Executive Summary

FY 2020-21

Annual Action Plan

for HUD Entitlement Programs beginning September 1, 2020

Submitted by the

Urban Development Department

Leirion Gaylor Baird, Mayor

June 12, 2020
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Introduction

In response to the COVID-19 virus, the CARES Act was passed by Congress in March 2020. Additional CDBG and ESG funds have been appropriated to address emergency needs caused by the increasing spread of the pandemic. As the FY 20 Action Plan is being prepared, guidance from HUD is still forthcoming; therefore, use of CDBG-CV and ESG-CV funds are not included at this time.

The FY 20 Annual Action Plan identifies projects and associated funding to be carried out in the third year of the Five-Year Strategic Plan FY 2018-2022 period. The Five-Year Strategic Plan is a unified, comprehensive vision for community development in Lincoln, Nebraska. It serves as a tool to coordinate economic, physical, environmental, community, and human development activities for five years, starting September 1, 2018, and ending August 31, 2023. Action Plans are prepared each year and describe projects and funding to be carried out in the next fiscal year to meet the goals identified in the Five-Year Strategic Plan. This Plan is for the 2020-21 Fiscal Year, September 1, 2020 – August 31, 2021.

The entire Action Plan is lengthy, over 70 pages, and follows the template required by the U.S. Department of Housing and Urban Development (HUD). It is web-based and does not translate well to a print format. Therefore, this Executive Summary has been prepared to simplify review of key points in the Action Plan. The complete document is available on the Urban Development Department website at www.lincoln.ne.gov, keyword: urban.

The Action Plan and Strategic Plan are required by the U.S. Department of Housing and Urban Development (HUD) because the City receives funding through HUD's Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) programs. The CDBG program has three major statutory goals: provide decent housing, a suitable living environment, and expanded economic opportunities, all primarily for low- and moderate-income persons. HOME funds are exclusively for affordable housing and the ESG program provides funds to homelessness service providers.

The lead agency for Lincoln’s community development activities is the City’s Urban Development Department. Additional agencies responsible for administering the programs identified in the Plans include, but are not limited to, NeighborWorks®Lincoln, the Lincoln Housing Authority, the League of Human Dignity, other City Departments, and the Homeless Coalition.

Geographic Area

Federal funds are allocated within the Lincoln City limits with four priority areas (see attached maps):

Neighborhood Revitalization Strategy Area (NRSA): The NRSA was defined through a significant, detailed analysis of many factors. HUD allows and encourages adopting NRSAs as a way to target CDBG in support of community revitalization efforts.

Low-Moderate Income (LMI) Area: The LMI area is defined by HUD and used to delineate a general boundary/service area. It is determined based on census tracts where 51% of households are at 80% or
less of Area Median Income (AMI). The City updates its LMI areas annually. If a client qualifies in the area at the time of application and enactment, they will continue to qualify moving forward.

Antelope Valley Area and South of Downtown: These two areas comprise portions of several core neighborhoods. They are priorities due to the amount of public support and involvement occurring to address neighborhood concerns and are areas where planning efforts have been completed or are underway. Implementing community plans in conjunction with other departments and agencies creates more targeted impacts. Other public and private partners are focused on addressing issues in these areas as well.

Public Participation

The City of Lincoln has a Resident Participation Plan that details the public involvement process. The Plan is available at www.lincoln.gov, keyword: urban. Public participation is an ongoing process, not confined to the preparation of the Plans. The public is encouraged to participate by becoming involved with their neighborhood association, in other community organizations and in business associations. Residents are also encouraged to attend public hearings and open houses held for special projects and plans.

Public information about CDBG and HOME funded programs is provided by mail, email, newspaper announcement/advertisement, and through the City's Web page. This includes: a quarterly newsletter, housing program brochures (in English, Spanish, Vietnamese, and Arabic), housing application forms, open houses, and public hearings. Staff also attends community meetings, events, and festivals to obtain input throughout the year. A wide range of published materials are available on the City's Web site. These include: federally mandated plans, the Resident Participation Guide, guidelines and applications for housing programs, focus area and redevelopment area plans, and neighborhood association support materials.

A public information meeting was held May 5, 2020 at the Urban Development Department and via Zoom and the draft plan was posted on the City’s web site. Public notice of the meeting was published in the local newspaper, the Lincoln Journal Star, on April 11, 2020 which also announced the beginning of the 30 day comment period beginning April 13th and ending May 12, 2020. The Mayor's Neighborhood Roundtable serves a broader, more structured role as a forum at which neighborhood organizations present concerns and learn about community resources. The opportunity to provide input into the FY 20 Action Plan was announced at the May 11, 2020 Roundtable meeting. A public hearing on the Action Plan was held by the Lincoln City Council on June 8, 2020.

Needs

Within their federal criteria, CDBG and HOME programs are designed to be shaped locally to meet the recipient community's specific needs. Lincoln’s specific needs were identified in the Strategic Plan and reassessed in preparation of the FY 20 Action Plan through the public involvement process and by reviewing housing data provided by HUD, the Analysis of Impediments to Fair Housing (AI), the draft Lincoln Affordable Housing Coordinated Action Plan, homelessness information provided through the
Continuum of Care, and data from the Lincoln Housing Authority (LHA). The local needs identified were grouped into priority areas and then evaluated to develop goals and then projects, based on the following criteria:

- Would it further or be consistent with a city and/or federal priority area?
- Would it impact a large number of low- and moderate-income households?
- Would it meet unique needs of certain geographic areas?
- Based on past experience, would it successfully meet the identified needs?
- Does it further the fair housing goals of the community?

The most significant single issue identified in this needs assessment during the Strategic Plan planning process and reaffirmed for the FY 20 Action Plan is the large number of Lincoln households, especially lower-income households, with severe housing cost burdens paying more than 50% of their household income for housing. Other identified needs include:

- Affordable housing – identified as the greatest need through the public involvement process.
  - The combined wait list for LHA public housing units and Housing Choice Vouchers is 5,182 households.
  - There is a shortage of 5,370 affordable and available rental units for households with incomes below 50% of Area Median Income (AMI) in Lancaster County.
  - Single parent households -- with one income and high child care costs -- are more affected by housing cost burdens.
  - Both low- and very low-income African American and Asian households experience severe housing problems at a disproportionately high rate.

- Financial assistance to homeowners for home repairs, especially for lower-income homeowners and seniors.

- Financial and technical assistance to low, moderate and middle income (50-80% of AMI) renters seeking to become first-time homeowners.

- Neighborhood Revitalization – includes:
  - sustainability (urban agriculture-community gardens and orchards), promoting green space and healthy activities, and rain gardens;
  - food security – addressing the rising problem of low-income families not having enough food;
  - increasing neighborhood livability through physical improvements to neighborhoods; and
  - supporting the enhanced engagement efforts of local partners.

- Homelessness – chronic homeless, needs for permanent housing, transitional housing, services, and decreasing the number of homeless.
• Non-Homeless Special Needs - including elderly and frail elderly housing, persons with disabilities, and persons with alcohol or other drug addictions. Needs include housing rehab projects, affordable housing, community projects, and policy advocacy.

• Fair housing – Fifteen impediments were identified in the Analysis of Impediments to Fair Housing. These impediments resulted in the development of seven goals, which are included in the Strategic and Action Plan and listed below.

Goals

In addition to the goals set out by HUD, more specific local goals/action have been developed for homelessness and Fair Housing.

Lincoln's Continuum of Care (CoC) is a well-established coalition of homeless service providers. The CoC provided guidance and expertise in outlining the following homeless service strategies through the use of Emergency Solutions Grants.

• Reduce the length of time persons remain homeless.
• Reduce the number of people who move from homelessness to housing back to homelessness.
• Reduce the number of homeless people.
• Reduce the number of people who become homeless for the first time.

More information about Lincoln's CoC and their detailed planning efforts is available on the Urban Development Department website.

The City of Lincoln's Analysis of Impediments to Fair Housing analyzed a series of fair housing issues, took protected classes into consideration (i.e. race, color, religion, national origin, familial status, sex, and disability), identified contributing factors, and developed goals and meaningful actions to create more integrated and balanced living patterns and improve access to opportunity. Seven impediments with identified goals were included in the Strategic Plan and FY 20 Annual Action Plan:

1. Lack of affordable housing options
2. Lack of economical ways to preserve adequate housing stock
3. Lack of knowledge concerning fair housing
4. Lack of access to information about, affordable homeownership and rental opportunities throughout the city
5. Lack of access to education and information about policies affecting public transportation
6. Poor public perception of affordable housing, and neighborhoods with affordable housing
7. Poor access to identified community and neighborhood assets

FY 2020-21 Annual Action Plan Projects

The majority of CDBG and HOME funds is used for housing-related programs administered by the Livable Neighborhoods Division. However, some CDBG funding, also administered by Livable Neighborhoods staff, is used for projects in low- to moderate-income neighborhoods —
such as park improvements, assistance to Community CROPS for community gardens, and neighborhood commercial area streetscapes. Livable Neighborhoods Division staff facilitates and supports Lincoln's Homeless Coalition, a coalition of organizations that serve Lincoln's homeless and near homeless families and individuals.

For FY 2020, the Annual Action Plan identifies the use of $3,286,663 from CDBG, HOME and ESG for September 1, 2020 to August 31, 2021. Funding from CDBG and HOME program income is estimated to bring an additional $1,100,000 to be allocated to projects. Projects are listed below and include a description, and amount and source of funds.

**Housing Development Loan Program** $125,000 HOME
Assists Habitat for Humanity in acquiring lots for their volunteer-builds. The future home owner, at or below 50% of Area Median Income, is selected by Habitat and completes "sweat equity" before closing on the house.

**Lead-based Paint Mitigation** $100,000 CDBG
Grants for homeowners utilizing other City rehab programs where lead-based paint is present.

**Direct or Deferred Loan Program** $520,000 CDBG
Serves homeowners at or below 80% of Area Median Income within the Low- and Moderate-Income Area. These loans are available to address items to bring the house up to Housing Rehabilitation Standards.

**First Time Homebuyer Training** $40,742 CDBG
NeighborWorks-Lincoln provides training to prepare first-time homebuyers for homeownership.

**First Home Program** $851,697 HOME
Administered by NeighborWorks-Lincoln, it provides down payment assistance and housing rehabilitation funds for home buyers at or below 80% of Area Median Income after completion of home buyer training.

**Troubled Property Program** $176,577 HOME
Administered by NeighborWorks-Lincoln, blighted properties are acquired and redeveloped within the Neighborhood Revitalization Strategy Area and sold to homebuyers at or below 80% of Area Median Income who have completed home buyer training.

**Community Housing Development Organization (CHDO) Operating** $36,278 HOME
HUD required 5% operating funds provided to NeighborWorks-Lincoln.
<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
<th>Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Repair Loan Program</td>
<td>$590,030</td>
<td>CDBG</td>
</tr>
<tr>
<td>For households at or below 50% of Area Median Income to eliminate conditions which are an immediate threat to health and safety. The program is available city-wide as a 0% deferred loan.</td>
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<tr>
<td>Security Deposit Assistance</td>
<td>$25,000</td>
<td>HOME</td>
</tr>
<tr>
<td>Administered by the Lincoln Housing Authority for rental security deposits for homeless persons receiving housing vouchers.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Barrier Removal Program</td>
<td>$30,000</td>
<td>CDBG</td>
</tr>
<tr>
<td>Administered by the League of Human Dignity to complete housing modifications to meet ADA standards for households under 80% of Area Median Income.</td>
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<td></td>
</tr>
<tr>
<td>NeighborWorks Neighborhood Revitalization</td>
<td>$95,000</td>
<td>CDGB</td>
</tr>
<tr>
<td>Assists NeighborWorks-Lincoln Community Builders with neighborhood projects.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RESCUE</td>
<td>$300,000</td>
<td>HOME</td>
</tr>
<tr>
<td>Acquires blighted and vacant properties with code violations. The properties are redeveloped and sold to homebuyers at or below 80% of Area Median Income citywide.</td>
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<td></td>
</tr>
<tr>
<td>Neighborhood Public Improvements</td>
<td>$125,000</td>
<td>CDBG</td>
</tr>
<tr>
<td>Improvements directed by the City’s Livable Neighborhoods collaborative agenda with other City Departments, targeted to low- and moderate-income neighborhoods.</td>
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<tr>
<td>Code Enforcement</td>
<td>$100,000</td>
<td>CDBG</td>
</tr>
<tr>
<td>Code enforcement efforts in low- and moderate-income neighborhoods within the City’s priority areas including the NRSA, Antelope Valley and South of Downtown.</td>
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<tr>
<td>Community CROPS</td>
<td>$25,000</td>
<td>CDBG</td>
</tr>
<tr>
<td>Funding to assist low- and moderate-income people with community gardening.</td>
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<tr>
<td>Homeless Provider Landlord Housing Rehab</td>
<td>$25,000</td>
<td>CDBG</td>
</tr>
<tr>
<td>For landlords who choose to house those exiting homelessness. Funds are to rehab damaged units and to bring lower quality units up to standard for use by those exiting homelessness.</td>
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<tr>
<td>Homelessness Service Providers</td>
<td>$161,537</td>
<td>ESG</td>
</tr>
<tr>
<td>Grants to homeless service providers as identified by the Homeless Coalition, Lincoln’s Continuum of Care.</td>
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</tr>
<tr>
<td>Fair Housing</td>
<td>ADMIN</td>
<td>CDBG</td>
</tr>
<tr>
<td>Several of the projects listed above implement Fair Housing actions to address impediments to fair housing. Urban Development and community partners will</td>
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</tbody>
</table>
implement additional goals, including (but not limited to) fair housing education and enforcement, improved access to public transportation, and financial fitness/personal credit education.
Map 1: City Limits

City Limits - Lincoln, Ne
This Area Can Change Each Year - Currently Shown is 2017 Data

City of Lincoln - Urban Development Department: Kurt Elder 1-7874
Map 2: Low-to-Moderate Income Area (LMI)

2019 Low to Moderate Income (LMI) Areas
This Area Can Change Each Year - Currently Shown is 2019 Program Year (Data is 2011-2015 ACS)

City Limit (2019)  27th & O St  LMI AREA - 51.01% - 58.12% Low-to-Med-Income
Map 3: Neighborhood Revitalization Strategy Area (NRSA)
Map 5: South of Downtown

2018-2023 Priority Area: South of Downtown

City of Lincoln: UrbanDevelopment - Kurt Elder - 4024417874