Disbursement Information System (IDIS)

Project monitoring is also implemented during the setup, update and close-out of projects in IDIS. While the IDIS system is intended as a tracking system of grant funds, the system can also be used to provide another level of checks and balances to ensure that program requirements are being met.

Sub-Grantee Training

During the application process, each project sponsor is required to attend a Pre-Screening meeting with Department staff to review National Objective/Eligible Activity compliance, administration, record keeping, reporting (either monthly, quarterly or annually), and timeliness requirements.

DPCD staff performs financial and programmatic monitoring through reviews of requests for reimbursement, monthly activity reports and client benefit reports. The reports document sub-recipient progress, compliance with funding agreements, and the beneficiary data. For the rehabilitation projects, sites are monitored weekly by the Rehabilitation Specialist.

Reporting

During the application process, DPCD staff requires sub-recipients to complete a Performance Measurement Form which outlines specific outcomes, objectives, indicators and outputs. All sub-recipients must submit monthly activity reports which detail the progress made toward timely completion of the activity.

At the end of each grant year, DPCD staff receives annual reports from sub-recipients documenting activities carried out, progress toward meeting stated objectives, program beneficiaries, and any fund balances remaining. These reports assist DPCD staff in preparing the all required reports, as well as project close-out.

As required by HUD, department staff prepares an annual Consolidated Annual Performance and Evaluation Report (CAPER) which provides a detailed assessment and evaluation of the City's performance in carrying out the activities proposed in the Annual Action Plan.

ANNUAL ACTION PLAN 2007

CERTIFICATIONS

Certifications for the
CITY OF FREDERICK, MARYLAND
2007 ACTION PLAN

In accordance with the applicable statutes and the regulations governing the Consolidated Plan regulations, the jurisdiction certifies that:

A. GENERAL

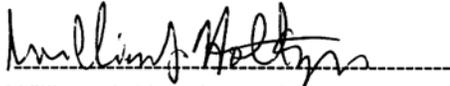
1. Affirmatively Further Fair Housing. The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.
2. Anti-displacement and Relocation Plan. It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under Section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.
3. Drug-Free Workplace. It will or will continue to provide a drug-free workplace by:
 - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - b. Establishing an ongoing drug-free awareness program to inform employees about:
 1. The dangers of drug abuse in the workplace;
 2. The grantee's policy of maintaining a drug-free workplace;
 3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
 - c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
 - d. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will:
 1. Abide by the terms of the statement, and

2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
 - e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
 - f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted:
 4. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 5. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by Federal, State, or local health, law enforcement, or other appropriate agency.
 - a. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.
4. Anti-Lobbying. To the best of the jurisdiction's knowledge and belief:

No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

1. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

2. It will require that the language of paragraphs 1 and 2 of this anti-lobbying certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.
5. Authority of Jurisdiction. The Consolidated Plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.
6. Consistency with Plan. The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.
7. Section 3. It will comply with Section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.



William J. Holtzinger, Mayor
The City of Frederick, MD

Date: 5-14-07

This document has been approved for legal sufficiency:



City of Frederick Legal Department

Date: 5/14/07

B. SPECIFIC CDBG CERTIFICATIONS.

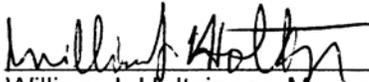
The Entitlement Community certifies that:

1. **Citizen Participation.** It is in full compliance and follows a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.
2. **Community Development Plan.** Its consolidated housing and community development plan identifies community development and housing needs, and specifies both short-term and long-term community development objectives that provide decent housing and expand economic opportunities, primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 Part 570).
3. **Following a Plan.** It is following a current *Consolidated Plan for 2005-2010*, adopted on May 5, 2005, that has been submitted to HUD.
4. **Use of Funds.** It has complied with the following criteria:
 - a. **Maximum Feasible Priority.** With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, (and other financial resources are not available);
 - b. **Overall Benefit.** The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program years 2006, 2007, and 2008, shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
 - c. **Special Assessments.** It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

5. Excessive Force. It has adopted and is enforcing:
 - a. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
 - b. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
6. Compliance with Anti-Discrimination Laws. The grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.
7. Lead-Based Paint. Its notification, inspection, testing and abatement procedures concerning lead-based paint will comply with the requirements of 24 CFR 570.608;
8. Compliance with Laws. It will comply with applicable laws.



William J. Holtzinger, Mayor
The City of Frederick, MD

Date: 5-14-07

This document has been approved for legal sufficiency:



City of Frederick Legal Department

Date: 5/14/07

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

B. Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance: Dept. of Planning , Division of Community Development, 140 West Patrick Street, Frederick, (Frederick County) Maryland 21701

_____ <---Check if there are workplaces on file that are not identified here.

The certification with regard to the drug-free workplace is required by 24 CFR Part 24, Subpart F.

7. Definitions of terms in the Non-procurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

“Controlled substance” means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

“Conviction” means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

“Criminal drug statute” means a Federal or nonfederal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

“Employee” means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All “direct charge” employees; (ii) all “indirect charge” employees, unless their impact or involvement is insignificant to the performance of the grant, and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee’s payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee’s payroll; or employees of sub recipients or subcontractors in covered workplaces).

APPENDICES

- A. Resources
- B. Table 3C. Consolidated Plan Listing of Projects
- C. Citizen Participation Plan & Public Notices
 - C-1. Public Notice 1/19/07
 - C-2. Public Notice 3/19/07
 - Public Comment & City Response
- D. Objectives & Outcomes Chart
- E. Table 3A. Specific Annual Objectives
- F. Project Location Map
- G. Areas of Minority Concentration Map

APPENDIX A.

Resources – 2007 Grant Year

Funding Sources	Amount	Notes
2007 Community Development Block Grant	\$398,794.00	
CDBG Program Income Estimate	\$76,000.00	Generated from loans made from past CDBG funds and homeownership fees
<i>Other*</i>	\$200,000.00	<i>Program income from sale of city-owned property for project 2007-05 Acquisition for Rehab.</i>
Funds to be committed from prior grant	\$132,626.00	
TOTAL Annual Action Plan Budget	\$807,420.00	

APPENDIX B.

U.S. Department of Housing
and Urban Development

OMB Approval No. 2506-0117
(Exp. 8/31/2008)

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Frederick, Maryland

Priority Need

Not specifically articulated in the plan

Project Title

General Program Administration (subject to 20% cap)

Description

Funds will be used for staff costs and office expenses for all aspects of CDBG program planning and administration.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City-wide

Objective Number DH-3	Project ID 001
HUD Matrix Code 21A	CDBG Citation 24 CFR 570.206(a)(1)
Type of Recipient Local Government	CDBG National Objective
Start Date (mm/dd/yyyy) 07/01/2007	Completion Date (mm/dd/yyyy) 06/30/2008
Performance Indicator N/A	Annual Units N/A
Local ID 2007-01	Units Upon Completion N/A

Funding Sources:	
CDBG	\$86,168
ESG	0
HOME	0
HOPWA	0
Total Formula	\$86,168
Prior Year Funds	0
Assisted Housing	0
PHA	0
Other Funding	0
Total	\$86,168

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Frederick, Maryland

Priority Need

Not specifically articulated in the plan

Project Title

Fair Housing (subject to 20% cap)

Description

Funds will cover staff expenses and supplies for Fair Housing activities.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City-wide

Objective Number DH-3	Project ID 002
HUD Matrix Code 21D	CDBG Citation 24 CFR 570.206(c)
Type of Recipient Local Government	CDBG National Objective
Start Date (mm/dd/yyyy) 07/01/2007	Completion Date (mm/dd/yyyy) 06/30/2008
Performance Indicator N/A	Annual Units N/A
Local ID 2007-01	Units Upon Completion N/A

Funding Sources:	
CDBG	\$3,339
ESG	0
HOME	0
HOPWA	0
Total Formula	\$3,339
Prior Year Funds	0
Assisted Housing	0
PHA	0
Other Funding	0
Total	\$3,339

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Frederick, Maryland

Priority Need

First Priority Need: Housing for very low to moderate-income persons.

Project Title

Rehab Program Administration

Description

Funds will be used for costs related to the Single Family Rehabilitation / Non-Profit Organization Rehab Program.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City-wide

Objective Number DH-3	Project ID 003A
HUD Matrix Code 14H	CDBG Citation 24 CFR 570.202(b)
Type of Recipient Local Government	CDBG National Objective LMH 24 CFR 570.208(a)(3)
Start Date (mm/dd/yyyy) 07/01/2007	Completion Date (mm/dd/yyyy) 06/30/2008
Performance Indicator N/A	Annual Units N/A
Local ID 2007-03A	Units Upon Completion N/A

Funding Sources:	
CDBG	\$51,915
ESG	0
HOME	0
HOPWA	0
Total Formula	\$51,915
Prior Year Funds	0
Assisted Housing	0
PHA	0
Other Funding	0
Total	\$51,915

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Frederick, Maryland

Priority Need

First Priority Need: Housing for very low to moderate-income persons.

Project Title

Homeownership Program Administration

Description

Funds will be used for staff costs related to the administration Homeownership Loan Program.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City-wide

Objective Number DH-3	Project ID 003B
HUD Matrix Code 13	CDBG Citation 24 CFR 570.201(n)
Type of Recipient Local Government	CDBG National Objective LMH 24 CFR 570.208(a)(3)
Start Date (mm/dd/yyyy) 07/01/2007	Completion Date (mm/dd/yyyy) 06/30/2008
Performance Indicator N/A	Annual Units N/A
Local ID 2007-03B	Units Upon Completion N/A

Funding Sources:	
CDBG	\$53,915
ESG	0
HOME	0
HOPWA	0
Total Formula	\$53,915
Prior Year Funds	0
Assisted Housing	0
PHA	0
Other Funding	0
Total	\$53,915

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Frederick, Maryland

Priority Need

First Priority Need: Housing for very low to moderate-income persons.

Project Title

Single Family Rehabilitation Loan Fund – “*Operation Rehab*”

Description

The City of Frederick Operation Rehabilitation Program assists income eligible homeowners with loans to rehabilitate habitable residential properties. The property must be owner-occupied and within The City of Frederick, Maryland. Eligible homeowners must meet the required income guidelines of at or below 80% of Area Median Income adjusted for household size.

CDBG funds will be used for direct loans to homeowners for rehabilitation. The location of the specific rehab sites will be determined via individual applications.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City-wide

Objective Number DH-3	Project ID 004
HUD Matrix Code 14A	CDBG Citation 24 CFR 570.202(b)(3)
Type of Recipient Local Government	CDBG National Objective LMH 24 CFR 570.208(a)(3)
Start Date (mm/dd/yyyy) 07/01/2007	Completion Date (mm/dd/yyyy) 06/30/2008
Performance Indicator # of Units Rehabbed	Annual Units 6
Local ID 2007-04	Units Upon Completion 6

Funding Sources:	
CDBG	\$45,013
ESG	0
HOME	0
HOPWA	0
Total Formula	\$45,013
Prior Year Funds	0
Assisted Housing	0
PHA	0
Other Funding**	\$132,626.53
Total	\$177,639.53

****Other funding = unexpended funds from prior grant year**

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Frederick, Maryland

Priority Need

First Priority Need: Housing for very low to moderate-income persons.

Project Title

Acquisition for Rehab

Description

Program Income funds will be used to purchase vacant, blighted properties city-wide for rehabilitation and resale to low/mod-income households

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City-wide

Objective Number DH-1	Project ID 005
HUD Matrix Code 14G	CDBG Citation 24 CFR 570.202
Type of Recipient Local Government	CDBG National Objective LMH 24 CFR 570.208(a)(3)
Start Date (mm/dd/yyyy) 07/01/2007	Completion Date (mm/dd/yyyy) 06/30/2008
Performance Indicator Unit Completed	Annual Units 1
Local ID 2007-05	Units Upon Completion 1

Funding Sources:	
CDBG-PI	\$200,000
ESG	0
HOME	0
HOPWA	0
Total Formula	\$200,000
Prior Year Funds	0
Assisted Housing	0
PHA	0
Other Funding	\$
Total	\$200,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Frederick, Maryland

Priority Need

First Priority Need: Housing for very low to moderate-income persons.

Project Title

Sold on Frederick II

Description

Program Income funds will be used to assist low/mod-income 1st time homebuyers purchase homes.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City-wide

Objective Number DH-2	Project ID 006
HUD Matrix Code 13	CDBG Citation 24 CFR 570.201(n)
Type of Recipient Local Government	CDBG National Objective LMH 24 CFR 570.208(a)(3)
Start Date (mm/dd/yyyy) 07/01/07	Completion Date (mm/dd/yyyy) 06/30/2008
Performance Indicator # of households	Annual Units 5
Local ID 2007-06	Units Upon Completion 5

Funding Sources:	
CDBG	\$75,000
ESG	0
HOME	0
HOPWA	0
Total Formula	\$75,000
Prior Year Funds	0
Assisted Housing	0
PHA	0
Other Funding	0
Total	\$75,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Frederick, Maryland

Priority Need

Third Priority Need: Homeless housing and services/facilities.

Project Title

Homeless Services & Transitional Shelter/Apartments Operation

Description

The Frederick Community Action Agency operates two (2) transitional shelter facilities with a total of 141 beds and approximately 10 cribs for homeless families and physically disabled adults. The Shelters provide short-term emergency and transitional shelter and supportive services for homeless families and physically disabled adults. The Frederick Transitional Shelter also provides a wide range of supportive services including case management, adult education and GED classes, transportation, childcare, substance abuse counseling, job readiness and life skills training, primary health care and respite care services. The facility is staffed 24 hours a day.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City-wide

Objective Number SL-3	Project ID 007
HUD Matrix Code 03T	CDBG Citation 24 CFR 570.201(e)
Type of Recipient Local Government	CDBG National Objective LMC 24 CFR 570.208(a)(2)(i)(A)
Start Date (mm/dd/yyyy) 07/01/2007	Completion Date (mm/dd/yyyy) 06/30/2008
Performance Indicator # of persons assisted	Annual Units 100+ persons
Local ID 2007-07	Units Upon Completion N/A

Funding Sources:	
CDBG	\$59,819
ESG	0
HOME	0
HOPWA	0
Total Formula	\$
Prior Year Funds	0
Assisted Housing	0
PHA	0
Other Funding	0
Total	\$59,819

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Frederick, Maryland

Priority Need

Third Priority Need: Homeless housing and services/facilities.

Project Title

Rehabilitation of Transitional Shelter

Description

Funds will be used for the rehabilitation of the Frederick Transitional Shelter. The facility has been in continuous operation since April 1994 and many issues need to be addressed and properly rehabilitated. Examples of items to be addressed include: replacement of VCT tile on the entire first floor; re-painting of the interior and exterior painted surfaces; installation of tinted film on all bedroom windows (to reduce light for sleeping infants and children); installation of better blinds on all bedroom windows; installation of pantry cabinets for shelter residents; re-design and re-installation of kitchenette exhaust hood.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City-wide

Objective Number SL-3	Project ID 008
HUD Matrix Code 03C	CDBG Citation 24 CFR 570.201(c)
Type of Recipient Local Government	CDBG National Objective LMC 24 CFR 570.208(a)(2)(i)(A)
Start Date (mm/dd/yyyy) 07/01/2007	Completion Date (mm/dd/yyyy) 06/30/2008
Performance Indicator 1 Public Facility	Annual Units N/A
Local ID 2007-08	Units Upon Completion N/A

Funding Sources:	
CDBG	\$30,000
ESG	0
HOME	0
HOPWA	0
Total Formula	\$30,000
Prior Year Funds	0
Assisted Housing	0
PHA	0
Other Funding	0
Total	\$30,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Frederick, Maryland

Priority Need

Housing: Priority 1B: Rehabilitation of rental and transitional housing for the very low to low-income persons.

Special Needs Populations: Priority 1: The rehabilitation and/or development of affordable housing, particularly transitional housing with supportive services for special needs housing.

Project Title

235 West South Street Sprinkler System

Description

Way Station, Inc. is requesting funds to provide the gap funding needed to install a sprinkler system at 235 W. South Street. This large 4,000 sq. ft. home provides housing and services to very low-income adults disabled by a chronic mental illness. The Maryland Department of Health and Mental Hygiene provided funds toward the acquisition of the property and committed 75% of the cost of the sprinkler system. Way Station has made a commitment to place safety features such as a sprinkler system, in all of its larger homes

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City-wide

Objective Number DH-3	Project ID 009	Funding Sources:	
HUD Matrix Code 03C	CDBG Citation 24 CFR 570.201(c)	CDBG	\$7,750
Type of Recipient Non-Profit	CDBG National Objective LMC 24 CFR 570.208(a)(2)(i)(A)	ESG	0
Start Date (mm/dd/yyyy) 07/01/07	Completion Date (mm/dd/yyyy) 06/30/2008	HOME	0
Performance Indicator 1 Public Facility	Annual Units 1	HOPWA	0
Local ID 2007-09	Units Upon Completion 1	Total Formula	\$7,750
		Prior Year Funds	0
		Assisted Housing	0
		PHA	0
		Other Funding	0
		Total	\$7,750

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

Table 3C
Consolidated Plan Listing of Projects

Jurisdiction's Name City of Frederick, Maryland

Priority Need

First Priority Need: Housing for very low to moderate-income persons.

Project Title

Rehabilitation of bathrooms & basement piping @ 246 Wyngate Drive..

Description

In group home for disabled individuals, renovate three bathrooms; replace copper pipes with a more durable and energy efficient PVC materials; and adapt one bathroom to be totally wheelchair accessible.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City-wide

Objective Number DH-3	Project ID 010	Funding Sources:	
HUD Matrix Code 03C	CDBG Citation 24 CFR 570.201(c)	CDBG	\$38,375
Type of Recipient Non-Profit	CDBG National Objective LMC 24 CFR 570.208(a)(2)(i)(A)	ESG	0
Start Date (mm/dd/yyyy) 07/01/2007	Completion Date (mm/dd/yyyy) 06/30/2008	HOME	0
Performance Indicator 1 Public Facility	Annual Units 1	HOPWA	0
Local ID 2007-10	Units Upon Completion 1	Total Formula	\$38,375
		Prior Year Funds	0
		Assisted Housing	0
		PHA	0
		Other Funding	0
		Total	\$38,375

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Frederick, Maryland

Priority Need

Housing: Affordability for very low to moderate-income persons.

Project Title

Individual Development Accounts Program

Description

The purpose of this grant is to fund an Individual Development Account (IDA) program for Advocates participants and other qualified individuals participating in different Frederick County homeless or housing agencies. IDAs are specialized savings accounts for low-income individuals and families that are matched with reserve funds in addition to accruing market-rate interest. The funds requested will serve as matching funds for the participants' own savings, providing both an incentive to save and a boost to the participants' home buying or post-secondary education prospects.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City-wide

Objective Number DH-2	Project ID 011	Funding Sources:	
HUD Matrix Code 13	CDBG Citation 24 CFR 570.201(n)	CDBG	\$20,000
Type of Recipient Local Government	CDBG National Objective LMC 24 CFR 570.208(a)(2)(i)(C)	ESG	0
Start Date (mm/dd/yyyy) 07/01/2007	Completion Date (mm/dd/yyyy) 06/30/2008	HOME	0
Performance Indicator # of persons assisted	Annual Units	HOPWA	0
Local ID 2007-11	Units Upon Completion	Total Formula	\$20,000
		Prior Year Funds	0
		Assisted Housing	0
		PHA	0
		Other Funding	0
		Total	\$20,000

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

**Table 3C
Consolidated Plan Listing of Projects**

Jurisdiction's Name City of Frederick, Maryland

Priority Need

First Priority Need: Housing for very low to moderate-income persons.

Project Title

Installation of Security Fence @ Frederick Rescue Mission

Description

FRM is in need of a security fence to enclose an area surrounding the food services facility @ 419 W. South Street.

Objective category: Suitable Living Environment Decent Housing Economic Opportunity
Outcome category: Availability/Accessibility Affordability Sustainability

Location/Target Area

City-wide

Objective Number SL-1	Project ID 012	Funding Sources:	
HUD Matrix Code 03C	CDBG Citation 24 CFR 570.201(c)	CDBG	\$3,500
Type of Recipient Local Government	CDBG National Objective LMC 24 CFR 570.208(a)(2)(i)(A)	ESG	0
Start Date (mm/dd/yyyy) 07/01/2007	Completion Date (mm/dd/yyyy) 06/30/2008	HOME	0
Performance Indicator 1 Public Facility	Annual Units N/A	HOPWA	0
Local ID 2007-12	Units Upon Completion N/A	Total Formula	\$3,500
		Prior Year Funds	0
		Assisted Housing	0
		PHA	0
		Other Funding	0
		Total	\$3,500

The primary purpose of the project is to help: the Homeless Persons with HIV/AIDS Persons with Disabilities Public Housing Needs

City Of Frederick
Consolidated Plan
Citizen Participation Plan



Mayor
Jennifer Dougherty

Board of Aldermen
William Hall, President Pro Tem
Donna Kuzemchak Ramsburg
Joseph Baldi
Marcia Hall
David Lenhart

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

Director of Community Development
James Schmersahl, AICP

January 2005

Citizen Participation Plan

This Citizen Participation Plan outlines the public participation process that will be used by the City of Frederick Maryland in the planning and implementation of housing and community development programs and activities included within a Consolidated Plan. This process is undertaken in accordance with U.S Department of Housing and Urban Development (HUD) regulations found in 24 CFR Part 91. It is an essential component of Frederick's Consolidated Plan. The programs included in the Consolidated Planning process are the U.S Department of Housing and Urban Development (HUD) Community Development Block Grant Program, other federal, state, local and private sector activities and programs addressing housing and community development needs within the City of Frederick.

The overall goal of community planning and development programs covered by HUD's consolidated planning rule in 24 CFR Part 91 is to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for low and moderate income persons.

Citizens of Frederick are encouraged to participate in the development of housing and community development programs. This participation is of great use to the City in identifying needs, developing priorities and assessing the effectiveness of ongoing activities and programs.

Participation by low and moderate-income persons, residents of blighted areas, residents of predominantly low and moderate-income neighborhoods and of public housing, by minorities, by non-English speaking persons, and by persons with disabilities is especially encouraged. When the Planning and Community Development Department is notified that a significant number of non-English speaking persons are interested in participating in a community development meeting translation assistance will be provided.

The City of Frederick will provide citizens, public agencies, and other interested persons with reasonable and timely access to information and records relating to housing and community development plans and programs and the use of housing and community development funds. There will be open access to all meetings.

Documents related to Frederick housing and community development programs will be made available to citizens upon request. Information will also be available to the public through the City of Frederick's web page, brochures, and news media and will be available at City Hall.

Persons who have a concern or complaint on housing or community development programs should contact the City of Frederick Department of Planning and Community Development, 101 North Court Street, Frederick, MD. Phone 301-694-1499. Persons making telephone calls will be provided a verbal or written response as determined by the Department. Persons submitting written complaints will be provided written responses within 15 working days, where practicable.

Plan Development

The Frederick City Department of Planning and Community Development (Department) will be the lead agency for developing Frederick's Consolidated Plan and Annual Action Plan.

The process for the development of the five -year Consolidated Plan shall be as follows:

The Department will consult with appropriate City, County and State departments and agencies and with housing, community development and human services organizations, neighborhood organizations and the public at large to compile the background data, to assess and prioritize needs and to develop a Strategic Plan element including specific objectives.

The Department may obtain the required information by mail and or e-mail survey, interviews with departments and agencies and organizations working in housing and community development and will hold at least one public hearing to seek input on housing and community development needs and possible activities and programs for the planning period. Notice of date time and place of the meeting will be given in a newspaper of general circulation within the City at least two weeks prior to the meeting date.

Before The City of Frederick adopts a Consolidated Plan or Annual Action Plan, it will make available to citizens, public agencies and other interested parties, information which includes the estimated amount of funds the City expects to receive and the range of community development and affordable housing activities that may be undertaken, including the amount that will benefit very low- and low-income persons. This information will be included in the proposed Consolidated Plan. Information will also be included regarding the City's plans to minimize displacement of persons and to assist any person(s) displaced. Citizens and organizations will be invited to submit specific proposals for review by the Department for inclusion in the Action Plan

The Department will provide technical assistance to groups that are representative of persons of low and moderate income in developing proposals for funding. The level of assistance to be determined by the Department based on available staff resources. This assistance will not guarantee the provision of funds to the groups.

The Department shall be responsible for determining if a proposal for an activity is eligible for inclusion in the Annual Action Plan in light of: 1) the criteria for meeting a National Objective of the CDBG Program, 2) eligibility requirements for activities under HUD regulations, and 3) the specific objectives of the Consolidated Plan.

The Department will be responsible for evaluating proposals considered for inclusion in the Annual Action Plan and may employ ad hoc advisors consisting of persons knowledgeable of housing and community development programs to assist in this evaluation of proposals. The public will be given an opportunity to make comments to the Department and ad hoc advisors on all proposed projects and programs at one or more public meetings for that purpose. Notice of the date, time and place of the meeting(s) shall be given in a newspaper of general circulation within the City at least two weeks prior to the meeting(s) date.

The Department will propose an Annual Action Plan with funding levels for projects and programs and recommend that plan to the Mayor and Aldermen. Public notice will be given that the plan is available for review and comment no less than 30 days prior to adoption. The notice will summarize the contents and purposes of the plan, locations where the plan is available for review, and how to obtain a copy of the proposed plan. The recommended Plan will be available to persons interested in housing and community development, made available at City Hall, on the City's website, and distributed by other available methods.

Mayor and Board of Aldermen Adoption

Prior to the adoption of a five-year Consolidated Plan, Annual Action Plan, and/or substantial amendment, there will be a 30-day period for public comments. The Mayor and Board of Aldermen will hold a public hearing on the proposed plan/amendment during this comment period. After the 30-day comment period, the Mayor and Board of Aldermen will consider any comments or views of its citizens received in writing, or orally at the public hearings on the Consolidated Plan, Action Plan, or substantial amendment. The City will attach to the final submission of the Consolidated Plan, Annual Action Plan, or substantial amendment a summary of these comments or views, and a summary of any comments or views not accepted and the reasons why.

Plan Amendments

The City of Frederick may amend its Consolidated Plan as the need arises. Any substantial amendments to the Consolidated Plan or Action Plan will provide for a 30-day public comment period. Citizens will be provided with reasonable notice and an opportunity to comment on the proposed amendment.

Notice of the proposed amendment, a summary of its contents, the instructions on how to receive a copy of the amendment, and the final date for submission of written comments will be published in a newspaper of general circulation within the City at least 30 days prior to the Mayor and Board of Aldermen meeting at which the change will be considered. Copies of the proposed amendments will be made available at City Hall, on the City's website, and distributed by other available methods.

The following criteria will be used to determine whether a change is substantial enough to warrant an amendment to the Consolidated Plan or Action Plan:

- New Activity – a previously unidentified activity (based on HUD's Matrix Code system) will receive funding allocation to undertake an activity allowed under the program rules and regulations.
- Change in Activity – Using the IDIS HUD Matrix Code, if the allocation of funding requires a change from one numeric code to another numeric code to undertake an activity allowed under the program rules and regulations.
 - An example would be moving funds between 03A (Senior Center) to 16A (Historic Preservation) would require an amendment to the Consolidate Plan.

- Change in Activity Location – Unless identified in the Action Plan as a citywide activity, a new or different specific activity location has been identified different than an activity location that has been previously identified in the plan.
- Cancellation of a Funding Allocation - funding for a previously identified activity, program or project is canceled as originally stated in the plan.
- Change in Funding Allocation - an identified activity requires an increase or decrease in funding which exceeds fifty (50) percent of the original funding allocation.

The Mayor and Board of Aldermen will review and comment on all proposed substantial changes. Notice of proposed substantial changes will be distributed to the news media, distributed to persons interested in housing and community development, and published in a newspaper of general circulation within the City at least 30 days prior to the Mayor and Board of Aldermen meeting at which the change will be considered.

The Mayor and Board of Aldermen will consider all comments on the proposed change prior to taking action. The Mayor and Board of Aldermen may make the proposed change, reject the proposed change, or make a modified change. An explanation will be made available for public review of written comments and other public comments not accepted by the Mayor and Board of Aldermen.

Emergency Action Plan Amendments

It may be necessary to amend the Action Plan in response to emergencies. Notice of proposed emergency changes will be published in the newspaper at least 7 days prior to the Mayor and Board of Aldermen meeting at which the change will be considered.

The Mayor and Board of Aldermen will consider all comments on the proposed change prior to taking action. The Mayor and Board of Aldermen may make the proposed change, reject the proposed change, or make a modified change. An explanation will be made available for public review of written comments and other public comments not accepted by the Mayor and Board of Aldermen.

Performance Reports

The Department will be responsible for preparing all reports on the programs and activities including the Consolidated Annual Performance and Evaluation Report (CAPER).

Prior to submitting the CAPER (annual performance report) to HUD, copies will be available for public comment and distributed to the Mayor and Board of Aldermen. Notice of the availability of the report will be published in a newspaper of general circulation within the City at least 15 prior to days the Board of Aldermen conducting a public hearing on the CAPER.

Prior to submitting the report to HUD, the Mayor and Board of Aldermen will consider any comments or views of its citizens received in writing, or orally at the public hearings on the annual performance report (CAPER). The City will attach to the final submission of the CAPER a summary of these comments or views.

RESOLUTION NO. 05-2

A RESOLUTION FOR THE PURPOSE OF ADOPTING THE CITY OF FREDERICK
CITIZEN PARTICIPATION PLAN FOR THE CONSOLIDATED PLAN 2005-2010

WHEREAS, The City of Frederick is updating the Consolidated Plan 2000-2005 to provide decent housing, establish and maintain suitable living environments, and expand economic opportunities, particularly for the very low-income and low-income persons; and

WHEREAS, the participation of the citizens is essential to creating an effective Consolidated Plan that promotes the vision of the community; and

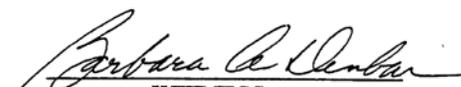
WHEREAS, in accordance with the U.S. Department of Housing and Urban Development (HUD) regulations found at 24 CFR Part 91, Section 105, the City has developed a Citizen Participation Plan to encourage the development of comprehensive, easy to understand information on the City's housing and community development needs; and

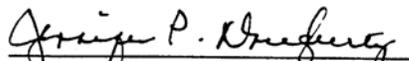
WHEREAS, the Citizen Participation Plan shall serve as a guide for outreach efforts, promoting civic involvement and building a sense of community; and

WHEREAS, the Citizen Participation Plan sets forth a review process to insure broad-based participation from citizens, affordable housing advocates, homeless service providers, and community development agencies on housing and community development initiatives, funding priorities, and program changes.

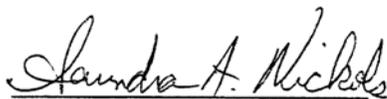
NOW, THEREFORE, BE IT RESOLVED that the City of Frederick Mayor and Board of Aldermen adopt the attached The City of Frederick Citizen Participation Plan for the Consolidated Plan 2005-2010.

ADOPTED AND APPROVED, the 20th day of Jan., 2005


WITNESS


JENNIFER DOUGHERTY, MAYOR

Approved for Legal Sufficiency:


OFFICE OF LEGAL SERVICES

APPENDIX C-1

THE CITY OF FREDERICK COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 2007 ANNUAL ACTION PLAN – REQUEST FOR PROPOSALS

The City of Frederick Department of Community Development is now developing its 2007 Annual Action Plan, an element of the Consolidated Plan prepared pursuant to U.S. Department of Housing and Urban Development regulations. The 2007 Community Development Block Grant is expected to be approximately \$350,000 (in addition to an estimated \$40,000 in program income).

Persons or organizations wishing to propose a project to be funded with Community Development Block Grant funds should call the Department of Planning & Community Development office at 301-600-2840 to receive a CDBG Application Form and to schedule a mandatory project screening meeting. Project screening meetings will be held the week of February 12-16, 2007. **Applications will be accepted until March 2, 2007.**

All proposed activities must meet the CDBG program National Objectives of benefiting low and moderate-income persons, eliminating blight or slums, or meeting urgent community needs. Projects must address a community need and meet objectives outlined in the Consolidated Plan 2005-2010.

Public information meetings will be held on Tuesday March 13, 2007 at 10:00 a.m. in the Activities Room of the Frederick Community Action Agency, 100 South Market Street and on Wednesday March 14, 2007 at 7:00 p.m. in the Board Room, City Hall, 101 North Court, Frederick, Maryland at which time program guidelines and project proposals will be discussed.

Following those meetings, a Draft Annual Action Plan for 2007 will be prepared. There will be opportunity for public review and comment on the Draft Annual Action Plan prior to adoption by the Mayor and Board of Alderman, (anticipated adoption date: May 3, 2007).

Additional information and funding applications are available on the City of Frederick's website at www.cityoffrederick.com

Charles W. Boyd, AICP
Deputy Director for Planning and Community Development

APPENDIX C-2

**PUBLIC NOTICE
THE CITY OF FREDERICK
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
ANNUAL ACTION PLAN FOR 2007**

The City of Frederick, Division of Community Development has prepared a Draft Annual Action Plan for grant year 2007 pursuant to U.S. Department of Housing and Urban Development (HUD), 24 CFR Part 91. The Annual Action Plan for 2007 describes the projects and activities to be undertaken with the Community Development Block Grant (CDBG) funds of \$398,794, and estimated program income of \$76,000 during the grant year, July 1, 2007 to June 30, 2008.

The following activities and funding amounts are recommended:

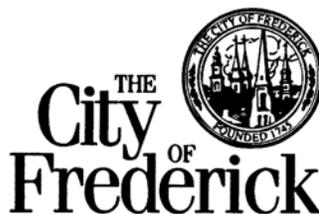
2007-01	General Program Administration	\$ 86,168
2007-02	Fair Housing	\$ 3,339
2007-03	Rehab & Homeownership Loan Program Administration	\$105,830
2007-04	Operation Rehab	\$ 55,000
2007-05	Acquisition for Rehab – <i>funded with city-owned property sales proceeds</i>	
2007-06	Sold on Frederick II	\$ 75,000
2007-07	Homeless Services & Transitional Shelter & Apartments	\$ 59,819
2007-08	Frederick Transitional Shelter Rehab	\$ 30,000
2007-09	235 W. South Street Sprinkler System	\$ 7,750
2007-10	Community Living Group Home Rehab	\$ 38,375
2007-11	Advocates for Homeless Families IDA Program	\$ 20,000
2007-12	Frederick Rescue Mission Rehab	\$ 15,000

Copies of the Draft Annual Action Plan are available at the City Hall, 101 N. Court Street, the Department of Planning, Municipal Office Annex, 140 West Patrick Street – 2nd Floor, and on the City’s website at www.cityoffrederick.com.

The Mayor and Board of Aldermen will hear public comment on the Draft 2007 Annual Action Plan at their meeting on Thursday April 19, 2007 at 7:00 p.m. at City Hall. Final approval of the Plan is scheduled for the Thursday, May 3, 2007 meeting of the Mayor and Board of Aldermen at 7:00 p.m. at City Hall. All are welcome to attend and comment. Written comments will be accepted until noon on Thursday April 19, 2007. Please send written comments to: Nichole Purcell, City Planner II – CDBG & Housing Programs, Department of Planning, 140 West Patrick Street, Frederick, MD 21701.

Charles W. Boyd
Deputy Director for Planning

William J. Holtzinger
Mayor



Aldermen
Marcia A. Hall
President Pro Tem
David "Kip" Koontz
Alan E. Imhoff
C. Paul Smith
Donna Kuzemchak Ramsburg

March 26, 2007

Sushil Bhattacharjee, Executive Director
Big Brother/Big Sisters of Frederick County, Maryland, Inc.
2 East Church Street
PO Box 442
Frederick, MD 21705-0442

Dear Mr. Bhattacharjee:

Thank you for your interest in the City of Frederick's Community Development Block Grant program. This letter is in response to your questions regarding the proposed projects for the 2007 Community Development Block Grant (CDBG) Annual Action Plan.

In your email dated Wednesday, March 21st, you asked:

1. I understand that federal dollars are allocated to secular faith based organizations and not to a "Christian centered" "Christian Ministry" like the Rescue Mission.

In response, regarding the eligibility of faith-based organizations, HUD regulations 24 CFR 570.200(j) – General Policies, states:

(j) Faith-based activities. (1) Organizations that are religious or faith-based are eligible, on the same basis as any other organization to participate in the CDBG program. Neither the Federal government nor a State or local government receiving funds under CDBG programs shall discriminate against an organization on the basis of the organization's religious character or affiliation.

(2) Organizations that are directly funded under the CDBG program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the programs or services funded under this part. If an organization conducts such activities, the activities must be offered separately, in time and location, from the programs or services funded under this part, and participation must be voluntary for the beneficiaries of the HUD-funded programs or services.

(3) A religious organization that participates in the CDBG program will retain its independence from Federal, State and local governments, and may continue to carry out its mission, including the definition, practice and expression of its religious beliefs, provided that it does not use direct CDBG funds to support any inherently religious activities such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities to provide CDBG-funded services without removing religious art, icons, scriptures, or other religious symbols...

It is the City's belief that as long as the Frederick Rescue Mission complies with these regulations, they, as well as any other faith-based organization, would be eligible for CDBG funding.

PLANNING DEPARTMENT

Municipal Office Annex • 140 W. Patrick St. • Frederick, MD • 21701-5415 • 301-600-1499 • Fax: 301-600-1837 www.cityoffrederick.com

2. What are the strengths and weaknesses of our grant application and what basis our application was not approved as recommended projects?

In response regarding the strengths and weaknesses of your application and the basis for not approving the project for funding:

As stated during the public meeting on Wednesday, March 14th, all of the applications received were well prepared. However, the BBBS application was not structured in a performance-based outline. From the proposal, it would appear that the funds for the project would not be directed to City residents. Any federal funds received by a unit of local government must benefit the residents governed by that body. There was no discussion of the steps to be taken to ensure that the City's CDBG funds would benefit City residents.

In addition, the Committee felt that the scope of the project, described in the application, as to the specific use of CDBG funds, did not match the testimony provided during the public hearings. While the application spoke to providing a tutoring program, your testimony at the public hearing implied that the requested funds would pay for the services of a case worker. It was also inferred from your testimony, that the Case Worker would either be a member of the Board of Directors or one of the volunteer mentors, both positions which you stated were unpaid. This raised concerns among several of the Committee members.

Also, there was no discussion as to how CDBG funds would be leveraged with other funding sources received by BBBS. You will recall during our pre-screening meeting on Friday, February 23rd, staff suggested that you include information on BBBS' ability to leverage additional funds. From the application, it appeared that there were no additional funds being utilized to assist in providing this service.

The recommendation by the Ad Hoc Committee to not fund the proposal submitted by Big Brothers/ Big Sisters was in direct response to these issues, as well as the limited CDBG dollars awarded to the City. The project proposed, Youth Mentoring, would be considered a "Public Service" under the guidelines of CDBG. As such, all public service activities are subject to a 15% cap of the grant award. The City of Frederick has been awarded \$398,794 in CDBG for Federal Fiscal Year 2007, of which the 15% cap would be \$59,819. Given the finite resources available for projects, the Ad Hoc Committee did not recommend BBBS for funding this fiscal year.

In your second email, dated Friday, March 23rd, you wrote:

1. I understand that according to federal regulation federal dollars are allocated only to secular organizations and not to a "Christian centered" "Christian Ministry" like the Rescue Mission. Am I right on that?

City Response: *See response above regarding HUD eligibility regulations.*

2. Your review committee consisted of all city employees, and a member who is on the board of the Community Action Agency (Friends & Neighborhood Group). Therefore the review committee is biased toward certain programs visa vis others.

City Response: *The Ad Hoc Committee was made up of City staff, as well as representatives from the County and State. Every effort is made to diversify the committee so that the appearance of bias against or in favor of any particular proposal is avoided. City staff represented a diverse perspective including Economic Development, Planning and Community Outreach. The selection of committee*

members for the new grant year was based on the expertise of the members in dealing with federal programs.

Additionally, final approval of proposals to be funded each year rests with the Mayor and Board of Aldermen.

3. A volunteer Big Sister, a member of our board, and I presented our case. None of your board members had any questions or comments, except one. I am not sure on what basis our application for funds was not approved. What are the strengths and weaknesses of our grant application and what basis our application was not approved as a recommended project? Please send me a written response with strengths and weaknesses clearly stated.

City Response: *First, the Ad Hoc Committee appreciated hearing from one of the program's volunteers and the board member. It was noted during the public hearing on March 14th, that all of the project applications were well prepared. With regards to the strengths and weaknesses of the application, please see the response on page 2, #2.*

Second, the point made during the meeting was that given the limited CDBG dollars available for projects, especially "public services", the City will continue to use its limited dollars to implement the goals and objectives outlined in the 2005-2010 Consolidated Plan. While it is true that FCAA has received an annual allocation from the City's CDBG program, it is important to note that all of the activities and project we fund are based in large part to the activities' ability to address one of the National Objectives prescribed by HUD, as well as address a Priority Need as described in the City's 2005-2010 Consolidated Plan. In ranking all of the proposed projects, Homeless Services is a higher Consolidated Plan priority over youth-related services.

As stated in the Five-year Consolidated Plan – Specific Objectives – Homeless: "Homeless Services/Facilities: Priority #1: The continuation of the homeless services and the operation of the transitional housing facilities by the Frederick Community: Action Agency are Frederick's highest priority homeless services and facilities needs, and should be the primary focus of limited CDBG funding available for public services."

The projects proposed exceeded the amount of funds available for public services. We received requests for public services dollars in the amount of \$93,000 (FCAA requested \$65,000 for Homeless Services and Big Brothers/Big Sisters requested \$28,000 for its Youth Mentoring/Tutoring program). As previously stated, the City can only allocate 15% of its total grant to fund public service activities. Thus the total amount available for public service activities is \$59,819 in CDBG funds.

For the past several years, and as outlined in the Consolidated Plan, the City's CDBG program has focused primarily on "bricks and mortar" projects. Each year, as we develop the Annual Action Plan, new opportunities emerge and all project proposals are evaluated based on their effectiveness, the funds that will be leveraged and readiness. And while we try to maximize the limited dollars among the various needs, the City cannot fund every project and therefore, some needs remain unfulfilled.

4. Community Action Agency is receiving county, city, United Way funds for various construction, and management programs. Do you think it is right to offer an additional \$55,000 toward the program considering it is a City financed department (You may say this has been a historical precedent, it is time to change a preferential treatment).

City Response: *Any questions or concerns you have regarding the City's commitment to funding FCAA activities should be addressed directly to the Mayor and Board of Aldermen.*

5. I have stated in the hearings, BBBS agencies receive CDBG funds in Hagerstown, Cumberland and Leonardtown. So BBBS has been accepted as a worthwhile program to support under the CDBG rules. Our program in Frederick supports children and families dealing with homeless and section 8 population living in the city of Frederick.

City Response: *At no time did the Ad Hoc Committee indicate that the proposed project was not a worthwhile program. Again, the rationale for declining funding to BBBS was based on the limited funds the City received. As you noted, both Hagerstown and Cumberland fund BBBS activities through their CDBG programs. These activities are funded using their allowable amounts under "public services". In comparison, it must be noted that the City of Hagerstown received a 2007 CDBG award of \$962,490 (15% cap = \$144,373 for public services). The City of Cumberland received \$1,024,808 (15% cap = \$153,721 for public services). Therefore, their ability to fund numerous public service activities well exceeds that of Frederick.*

It is my hope that your questions and concerns have been addressed. Again, please note that the Mayor and Board of Aldermen have the final approval authority of any CDBG-funded projects. In the interim, you are welcome to request funds from other City-sponsored sources, including the Mayor and Board's Donations line item. If you have any further questions, do not hesitate to contact me.

Again, thank you for your interest in the CDBG program.

Sincerely,



Nichole Purcell, City Planner II
CDBG & Housing Programs

Cc: Mayor Holtzinger
Board of Aldermen
Charles Boyd, Deputy Director for Planning
Joe Adkins, Division Manager
Ad Hoc Committee

APPENDIX D.

**ANNUAL ACTION PLAN 2007
OBJECTIVES & OUTCOMES**

AFFORDABLE HOUSING			
Goal	Objectives	Activities	Outcomes
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	Rehabilitate existing single-family housing for six (6) low/mod income homeowners	2007-04 Operation Rehab	6 Housing Units rehabbed
	City acquisition of blighted property for rehabilitation and resale to low/mod income owner-occupant	2007-05 Acquisition for Rehab	One (1) unit purchased, rehabbed and resold to low/mod homebuyer
	Direct homeownership assistance to assist 10 very-low to moderate-income persons with the purchase of affordable housing for owner-occupancy.	2007-06 Sold on Frederick II	Carry over project from 2004GY. Five (5) low/mod 1 st time homebuyers assisted
PUBLIC SERVICES - HOMELESSNESS			
Goal	Objectives	Activities	Outcomes
To assist homeless families and individuals with housing with supportive services for families with	CDBG funds used to provide homeless services and operate transitional housing/shelter	2007-07 Homeless Services	Continuation of the homeless services and operation of the transitional housing facility by the Frederick Community Action Agency (FCAA)

**ANNUAL ACTION PLAN 2007
OBJECTIVES & OUTCOMES**

PAYMENT OF NON-FEDERAL SHARE			
Goal	Objectives	Activities	Outcomes
Provide assistance to non-profit organization via matching funds in connection with a Federal grant-in-aid program	Provide assistance to partner organization to establish an Individual Development Account Program for low-income individuals and families.	2007-11 Advocates for Homeless Families IDA Program	AHF will establish IDA's for 20 low-income individuals & families to serve as a match with reserve funds for purchase of a home or educational purposes.
ECONOMIC DEVELOPMENT			
Goal	Objectives	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.	<i>No Economic Development Project Proposals were received for the 2007 GY</i>	
PUBLIC FACILITY AND INFRASTRUCTURE IMPROVEMENT			
Goal	Objectives	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.	2007-08 FCAA Rehabilitation of Transitional Shelter Facility	Rehabilitation of facility for the homeless, disabled, and persons with HIV/AIDS.
		2007- 09 Way Station – installation of sprinkler system 235 W. South Street	Rehabilitation of facility for the homeless, disabled, and persons with HIV/AIDS.
		2007-10 Community Living – Rehabilitation @ 246 Wyngate Drive	Rehabilitation of bathrooms at facility for homeless and recovering adult males.
		2007-12 Frederick Rescue Mission Rehabilitation Project @ Beacon House	Rehabilitation of bathrooms at facility for homeless and recovering adult males.

APPENDIX E.

Table 3A Specific Annual Objectives

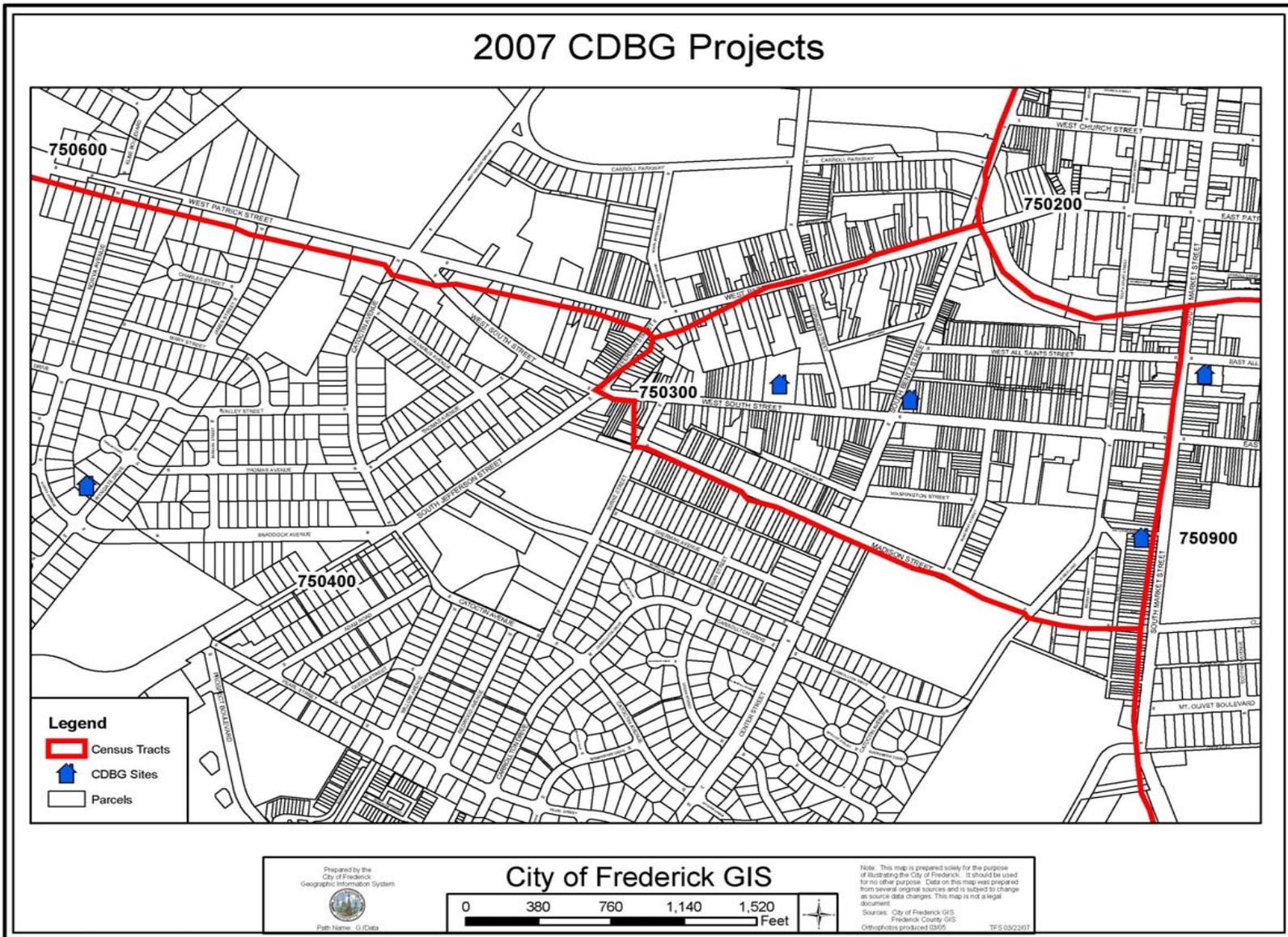
Specific Obj. #	Outcome/Objective Specific Annual Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
DH-1 Availability/Accessibility of Decent Housing							
DH-1.1	Acquire and Rehabilitate city-owned blighted property for resale to a low- to moderate-income household. <i>2007-05 Acquisition for Rehab</i>	CDBG Proceeds from sale of previous grant year's project	<ul style="list-style-type: none"> • Purchase & rehab 1 blighted property • Low-income first time homebuyer 	2005	1	0	0%
				2006	1	1	100%
				2007	1		
				2008	1		
				2009	1		
				GOAL	5		
DH-2 Affordability of Decent Housing							
DH-2.1	Address the need for affordable decent housing by offering down-payment assistance to very-low to moderate-income households. <i>2007-06 Sold on Frederick II</i>	CDBG	<ul style="list-style-type: none"> ▪ Number of low-income households assisted ▪ Number of households receiving down-payment/closing costs 	2005	5	0	0%
				2006	-	2	100%
				2007	5		
				2008	5		
				2009	5		
				GOAL	25		
DH-2.2	Address the need for affordable decent housing by setting up Individual Development Accounts (IDAs) to purchase City homes through Advocates for Homeless Families. <i>2007-11 IDA Program</i>	CDBG funds used as required match to other funding sources provided by project sponsor.	<ul style="list-style-type: none"> ▪ Assist 20 low-income individuals and families save for home purchase. 	2005	-		
				2006	-		
				2007	20		
				2008			
				2009			
				GOAL	20		

Table 3A Specific Annual Objectives

Specific Obj. #	Outcome/Objective Specific Annual Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
DH-3 Sustainability of Decent Housing							
DH-3.1	Address the need for affordable decent housing by offering rehabilitation assistance to low and moderate income homeowners <i>2007-04 "Operation Rehab"</i>	CDBG Maryland Dept. of Housing & Community Development Rehab Loans (STAR & MHRP) and Lead Reduction Grants	▪ Number of units rehabbed	2005	6	4	
				2006	6		
				2007	6		
				2008			
				2009			
				GOAL	6		
DH-3.2	Rehabilitation of home for the disabled/mentally ill to address accessibility issues @ 246 Wyngate Drive <i>2007-10 Community Living Group Home Rehab</i>	CDBG	▪ Number of persons with improved access to this service	2005	-		
				2006	-		
				2007	3		
				2008			
				2009			
				GOAL	3		
DH-3.3	Rehabilitation of home for the disabled/mentally ill. Install Sprinkler System in group home facility @ 235 W. South Street. <i>2007-09 Way Station Sprinkler System Installation</i>	CDBG Maryland Dept. of Health & Mental Hygiene disabled housing grant	▪ Number of persons assisted	2005	-		
				2006	-		
				2007	10		
				2008			
				2009			
				GOAL	10		

Table 3A Specific Annual Objectives

Specific Obj. #	Outcome/Objective Specific Annual Objectives	Sources of Funds	Performance Indicators	Year	Expected Number	Actual Number	Percent Completed
SL-3 Sustainability of Suitable Living Environment							
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 2007-07 Homeless Services	CDBG FCAA receives funds from various sources for its homeless services activities and programs.	<ul style="list-style-type: none"> ▪ Number of persons assisted ▪ Number of persons moved into permanent housing 	2005	-		
				2006	-		
				2007	41		
				2008			
				2009			
				GOAL			
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. (FCAA, Frederick Rescue Mission, etc.) 2007-08 FCAA Transitional Shelter Renovation 2007-12 Frederick Rescue Mission Security Fence Installation	CDBG	<ul style="list-style-type: none"> ▪ Number of persons assisted ▪ Number of persons receiving improved or new access to services 	2005	-		
				2006	-		
				2007	100+		
				2008			
				2009			
				GOAL			



APPENDIX G.

