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2022



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NC

ECONOMIC AND COMMUNITY DEVELOPMENT
CAPER
Consolidated Annual
Performance and
Evaluation Report



Consolidated Annual Performance Evaluation Report

Program Year 2022-2023



Economic & Community Development

City of Fayetteville, North Carolina

Telephone: (910) 433-1590

Email: EconCommDev@fayettevillenc.gov

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Program Year (PY) 2022-2023 Goals and Outcomes

Overview of progress made in carrying out the City's 2022-2023 Annual Action Plan

The 2022-2023 Consolidated Annual Performance and Evaluation Report (CAPER) evaluates the City of Fayetteville's performance for its 2022-2023 Annual Action Plan, which is the third annual plan of the City's 2020-2024 Consolidated Plan. This CAPER is for the period from July 1, 2022 to June 30, 2023. The City made progress toward meeting the goals identified in the annual action plan through its programming and coordination with community partners.

The City of Fayetteville addressed its goals and objectives through the implementation of programs and projects designed to meet its priorities identified under:

- **Housing Strategy Goal:** Improve, preserve, and expand the inventory of affordable housing for low- and moderate-income persons and families.
- **Community Development Strategy Goal:** Improve, preserve, and create new public and community facilities, infrastructure, and public services to ensure the quality of life for all residents.
- **Public Services Strategy Goal:** Improve and increase public service programs for the youth, the elderly, developmentally delayed, disabled, and target income population, including nutrition programs and social/welfare programs throughout the City.
- **Economic Development Strategy Goal:** Increase and promote job creation, job retention, self-sufficiency, education, job training, technical assistance, and economic empowerment of low- and moderate-income residents.
- **Homeless Strategy Goal:** Improve the living conditions and services and increase the availability of housing for homeless persons and families.
- **Special Needs Strategy Goal:** Improve, preserve, and expand opportunities and services for persons with special needs.
- **Planning & Administration:** Continue to provide sound and professional planning, program management, and oversight for the successful administration of federal programs.

The programs offered positively impacted the lives of homeowners, homebuyers, renters, people experiencing homelessness, small businesses, and those assisted by non-profit partners. The City continued using Community Development Block Grant (CDBG) funds for homeowner emergency home repairs, direct financial assistance for small businesses, job skill sponsorship grants, blight removal, homeless services and operations, and public service grants to non-profits.

HOME Investment Partnership Grant (HOME) funds were available for affordable housing developers and single family housing construction in partnership with a local Community Housing Development Organization (CHDO), Fayetteville Area Habitat for Humanity.

The City received its first allocation of Housing Opportunities for People with Aids (HOPWA) funds and contracted with a project sponsor, Robeson County Health Department, to provide tenant-based rental assistance and supportive services.

Expected vs. Actual Outcomes for Program Year 2022-2023

The table below illustrates each goal of the City’s Annual Action Plan, the category under which the goal falls, and the expected vs. actual impact from the 2022-2023 Program Year – otherwise referred to as “accomplishments”.

Goal	Category	Indicator	Unit of Measure	Expected – 2022-2023 Program Year	Actual – 2022-2023 Program Year	Program(s)
APM-1 Management	Administration	Other	Other	3	3	Administration for 3 grants
APM-2 Planning	Administration	Other	Other	3	3	Administration for 3 grants
CDS-1 Clearance	Non-Housing Community Development	Buildings Demolished	Buildings	6	4	Blight Removal
CDS-3 Public Services	Non-Housing Community Development	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	741	3100	Community Outreach, Family Reunification, Better Health, Cumberland HealthNet
CDS-5 Infrastructure	Non-Housing Community Development	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	10	4	Water & Sewer Assessment Fee Asst.
CDS-8 Revitalization	Non-Housing Community Development	Other	Other	15	1	Beautification

EDS-1 Employment	Non-Housing Community Development	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	235	202	Job Skills Training Sponsorship, ServiceSource, Veterans Bridge Home, CREST, FMHA Empowerment
EDS-1 Employment	Non-Housing Community Development	Jobs created/retained	Jobs	20	106	ServiceSource, Veterans Bridge Home, FMHA Empowerment
EDS-2 Financial Assistance	Non-Housing Community Development	Facade treatment/business building rehabilitation	Business	1	1	Façade Grant
EDS-2 Financial Assistance	Non-Housing Community Development	Jobs created/retained	Jobs	6	15	Business Asst. Loan
EDS-2 Financial Assistance	Non-Housing Community Development	Businesses assisted	Businesses Assisted	2	5	Façade & BAP Loan
EDS-3 Small Business Assistance	Non-Housing Community Development	Businesses assisted	Businesses Assisted	200	11	Small Business Technical Asst.
HOM-2 Operations/Support	Homeless	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	624	6658	Salvation Army number of meals served
HOM-2 Operations/Support	Homeless	Homeless Person Overnight Shelter	Persons Assisted	130	216	Salvation Army
HOM-3 Homeless Prevention	Homeless	Homelessness Prevention	Persons Assisted	120	1319	Connections of Cumberland County and FUM
HSS-1 Homeownership Assistance	Affordable Housing	Direct Financial Assistance to Homebuyers	Households Assisted	4	1	Homebuyer Assistance

HSS-2 Housing Construction	Affordable Housing	Rental units constructed	Household Housing Unit	45	10	The Landing at Beaver Creek
HSS-2 Housing Construction	Affordable Housing	Homeowner Housing Added	Household Housing Unit	3	0	FAHFH- five (5) houses under contract
HSS-3 Housing Rehabilitation	Affordable Housing	Homeowner Housing Rehabilitated	Household Housing Unit	96	77	FUM and FAHFH; 2 full rehabs
HSS-5 Housing Education	Affordable Housing	Public service activities for Low/Moderate Income Housing Benefit	Households Assisted	80	198	Homebuyer Education Workshops and Counseling
SNS-1 Housing	Non-Homeless Special Needs	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	50	0	Verifying Info.
SNS-1 Housing	Non-Homeless Special Needs	Housing for People with HIV/AIDS added	Household Housing Unit	2	0	Verifying Info.
SNS-2 Social Services	Non-Homeless Special Needs	HIV/AIDS Housing Operations	Household Housing Unit	50	0	Verifying info.

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

How funds (namely CDBG) were used to address the City’s 2020-2024 Consolidated and 2022-2023 Annual Action Plans

The City of Fayetteville administered and funded projects and activities in partnership with local nonprofit organizations using CDBG, HOME, and HOPWA funds to meet priorities and objectives identified in the 2020-2024 Consolidated Plan and the PY 2022 Annual Action Plan.

The City continued to partner with local developers to increase the supply of affordable housing by contracting with Fayetteville Area Habitat for Humanity, a certified CHDO, to construct five (5) single-family homes. One (1) of the five (5) houses was underway and 70% complete at the end of the program year. The Landing at Beaver Creek Apartments completed construction during the program year and added ten (10) new affordable rental units of the 72 units constructed. To improve the current housing stock, the City continued its funding of the emergency repair program, with 75 homes repaired in all by Fayetteville Urban Ministry and Fayetteville Area Habitat for Humanity. Two (2) full housing rehabilitation projects that began during the prior program year were completed during this program year. Another partner, Kingdom CDC, provided homebuyer education training and counseling to 198 potential first-time homebuyers, with one (1) homebuyer receiving down payment assistance. The City's

Blight Removal program improved neighborhoods by removing four (4) dilapidated structures.

The small business community was supported through technical assistance and direct financial assistance to five (5) small businesses, which resulted in 15 jobs created/retained (primarily for low- and moderate-income persons). In addition, the City sponsored 77 low- and moderate-income adult students in continuing their education at Fayetteville Technical Community College (FTCC). This educational experience will increase economic opportunities for these students and their families. Furthermore, several non-profits were funded to provide employment training, mentoring, and job placement services. There were 202 job seekers assisted, and resulted in 106 of those trained being placed in a job. Of those, 96 retained their job by the end of the program year.

Homeless prevention is a priority and, with the help of Connections of Cumberland County, a total of 1,300 female-headed households were assisted with utility deposits and rental payments. Operational support was provided to the Salvation Army that provided 6,658 meals to approximately 74 people per day. Salvation Army also housed approximately 216 homeless persons in overnight shelter. Through Fayetteville Urban Ministry's Emergency Assistance Program, 19 people in need of food, clothing, and homeless prevention were served. The City's Family Reunification and Direct Services Program reunited two (2) homeless persons with their families.

One (1) beautification project was completed in low- and moderate-income neighborhood. Our Neighborhood Engagement team was active in the community at various events, meetings, and other outreach activities that benefited our low- and moderate-income citizens. In partnership with Cumberland County Library, Fayetteville Cumberland Parks and Recreation, and Fayetteville Fire Department computer skills training classes and hands-only CPR classes were scheduled. Six sessions were held with twenty-eight citizens in attendance. Classes were held at Smith Recreation Center, Bill Crisp Senior Center, and JD Fuller Senior Center. The Water and Sewer Assessment Fee Assistance Program assisted four (4) low- and moderate-income homeowners with assessment fees and plumber hook-up fees.

Cumberland HealthNet assisted 220 and Better Health of Cumberland County assisted 138 uninsured or under-insured low- and moderate-income persons with medical care. Fayetteville Metropolitan Housing Authority's Empowerment Institute provided ten (10) public housing residents with construction skills training. All ten residents graduated the program.

Racial and Ethnic Composition of Assisted Families

The families assisted (including the racial and ethnic status of families assisted)

Table 2 – Table of assistance to racial and ethnic populations by source of funds

	CDBG	HOME	HOPWA
Race:			
White	3,021	2	9
Black or African American	25,747	10	70
Asian	18	0	0
American Indian or American Native	23	0	0
Native Hawaiian or Pacific Islander	4	0	0
Total	28,813	12	79
Ethnicity:			
Hispanic	89	1	0
Not Hispanic	29,413	11	81

As shown in the table, the majority of program beneficiaries were members of racial minority groups. The largest group served was “Black or African-American.” A much smaller but growing percentage of those assisted were of Hispanic ethnicity.

The numbers for CDBG are high due to the reported number of meals served to the homeless population and others in need. There were 27,010 meals served during the program year. Since this number is not a distinct number of families, it has some duplication. For this activity alone, there are 2,701 reported in the "White" category, 23,769 in the "Black or African American" category, and 540 in "Other/Multi-racial" that is not reflected in the table.

“Other/Multi-racial” has 600 persons not reflected in the "Race" category in the table for CDBG and HOPWA, but included in the "Not Hispanic" total. In addition, 42 other household members benefited from the HOPWA programs. Their racial status is not reflected in the table above, but is reported as 37 in the "Black or African American" category and the other five (5) as "Other/Multi-racial" category.

Community Outreach, Blight Removal and Beautification projects that were LMA focused didn't capture individual beneficiary data, but the areas that benefited as a whole included approximately 13,250 people.

Resources and Investments

The table below reflects the resources made available during the 2022-2023 Program Year

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	3,219,615	1,759,100
HOME	public - federal	3,951,861	968,820
HOPWA	public - federal	757,245	226,886
Other	public - local	270,309	0

Table 3 - Resources Made Available

The City of Fayetteville received \$1,607,129 in CDBG entitlement funds, \$1,081,233 in HOME entitlement funds, and \$757,245 in HOPWA entitlement funds for PY 2022. The City had a required local HOME match in the amount of \$270,309. The City also anticipated \$216,803 in CDBG program income and \$1,170,628 in HOME Program income. A total of \$1,395,683 of CDBG and \$1,700,000 of HOME prior year funds were also reallocated during this program year to fund various activities. In addition, the City continued to assist small business owners with \$16,423 of remaining Cares Act funds.

A total of \$1,640,768.48 of PY 2022 CDBG funds and \$118,331.23 prior year funds, including program income, were drawn by the end of the program year – totaling \$1,759,099.71 drawn during the program year. \$118,916.19 of PY 2022 CDBG expenditures were pending to be drawn at the submission of this report for final invoices for public service and housing activities. A total of \$122,894.96 CDBG program income was receipted and drawn in error when only \$88,840.59 should have been receipted and drawn. This difference in over-receipted program income was corrected by drawing entitlement funds in later draws.

A total of \$907,693.71 of HOME PI was received, but not yet drawn due to a HOME blocked activity and the suspension to draw HOME funds. The City was given permission to draw HOME funds near the end of the program year in order to catch up on HOME draws due to the delay with HUD's review of the HOME blocked activity.

Finally, the City expended 30% of its first HOPWA allocation and any remaining funds will be expended during the upcoming program year.

These funds were used to address the following priority needs:

- Housing
- Community Development
- Public Services
- Homeless
- Economic Development
- Planning & Administration

The geographic distribution and location of investments:

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation
Citywide-Other	70	65
Low- and Moderate-Income Areas	30	35
Murchison Road Corridor	10	5

Table 4 – The geographic distribution and location of investments

The activities and projects for PY 2022 were made available in both areas of the City with the highest percentages of low- and moderate-income persons and citywide in order to reach the highest percentage of those in need. The percent of low- and moderate-income benefit for the year is 100%. The geographic locations and the public benefit for the PY 2022 CDBG, HOME, and HOPWA Activities/Projects are as follows:

- **Homebuyers Education Program** – Citywide
- **Homebuyers Assistance** – Citywide
- **Single Family Housing Dev-CHDO** – Low- and Moderate-Income Areas
- **Emergency Rehab-FUM** – Citywide
- **Blight Removal** – Citywide; Murchison Road Corridor
- **Water & Sewer Assessment Fee Assistance** - Citywide
- **Beautification** - Low- and Moderate-Income Areas
- **Family Reunification and Direct Services**- Citywide
- **Salvation Army** – Citywide
- **Better Health of Cumberland County** - Citywide
- **Connections of Cumberland County** – Citywide
- **Cumberland HealthNet**- Citywide
- **Veterans Bridge Home**- Citywide
- **ServiceSource**- Citywide
- **Cumberland Residential & Employment Training**- Citywide
- **Fayetteville Metropolitan Housing Authority Empowerment Program**- Low- and Moderate-Income Areas
- **Business Assistance Loan** – Low- and Moderate-Income Areas; Murchison Road Corridor
- **Small Business Technical Assistance**- Low- and Moderate-Income Areas; Murchison Road Corridor
- **Job Skills Training Assistance** – Citywide
- **Community Outreach** – Low- and Moderate-Income Areas; Murchison Road Corridor

Leveraging

How the City leveraged outside resources to accomplish its goals and objectives

The City of Fayetteville partnered with local non-profit organizations and developers to meet goals and objectives identified in the annual action plan during the program year. The City leveraged the funds it received from HUD with other public and private resources. The City leveraged CDBG dollars to provide gap financing support to small businesses that created and retained jobs for low- and moderate-income persons. HOME funds leveraged affordable housing construction for both single family and multi-family development projects. The Economic & Community Development Department's activities are also funded in part by the City's general fund mainly for general administration and support. HOPWA funds were leveraged with Ryan White funds to serve eligible households during the program year.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	0
2. Match contributed during current Federal fiscal year	0
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	0
4. Match liability for current Federal fiscal year	0
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	0

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period	Amount received during reporting period	Total amount expended during reporting period	Amount expended for TBRA	Balance on hand at end of reporting period
\$	\$	\$	\$	\$
0	0	0	0	0

Table 7 – Program Income

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Dollar Amount	54,927	54,927	0	0	0	0
Number	1	1	0	0	0	0
Sub-Contracts						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0
	Total	Women Business Enterprises	Male			
Contracts						
Dollar Amount	54,927	0	54,927			
Number	1	0	1			
Sub-Contracts						
Number	0	0	0			
Dollar Amount	0	0	0			

Table 8 - Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition						
Parcels Acquired		0		0		
Businesses Displaced		0		0		
Nonprofit Organizations Displaced		0		0		
Households Temporarily Relocated, not Displaced		0		0		
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

Table 10 – Relocation and Real Property Acquisition

Affordable Housing

Evaluation of Affordable Housing Availability

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	109	87
Number of Special-Needs households to be provided affordable housing units	52	55
Total	161	142

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	50	55
Number of households supported through The Production of New Units	45	10
Number of households supported through Rehab of Existing Units	66	77
Number of households supported through Acquisition of Existing Units	0	0
Total	161	142

Table 12 – Number of Households Supported

Goals vs. Outcomes and the Issues in Meeting Set Goals

Goals referenced in the table for special-needs are for those estimated to be served for rental assistance, specifically with HOPWA funds, and the actual outcomes are not reflected in the table below since it only references CDBG and HOME. The HOPWA family income eligibility detail for the 55 rental assistance clients is reported under the HOPWA section of this report.

The City established goals for the following affordable housing projects/activities with CDBG and HOME funds:

- **Single Family Housing Development-CHDO** –Goal: three (3) single family houses constructed/Outcome: One (1) house under construction and at 70% completion at the end of program year with four (4) others pending construction
- **Emergency Home Repair**- Goal: 60 housing units/ Outcome: 75 housing units repaired
- **Housing Rehabilitation**- Goal: 6 housing units/ Outcome: 2 housing units rehabilitated

- **The Landing at Beaver Creek** – Goal 10 affordable units/ Outcome: 10 affordable out of 72 rental units constructed
- **New Affordable Housing Production** - Goal: 20 households/ Outcome: no houses constructed
- **HOPWA Rental Assistance**- Goal: 50 households/ Outcome: 55 households

Effects on future Annual Action Plans

The City partnered with Fayetteville Area Habitat for Humanity (FAHFH), a certified CHDO, to construct three (3) affordable single-family houses on Maloney Avenue in a qualified census tract. Only one of the three houses was under construction by the end of the program year. In addition, a second contract was executed at the end of the program year for two (2) additional houses that will result in a total of five (5) single family homes constructed in this area. The construction of all five (5) single-family homes should be completed during the 2023-2024 Annual Action Plan year and reported in the 2023-2024 CAPER.

In the 2021-2022 Annual Action Plan, the City allocated \$250,000 for a public facility activity for the Partnership for Children. Due to delays, the contract was executed during this program year and the completion of this activity is expected to be reported in the 2023-2024 CAPER.

Economic Breakdown of Households Served

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	35	3
Low-income	29	9
Moderate-income	11	0
Total	75	12

Table 13 – Number of Households Served

Affordable housing remains a constant priority for the City of Fayetteville and this is demonstrated in the various housing programs offered during the program year. The City hosted a developer workshop for potential partners to discuss opportunities with the City to meet common goals of affordable housing for our low- and moderate-income residents. The City will also continue to work with the Fayetteville-Cumberland County Human Relations Commission to provide fair housing, education and outreach.

To foster and maintain affordable housing, the City of Fayetteville administered CDBG, HOME, and HOPWA funded programs that met one of the following Five-Year Goals and Strategies:

- **HSS-1 Homeownership Assistance** - Promote and assist in developing homeownership opportunities for low- and moderate-income persons & families.
- **HSS-2 Housing Construction** - Promote and assist in the development of new affordable housing inventory, both rental and sales housing.

- **HSS-3 Housing Rehabilitation** - Promote and assist in the preservation of existing owner and renter occupied housing inventory in the City of Fayetteville.
- **HSS-4 Fair Housing** - Affirmatively further fair housing by promoting fair housing choice throughout the City of Fayetteville.
- **HSS-5 Housing Education** - Promote and assist in educating homeowners, tenants, landlords, and new homebuyers in best practices for purchase and maintenance of affordable housing rentals, including foreclosure and eviction prevention.

The City of Fayetteville has designated a Neighborhood Revitalization Strategy Area along the Murchison Road Corridor and will be leveraging resources for housing development in this area. The City and Fayetteville Metropolitan Housing Authority pursued and received a \$450,000 Choice Neighborhoods Initiative Grant to create additional affordable housing and to transform Murchison Townhouses in the Murchison Rd. corridor neighborhood. The final transformation plan was submitted to HUD in December of 2022. The City and Fayetteville Metropolitan Housing Authority will be pursuing a Choice Implementation Grant, as a Notice of Funding Opportunity (NOFO) is set to be released at the end of 2023¹.

Homeless and Other Special Needs

This section of the CAPER will seek to explain the City's progress in meeting its specific objectives for reducing and ending homelessness.

Outreach and Assessment of Needs:

The lead agency for the Fayetteville-Cumberland County Continuum of Care (CoC) is Cumberland County. Membership in the CoC is open to any stakeholder in the community, and membership is ultimately determined by the CoC Board. The Board sets priorities and strategies and is organized into work groups to provide feedback on the goals and strategies of the CoC. The Board encourages individuals who are homeless or formerly homeless to provide input at public CoC meetings that are held quarterly. The CoC has adopted Coordinated Entry, which is administered by Cumberland HealthNET, and has required all ESG recipients to adopt a Housing First model.

The City of Fayetteville, Cumberland County, partner agencies, and volunteers conducted the annual Point in Time (PIT) count February 2023 and found that 474 people were without permanent shelter in Cumberland County. The preliminary report of the homeless population during the 24-hour period provides a snapshot of both the sheltered and unsheltered homeless population in particular areas and not considered an exact count of homeless individuals. The total count of persons meeting the U. S. Department of Housing and Urban Development definitions of homelessness for 2023 is only one number less than the 475 counted in 2022.

The yearly count is a census of the homeless population during a single night. Volunteers count the number of sheltered and unsheltered people facing homelessness. The total is not intended to be an "exact count" of the county's homeless population.

Addressing the emergency shelter and transitional housing needs of homeless persons:

In PY 2022 the City allocated CDBG funds to support homeless shelter, homeless service providers, and other homeless support programs, which resulted in the following:

- **Family Reunification and Direct Services Program:** The City partnered with Cumberland HealthNet to connect people experiencing homelessness with their families by assisting with transportation to make that connection. Twenty-five people were reunified with their families during the program year.
- **Salvation Army:** The Salvation Army Homeless Shelter (The Haven) currently offers 54 beds and provides emergency shelter for individuals and families with children up to 90 days. In addition, during extreme weather conditions additional beds are added to their cafeteria with a minimum of 40 additional clients being sheltered totaling approximately 289 clients sheltered overall, including 23 "White Flag" nights. During this time, they can focus on increasing their income and finding suitable housing. Case management is tailored to household needs and connects them with community-based services. The Salvation Army, along with operating the shelter,

served 27,010 meals to the homeless and low- income with approximately 74 clients served per day throughout the year.

- **Fayetteville Urban Ministry Emergency Assistance Program:** This program places vulnerable people experiencing homelessness in temporary housing for two weeks and with intensive case management placed a total of 19 individuals in permanent housing during the program year.

The City leases a building to Manna Church, which currently operates as an overnight shelter. Volunteers and paid staff operate the center seven (7) days a week. It is open daily to homeless persons that need to shower, wash clothes, receive lunch, and receive other services during the day. The center has the capacity to house 20 male clients for overnight shelter. Overnight guests receive counseling that includes mental health services, veteran services, employment, and housing. The Dream Center operated by Manna served 21,850 meals and provided shower services to 826 individuals, while washing 519 loads of laundry for the individuals. Over 4,930 articles of clothing were provided by their clothing closet and 30 men were transitioned into permanent housing.

Helping low-income individuals and families avoid becoming homeless

The City allocated funding to the Connections of Cumberland County day resource center, which assisted 1,300 female-headed households, consisting of women and children, with referrals, counseling, utility deposits, and rental payments in order to prevent homelessness. The City also allocated funding to Fayetteville Urban Ministry for their Emergency Assistance Program, which provided 26 people with temporary housing and intensive counseling for permanent housing placement.

The City of Fayetteville allocated \$100,000 of its General Fund to jointly employ a Data and Evaluation Analyst with Cumberland County to fully implement the Homeless Management Information System (HMIS). A portion of the funds were made available to provide homeless prevention and rapid re-housing services.

The Salvation Army operates the North Carolina Low Income Energy Assistance Program (LIEAP), a Federally-funded program that provides a one-time vendor payment to help eligible households pay their heating bills. Additionally, the Salvation Army operates the CIP Program (Crisis Intervention Program), which pays past due utility bills. The fund serves as a homeless prevention activity by offering up to \$600 a year to low income citizens who have a critical need for heating and cooling due to family health issues. The Salvation Army manages the programs for the Department of Social Services.

Helping homeless persons make the transition to permanent housing and independent living

The Fayetteville-Cumberland County CoC has not yet included the Housing First model in its written standards, though this change is being discussed. The CoC has implemented Coordinated Entry, with Cumberland HealthNet acting as the lead entity. Coordinated Entry evaluates the individuals and directs them towards services that best meet their needs. There is a need for more rapid rehousing in the area, as care providers calculate that approximately 80% of the homeless population needs only to be

rehoused in order to become stabilized.

The City continues with its plan to open a Day Resource Centerⁱⁱ intended to help those experiencing homelessness in Fayetteville with a support services and a place to stay during the day. Plans for the center include shower and laundry facilities, as well as a warming kitchen and offices. There will be computers for use and areas to charge their devices. The facility will also operate as a shelter after emergencies like hurricanes or flooding. The site has been acquired and is expected to be completely renovated and operable by August 2023. The City will partner with Cumberland HealthNet to manage the day-to day operations of the Day Resource Center.

Public Housing

How the City is addressing public housing needs

During 2020, the City of Fayetteville, in partnership with the Fayetteville Metropolitan Housing Authority (FMHA), applied and received a HUD Choice Neighborhoods Planning Grant for the Murchison Road Corridor. The approved application identified FMHA's Murchison Townhouses property as a Target Housing Site for redevelopment. The \$450,000 planning grant award will help the City and FMHA address the clear inequities that exist within the community and build significant positive momentum for revitalization. The planning process has been a two-year schedule of events including community meetings and steering committee meetings to collaborate and collectively create a transformation plan for the community. The final plan was submitted to HUD December 2022.

The Fayetteville Metropolitan Housing Authority has determined the needs for its properties through interviews with its Resident Advisory Board. The FMHA maintains a Five Year Plan for its PY 2019 through PY 2023 Public Housing Capital Fund Program Grant.

Encouraging self-sufficiency and self-advocacy in public housing residents

According to the Five Year and Annual Plan for 2019-2023, FMHA's goal is to cooperate with the City of Fayetteville, Cumberland County, and other neighborhood partners to promote neighborhood revitalization and economic development in designated areas of the City. FMHA's Resident Advisory Board has actively contributed to the FMHA's 2019-2023 Five Year and Annual Plans.

Section 8 Voucher Holders have the opportunity to participate in Section 8's Family Self-Sufficiency Program. The first part of the program is the Self-Sufficiency program where participants have the opportunity to work toward meeting its goals that they set for their families, as well as save money that will become theirs when those goals are reached. The second part of the program is the Homeownership Program, in which a Section 8 participant can choose to use his or her Section 8 voucher to assist with the purchase and payment of a home.

Family Self-Sufficiency (FSS) is a voluntary HUD program, and anyone currently on the Section 8 Housing Choice Voucher program is eligible to participate. FSS offers a financial incentive to families through an escrow account, which is based on an increase in a families earned income, which would result in an increase in the portion of rent that the family pays each month. For example, if a family member begins working 40 hours per week, and the families rent increase \$25.00 dollars per month, that \$25.00 dollars goes into an escrow account that the Housing Authority establishes for the family. This account becomes available to the family when the family successfully completes their FSS Contract of Participation. Depending upon each participant's situation, the FSS Program can connect tenants with job training, resource planning, credit repair resources, basic skills education, high school equivalency (GED) programs, post-secondary education, and assistance with securing meaningful employment. Advisors provide emotional support, case management, and personalized assistance.

Providing assistance to troubled Public Housing Authorities (PHA)

The Fayetteville Metropolitan Housing Authority is not designated as a troubled housing authority. FMHA is continuing to meet its goals by securing funding through RAD (rental assistance demonstration) conversion, development of Section 8 Project-Based Voucher Developments, and revitalization of its existing units.

Other Actions

Actions taken to remove the negative effects of public policies that serve as barriers to affordable housing

In PY 2022, the City continued to improve and increase outreach efforts to low- and moderate-income residents with additional Neighborhood Engagement staff participating with community events, meetings, and other outreach opportunities.

In partnership with Cumberland County Library, Fayetteville Cumberland Parks and Recreation, and Fayetteville Fire Department, computer skills training and hands-only CPR classes were held. Six sessions were held, with twenty-eight citizens in attendance. Classes were held at Smith Recreation Center, Bill Crisp Senior Center, and JD Fuller Senior Center.

The City's Neighborhood Engagement team engaged with the citizens of Fayetteville at several community events during the program year, including the Dogwood Festival, two Operation Ceasefire's Movie Nights, The Tulsa Initiative's Youth Summit at Fayetteville State University, and R.O.O.T.S. Mentoring's Community Field Day at Westover Recreation Center.

Actions taken to address obstacles to meeting underserved needs

The City continued to partner with Fayetteville Urban Ministry to provide emergency home repairs by funding their Nehemiah Project. Not only was funding increased for emergency repairs, but the City also partnered this year with Fayetteville Area Habitat for Humanity to operate their emergency repair program.

As supplies and construction costs continue to increase, the City continues to fund housing activities with a local CHDO and housing developers to increase the supply of affordable housing. This program year, funding was provided to support the development of five (5) single family homes for homebuyers and ten (10) affordable rental units. The first of the five (5) homes was at 70% completion by the end of the program year. The ten (10) affordable rental units were leased during the program year.

Actions taken to reduce lead-based paint hazards

For any housing rehabilitation program using Federal funds, the City of Fayetteville ensures that:

- Applicants for rehabilitation funding receive the required lead-based paint information and understand their responsibilities.
- Staff properly determines whether proposed projects are exempt from some or all lead-based paint requirements.
- The level of federal rehabilitation assistance is properly calculated and the applicable lead-based paint requirements determined.

- Properly qualified personnel perform risk management, paint testing, lead hazard reduction, and clearance services when required.
- Required lead hazard reduction work and protective measures are incorporated into project rehabilitation specifications.
- Risk assessment, paint testing, lead hazard reduction, and clearance work are performed in accordance with the applicable standards established in 24 CFR Part 35.
- Required notices regarding lead-based paint evaluation, presumption, and hazard reduction are provided to occupants and documented.
- Program documents establish the rental property owner's responsibility to perform and document ongoing lead-based paint maintenance activities, when applicable.
- The contractor handbook includes guidelines prohibiting the use of lead-based paints in new construction and citing safety regulation 40 CFR Part 745 for housing rehabilitation.

Program staff monitors owner compliance with ongoing lead-based paint maintenance activities, when applicable.

Actions taken to reduce the number of poverty-level families

The City's anti-poverty strategy is based on attracting a range of businesses and supporting workforce development, including job-training services for low-income residents. The City allocates a large portion of CDBG funding to economic development activities in order to provide programs that lift families out of poverty and support small business development.

In addition, the City continues to partner with local social service organizations that target low-income residents:

- Job skills training sponsorship grants provided in partnership with Fayetteville Technical Community College (FTCC)
- Employment training, mentoring, and job placement in partnership with local nonprofits to include ServiceSource, Cumberland Residential and Employment Services and Training, and Veterans Bridge Home
- Economic development activities along the Murchison Road Corridor and lower income areas within the City limits
- Homeless prevention services with Connections of Cumberland County and Fayetteville Urban Ministry
- Medical services made available to under- and uninsured low- and moderate-income persons by partnering with Better Health of Cumberland County and Cumberland HealthNet
- Community outreach to promote available programs and resources

Actions taken to develop institutional structure

The City of Fayetteville works with the following agencies to enhance coordination:

- **City of Fayetteville – Economic & Community Development** - oversees the CDBG, HOME, and HOPWA programs.
- **Fayetteville Metropolitan Housing Authority** - oversees the improvements to public housing communities, the Section 8 Housing Choice Voucher Program, and the FMHA Empowerment Institute that provides self-sufficiency and training to public housing tenants.
- **United Management II and Halcon Companies** - oversees development of affordable housing through Low-Income Housing Tax Credits (LIHTC).
- **Social Services Agencies** - addresses the needs of low- and moderate-income persons through funding from the City.
- **Housing Providers** - rehabilitates and develops affordable housing for low- and moderate-income families and individuals through funding from the City.
- **Cumberland County Department of Social Services** - provides mainstream social services to individuals and families in the City of Fayetteville and Cumberland County.
- **Cumberland County** - oversees the Continuum of Care for Fayetteville-Cumberland County.
- **Robeson County Health Department** – administers HOPWA funds and direct program services.

As part of the CDBG and HOME application planning process, local agencies and organizations are invited to submit proposals for CDBG, HOME, and HOPWA eligible activities. These groups participate in the planning process by attending public hearings and informational meetings, and by completing survey forms.

Actions taken to enhance coordination between public/private housing and social services

Public Institutions: The City acts as a clearinghouse and facilitator for many of the activities described in the annual action plan. As the local unit of government, the City is empowered to apply for and administer certain types of grants. Support from the City, expressed as a certification of consistency or some other instrument, may be all that is required for some activities. Other activities will involve the more direct participation of the City for funding, acquisition of land or buildings, or in convening meetings of various agencies. The City will continue to administer the CDBG, HOME, and HOPWA programs.

The Fayetteville Metropolitan Housing Authority administers public housing and Section 8 Housing Choice Voucher programs throughout the City. FMHA is responsible for the management and maintenance of public housing units, and continues in its efforts to modernize these public housing units in order to provide decent, affordable housing in the City.

Non-Profit Organizations: Non-profit housing agencies play a role in the implementation of the City's annual action plan. These agencies access financing sources, such as the Low Income Housing Tax Credit,

Golden LEAF funding, and charitable contributions, to increase the supply of affordable housing through the construction of new housing and the rehabilitation of existing units. While some groups focus on the rehabilitation of single units for resale to first time homebuyers, others have attempted to create assisted rental developments. In the future, the union of such groups and social service agencies that serve specific special needs populations will address the Five Year Consolidated Plan strategy for creation of supportive housing and affordable housing opportunities.

Non-profit educational institutions provide an important partnership for the City. The City is pursuing a partnership with Fayetteville State University to provide job training for residents of the Murchison Road Corridor. This partnership will form a key link in the development of a Neighborhood Revitalization Strategy Area, and has laid the groundwork for the Choice Neighborhoods Initiative grant the City received in the amount of \$450,000.

Social service agencies are a link between the provision of housing and the population it is intended to serve. These agencies work directly with providers of services to persons with special needs, such as mental health, intellectual disability, elderly, drug and alcohol addiction, and families at-risk of homelessness. Although social service agencies cannot provide housing, they can direct housing efforts where needed and are integral in the planning of housing and services for target populations. The Salvation Army, which is an emergency shelter, and Family Endeavors, which is transitional housing, will continue to provide shelter for the homeless.

Private Industry: The City has multiple programs to assist in job development and retention that are targeted toward private businesses. Small business consulting, loans, and grants are designed to assist entrepreneurs in areas with high low- and moderate-income populations. Additionally, larger financial incentive programs are implemented by the City to recruit businesses that provide jobs that pay decent wages for residents of the City.

Actions taken to overcome the effects of any impediments to fair housing choice

During PY 2022 the City of Fayetteville funded activities/projects that affirmatively further fair housing, including:

- Assistance with rehabilitation costs for lower income homeowners
- Funds for emergency housing rehabilitation
- Funds for down payment assistance for first-time homebuyers
- Funds for education and community outreach for fair housing
- Funds for the prevention of homelessness and provision of resources to at-risk populations
- Housing education and counseling services for first-time homebuyers
- Funds for project financing and related costs for affordable housing developments

Monitoring

Standards and procedures used to monitor Consolidated Plan activities and program compliance

The City of Fayetteville allocates CDBG, HOME, and HOPWA funds annually to implement actions designed to accomplish goals and objectives that meet community needs identified in its Consolidated Plan. Consequently, the City is responsible for ensuring that funding recipients comply with applicable regulations and requirements governing their administrative, financial, and programmatic operations. In accordance with 24 CFR 91.230, the City utilizes a local monitoring and compliance plan that describes the standards and procedures that will be used to monitor activities carried out in each One-Year Action Plan and will be used to ensure long-term compliance with requirements of the programs involved.

The City's monitoring and compliance plan is designed to accomplish the following objectives:

- To determine if project activities are consistent with the service agreement and conducted in a timely manner.
- To determine the eligibility of costs charged to the project under applicable laws and CDBG/HOME regulations, and reasonability in light of the services or products delivered.
- To determine if activities are conducted with adequate control over program and financial performance and in a way that minimizes opportunities for waste, mismanagement, fraud, and abuse.
- To assess if the subrecipient/CHDO has continuing capacity to carry out the approved project.
- To identify potential problem areas and to assist the subrecipient/CHDO in complying with applicable laws and regulations.
- To assist subrecipient/CHDO in resolving compliance problems through discussion, negotiation, and the provision of technical assistance and training.
- To provide adequate follow-up measures to ensure that performance and compliance deficiencies are corrected by subrecipient/CHDO, and not repeated.
- To ensure that the maintenance of required records is accomplished.

The monitoring visit is followed with written a report detailing concerns, comments, and/or recommendations for improvement. In addition to on-site visits, the City also monitors subrecipient activities through the review of reports and draw requests. Each subrecipient is required to submit monthly or quarterly written reports on the progress of their CDBG, HOME or HOPWA-funded activities. These reports indicate how well the subrecipient is performing against the targets set in the grant agreement. They submit requests for reimbursement of project expenses as needed (usually monthly or quarterly) with sufficient evidence to support the request (e.g. copies of payrolls or paid invoices). Reimbursements are made after the expense has been incurred and reviewed for eligibility by the City. Particular attention is paid to compliance with eligibility and National Objective requirements. Other areas of emphasis during monitoring visits are project performance, contract compliance, financial management, record management, procurement practices, and compliance with civil rights requirements.

Citizen Participation Plan

Efforts to provide citizens with reasonable notice and opportunity to comment

The CAPER draft is made available for a minimum 15-day review and comment period. The comment period for the PY 2022 CAPER was from September 12, 2023 ending September 27, 2023. No comments were received.

The City of Fayetteville provides opportunity for the public to comment on its reports consistent with the City's Citizen Participation Plan. Notices of the Consolidated Annual Performance Evaluation Report, Consolidated Plan, One Year Action Plan and any amendments are advertised in the Fayetteville Observer (local newspaper) and on the department's website. These reports and plans are available for review during the review and comment period in the department, on the City's website, and in strategic locations throughout the City. The locations for this CAPER included the Cumberland County Courthouse, Headquarters Library, Cliffdale Recreation Center, Cliffdale Library, and six other recreation centers throughout the City. The City considers all comments received.

CDBG (Community Development Block Grant)

Changes in program objectives

As needs arise, the City is prepared to amend its plan to meet an urgent need and/or repurpose funds to meet an objective. The City amended its 2020-2024 Consolidated Plan to include a revised HOME Resale and Recapture Policy.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

N/A

HOME Investment Partnership Grant

Results of on-site inspections of affordable rental housing assisted under the program

The City of Fayetteville conducted on-site rental property inspections for the 2022-2023 program year between February 7-14, 2023. Seventeen HOME-funded multi-family housing development projects were inspected. Three (3) years of tenant rent rolls and a random number of units at each apartment complex were selected for physical inspection. As a result of the review, it was determined that they were in compliance with HOME affordability and project requirements.

Assessment of affirmative marketing actions for HOME units

The City requires developers utilizing HOME funds to agree to develop and implement an approved Affirmative Marketing plan. This plan must be used to demonstrate steps being taken to provide information to and attract eligible persons from all racial, ethnic and gender groups in the housing market to available housing. As the HOME program units in this area remain occupied and are seldom vacant, the City's Affirmative Fair Marketing plan has been very effective.

The Landing at Beaver Creek Apartments, which were completed during the program year, had ten (10) of the 72 multi-family rental units constructed using HOME funds. All ten (10) units were available to and leased to minority persons.

HOME program income used for housing programs and activities

The City of Fayetteville received a total of \$907,693.71 in HOME program income for housing activities during the PY 2022 program year. Those that benefitted from housing programs are as follows:

For the Owner Occupied Housing Rehabilitation Program, there were home repairs completed for two (2) elderly and minority-owned housing units from the prior program year. A City-certified Community Housing Development Organization (CHDO), Fayetteville Area Habitat for Humanity, started construction on the first of five (5) single family houses on Maloney Ave. In addition, Fayetteville Area Habitat for Humanity and Fayetteville Urban Ministry combined completed 73 emergency home repairs for low- and moderate-income homeowners. The Landing at Beaver Creek affordable rental complex completed construction and added ten (10) new affordable rental units, with all units occupied.

Of the 87 households that benefitted from the housing activities mentioned above, 86% are in a minority racial or ethnic category. Of those, 11 are moderate-income, 38 are low-income, and 38 are extremely low-income.

Other actions taken to foster and maintain affordable housing

The City continues to explore opportunities for providing additional affordable housing to its low- and moderate-income citizens. Funding assistance for developers is provided in the form low interest loans

that not only generate program income annually, but all of which have scheduled end-of-term lump sum principal balloon payments due as an additional source of program income.

One (1) multi-family project pending start is Cliffmore Park that will add 72 housing units, with ten (10) of the units identified as HOME-assisted affordable rental units.

The City developed and implemented a Homebuyer Assistance Program to assist first time homebuyers with down payment, closing costs, and gap financing. This program provides up to \$20,000 in a 0% interest, deferred loan. The program officially launched in May 2022, with outreach and marketing to area lenders and Realtors. One (1) loan was approved and closed during the program year.

The City partnered with Kingdom Community Development Corporation to provide monthly, in-person homebuyer education workshops. Kingdom CDC is a HUD-approved Housing Counseling Agency, and completion of the 8-hour workshop enables participants to qualify for the Homebuyer Assistance Program. The workshops prepared 198 persons for first-time homeownership during this program year.

City Council authorized the \$12.3 million Housing Trust Fund that launched this program year with a notice of funding availability to provide gap financing for the rehabilitation or construction of single-family or multi-family rental housing.

HOPWA (Housing Opportunities for Persons With AIDS)

HOPWA Assisted Households, Goal vs. Actual

The table below reflects the goal vs. actual number of households that were provided with housing through the use of HOPWA-funded activities. These activities include short-term rental/mortgage/utility assistance, tenant-based rental assistance, and units provided in housing facilities that were developed, leased, or operated with HOPWA funds.

Number of Households Served Through:	One-year Goal	Actual
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	0	28
Tenant-based rental assistance	50	50
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	2	3
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0	0

Table 14 – HOPWA Number of Households Served

The City of Fayetteville received its first HOPWA allocation during the 2022-2023 program year. A contract was executed with a project sponsor, Robeson County Health Department, that assisted 81 eligible households. There were 28 households served with short-term rent, mortgage, and utility assistance. There were 50 households served with tenant-based rental assistance. Three (3) households were placed in permanent housing. A total of 44 of these households received case management supportive services.

Section 3

Assistance provided and the number of individuals assisted (No activity to report)

Total Labor Hours	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	0	0	0	0	0
Total Labor Hours	0	0	0	0	0
Total Section 3 Worker Hours	0	0	0	0	0
Total Targeted Section 3 Worker Hours	0	0	0	0	0

Table 15 – Total Labor Hours

Qualitative Efforts - Number of Activities by Program	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers	0	0	0	0	0
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.	0	0	0	0	0
Direct, on-the job training (including apprenticeships).	0	0	0	0	0
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.	0	0	0	0	0
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).	0	0	0	0	0
Outreach efforts to identify and secure bids from Section 3 business concerns.	0	0	0	0	0
Technical assistance to help Section 3 business concerns understand and bid on contracts.	0	0	0	0	0
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.	0	0	0	0	0
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.	0	0	0	0	0
Held one or more job fairs.	0	0	0	0	0
Provided or connected residents with supportive services that can provide direct services or referrals.	0	0	0	0	0
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.	0	0	0	0	0
Assisted residents with finding child care.	0	0	0	0	0
Assisted residents to apply for, or attend community college or a four year educational institution.	0	0	0	0	0
Assisted residents to apply for, or attend vocational/technical training.	0	0	0	0	0
Assisted residents to obtain financial literacy training and/or coaching.	0	0	0	0	0
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.	0	0	0	0	0
Provided or connected residents with training on computer use or online technologies.	0	0	0	0	0
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.	0	0	0	0	0
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.	0	0	0	0	0
Other.	0	0	0	0	0

Table 16 – Qualitative Efforts - Number of Activities by Program

ⁱ The Choice Implementation Grant NOFO was released and, at time of the publication of this document, the City is actively pursuing the award of this grant funding in order to further its goals.

ⁱⁱ At the end of PY 22-23, the City had not yet opened its Day Resource Center. The Day Resource Center opened in August of 2023, which is considered part of Program Year 2023-2024, and thus will be included in the CAPER for that program year.