

**CITY OF BAYTOWN  
COMMUNITY DEVELOPMENT  
BLOCK GRANT (CDBG)  
ACTION PLAN  
FY 2007-08  
B-07-MC-48-0033**

**PREPARED BY**  
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**CITY OF BAYTOWN**  
**CDBG ACTION PLAN 2007-2008**  
**B-07-MC-48-0033**

**INTRODUCTION**

The City of Baytown's Consolidated Annual Action Plan for 2007-2008 (B-07-MC-48-0033) sets forth a specific plan for the investment of funds to support housing, public improvements and infrastructure and support services for special-needs populations during the 2007 federal fiscal year. This Plan was developed under the guidelines established by the U.S. Department of Housing and Urban Development (HUD) and serves as the application for the Community Development Block Grant Program. The Action Plan (Plan) was developed independently of the CPMP Tool. However, the Plan includes all of the questions outlined in the CPMP Action Year 3 file and the project tables are from the CPMP Excel file.

The City of Baytown's Action Plan focuses on increasing the supply of safe, decent housing and improving neighborhood conditions in the CDBG target areas. It also outlines goals for the number of individuals and households to be served, where possible. Baytown's major five-year housing and community development needs and objectives, as identified in the Consolidated Plan, are as follows:

1. Conserving and improving the housing stock;
2. Expanding housing development and housing opportunities;
3. Providing essential infrastructure improvements;
4. Providing assistance in clearing blighted areas;
5. Providing assistance in the administration of public services;
6. Providing economic development and anti-poverty assistance; and
7. Promoting equity and accessibility in Baytown through the planning and administration of Community Development programs.

This Action Plan employs the Consolidated Plan's priorities by:

- Continuing the rehabilitation of existing owner-occupied single-family dwellings;
- Continuing to provide direct homeownership assistance through closing costs and homebuying counseling workshops;
- Providing infrastructure improvements and development in CDBG target areas by repairing dilapidated sidewalks;
- Continuing the program of clearance and demolition throughout the city on a spot basis;
- Supporting literacy programs for functionally illiterate, low-income individuals;
- Providing transportation services for income-eligible disabled and senior citizens;
- Assisting victims of domestic violence with becoming self-sufficient from a shelter environment; and
- Providing assistance to neighborhood organizations for youth activities and adult education.

There are no Urgent Needs projects proposed in this Action Plan.

**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
FY07 PROJECTED USE OF FUNDS**

AGENCY	PROJECT	BUDGET
<b>PUBLIC FACILITIES &amp; IMPROVEMENTS</b>		
COB Public Works	Sidewalk, Curb & Alleyway Repairs	62,049
<b>Total Public Facilities</b>		<b>62,049</b>
<b>PROPERTY CLEARANCE</b>		
Habitat for Humanity	Alamo Habitat Village	8,000
COB Planning	Substandard Structures Abatement	115,535
<b>Total Property Clearance</b>		<b>123,535</b>
<b>HOUSING ACTIVITIES</b>		
COB Planning	Homebuyers' Assistance	152,446
COB Planning	Owner-Occupied Housing Rehabilitation	332,808
COB Planning	Residential Sewer Line Repair/Replace	76,050
<b>Total Housing Activities</b>		<b>561,304</b>
<b>PUBLIC SERVICES (15% CAP MAX) = \$144,817</b>		
COB Planning	Homebuyers' Counseling Workshops	3,600
Baytown Family YMCA	Swim Safe & Life Guard Training	2,500
Our Promise For West Baytown	Children, Youth & Family Outreach	9,092
Sterling Municipal Library	Adult Literacy Project	35,000
New Horizon Family Center	Project First Step	12,000
Baytown Resource & Assistance Center	Clothing for School Children	12,000
COB Planning	Senior/Disabled Transportation	51,922
<b>Total Public Service Activities</b>		<b>126,114</b>
<b>PROGRAM ADMINISTRATION (20% CAP MAX) = \$181,940</b>		
COB Planning	CDBG Administration	169,592
<b>Total Program Administration</b>		<b>169,592</b>
<b>TOTAL FY07 CDBG FUNDS BUDGETED</b>		<b>1,042,594</b>

## SOURCES OF FUNDS/AVAILABLE RESOURCES

The City of Baytown relies on federal entitlement Community Development Block Grant funds to implement the priorities established in the Consolidated Plan. There are no other federal resources received by the City of Baytown. The FY07 budget has been prepared based on the anticipated resources below:

### *Federal*

2007-2008 CDBG Entitlement	850,306
Program Income -Program Lien Payments	59,396
<u>Reprogrammed Funds</u>	<u>132,892</u>
Total Federal Funds Available	1,042,594

As indicated, the federal funds available are generated from the CDBG entitlement, program income, and reprogrammed funds. The formula entitlement has steadily decreased over the past few years. This year's allotment is \$988 less than last year. The program income is produced from liens being paid as a result of transferring property during the affordability period of housing projects. The housing programs are designed to recapture funds if the original recipient fails to remain in their home for five years. Funds are also returned if a homeowner refinances their property within five years. Another source of program income is from previous demolition and vacant lot clearance projects. The liens for demolition projects remain intact until completely paid, which is usually when the property is sold. The reprogrammed funds were originally awarded in previous years and will not be spent. Those remaining unspent funds have been recaptured for the 2007-08 budget. See *Exhibit A* that depicts how the available funds are distributed to each proposed project.

Other federal funds received in Baytown, but not administered by the City of Baytown, include Section 8 Housing Assistance and Low Income Housing Tax Credit funding. The Baytown Housing Authority receives \$5,012,019 to administer 727 Housing Choice Vouchers. In the past 2½ years, there have been 4 Low-Income Housing Tax Credit projects that have opened and/or under construction yielding 836 units. The total amount of funds for these projects is \$3,438,865.

Bay Area Homeless Services does not currently receive any funds from the McKinney-Vento Homeless Assistance Act. They had minimal funding nearly three years ago. New Horizon Family Center also reports that they have not received funds from the McKinney-Vento Homeless Assistance Act in over five years. Both indicated that they may apply for McKinney-Vento funding in the future.

### *Other (Private and/or Non-Federal Public Sources)*

While CDBG entitlement allocations do not require matching funds, the City of Baytown strives to use funds from other sources to leverage CDBG funds to the greatest extent possible. Listed below are the CDBG Priority Needs and the specific proposed activities that will receive funding from other sources (with information about the source and amounts of those funds):

- *Infrastructure:* Sidewalk, Curb & Alleyway Repairs – the Public Works' general fund budget will provide \$139,951 for the salaries and benefits of a 3-man crew to make necessary repairs. Funds will also be used for the crews' supervision and the costs for necessary heavy equipment.

- *Other:* Substandard Structures Program – the program will be increased by \$25,000 in general funds to address additional dilapidated structures.
- *Other:* Alamo Habitat Village – Habitat for Humanity will provide additional funds to complete the clearance, if necessary.
- *Economic Development:* Adult Literacy Program – the Literacy Program receives grants, donations and in-kind contributions from several organizations/individuals, including the City of Baytown general fund. The program expects to receive approximately \$49,407 to supplement their efforts during the year.
- *Public Services:* Our Promise for West Baytown – this non-profit organization utilizes grants and donations for its annual budget of \$113,390 to fund personnel and other expenses in an effort to assist the West Baytown neighborhood.
- *Public Services:* Baytown Family YMCA – the agency will use other funding sources for staff and supplies to administer the program of at least \$6,000.
- *Public Services:* Baytown Resource & Assistance Center – the agency receives nearly \$82,000 from the school district and United Way to provide additional clothing and shoes for low-income school children.
- *Homeless:* New Horizon Family Center – the organization receives numerous grants to operate the shelter and provide necessary services to victims of domestic violence.
- *Owner Occupied Housing:* Owner-Occupied Housing Rehabilitation and Residential Sewer Line Repair – the permit and municipal tap fees will be waived for each project as an in-kind donation from the City’s general fund.

During FY2007, at least \$415,748 in additional funding will compliment the successful execution of Baytown’s CDBG-funded programs, not including the in-kind services of other City departments and non-profit organizations.

### **GEORGRAPHIC DISTRIBUTION**

The geographic area covered by this Action Plan is the City of Baytown, Texas. Baytown is located in east Harris and west Chambers Counties. It lies near the Texas Gulf Coast along the north side of Galveston Bay and east of the Houston Ship Channel. Baytown is part of the Houston Metropolitan Area, with downtown Houston only 20 miles west. Select areas within Baytown are designated as CDBG target areas based on the percent of low-moderate income residents. These areas are occupied by at least 51 percent low-moderate income residents.

Programs specific to community appearance and upkeep are targeted at older neighborhoods in the southern and western portions of the City, which are the CDBG target areas. The older neighborhoods are plagued with dilapidated housing, aged infrastructure and blighted conditions. The programs in this Action Plan that specifically address these areas are the Sidewalk, Curb & Alleyway Repair and Alamo Habitat Village Programs. The Swim Safe Program operated by the Baytown Family YMCA and assistance to Our Promise for West Baytown also provide services to persons in the CDBG target areas to improve the area’s livability. The Library Literacy Program is located in the target area as well. The Substandard Structures Abatement Program is operated citywide on a spot basis to prevent blight. However, a great majority of the projects in this program are located in the target areas.

The target areas are not only occupied by low-moderate income residents, but also have a higher percentage of minority concentration. The following chart shows the target areas, by census

tract, where a concentration of low-income residents coincides with the dominant ethnic/racial minorities throughout the City of Baytown:

**CDBG TARGET AREA CENSUS TRACTS AND ETHNIC MINORITIES**

<b>CENSUS TRACT</b>	<b>% OF LOW INCOME PERSONS</b>	<b>% OF BLACK PERSONS</b>	<b>% OF HISPANIC PERSONS</b>	<b>% OF OTHER MINORITIES</b>
2541	60.9	10.8	43.4	0.9
2543	56.6	7.5	47.4	0.7
2545	73.5	22.4	69.2	1.3
2542	55.3	7.5	59.7	1.0
2544	68.9	14.1	67.1	0.6
2546	64.3	13.0	66.1	1.1
Baytown	15.5*	13.4	34.2	1.6

SOURCE: 2000 Census. \*Individuals below poverty level.

While other proposed activities are not geographically centered, they are designed to directly assist the residents of which, a majority reside in the target areas. The Owner-Occupied Housing Rehabilitation Program, the Homebuyer’s Assistance Program, the Residential Sewer Line Repair Program, the Literacy Program, the Senior/Disabled Citizens Transportation Program, and services of New Horizon Family Center and the Baytown Resource & Assistance Center are available citywide to all low-moderate income citizens. Assistance provided by Our Promise for West Baytown and Swim Safe is available to citizens in the low-income neighborhood of West Baytown. The recipients of these programs are typically ethnic/racial minorities, and/or disabled and elderly, as well as low-income. See *Exhibit B* for the map of the CDBG target areas.

**PLAN DEVELOPMENT PROCESS**

The City of Baytown’s Planning and Development Services Department acts as the lead agency that is responsible for administering and managing both the Consolidated Planning process and the allocation of CDBG funds. Planning and Development is a department within the City and reports to the City Manager and answers to the Mayor and City Council. The Department is structured with the Community Development Division in charge of the CDBG Program. The Community Development Division is responsible for the planning process and the implementation of the HUD-funded programs: Non-Housing Community Services, Public Facilities & Improvements and Affordable Housing Programs.

The FY 2007 Annual Action Plan uses the 5-Year Consolidated Plan as a basis for determining needs and priorities. On March 9, 2007, the City released its Request for Proposals to accept applications from housing and public service agencies and City departments for providing CDBG-funded programming to City residents. See *Exhibit C* for public notice of available funds in *The Baytown Sun*. A pre-application workshop was conducted where potential applicants and agencies were encouraged to articulate their needs and priorities as well as those of their clients.

The City Council-appointed Community Development Advisory Committee and Staff received and ranked the applications based on (1) priority needs as determined in the Consolidated Planning process; (2) capacity of the applicant/organization; (3) track-record with the City in use

of previous CDBG funds; (4) cost-effectiveness of the project; (5) number of residents to be served; and (6) location of service. All successful applicants received funding based on the available funds and the ranking criteria. The Community Development Advisory Committee prepared a funding recommendation for City Council. City Council reviewed the recommendation at their regular public meeting on June 12, 2007. City Council, subsequently, voted to approve the FY07 Action Plan budget on July 12, 2007.

### **CITIZEN PARTICIPATION**

The City of Baytown strives to seek the input of citizens in formulating goals and Action Plans for its Community Development Block Grant programs. Staff held a technical assistance workshop on March 20, 2007, for local organizations and citizens regarding CDBG funding. See *Exhibit D* for the technical assistance workshop presentation and sign-in sheets. Participants were encouraged to apply for funding, discuss specific ideas and provide input concerning community needs. The goal of the workshop was to assist local non-profit organizations and interested citizens in completing the grant application successfully to secure CDBG funds for worthy projects. This workshop was in addition to the public hearings held specifically for the Action Plan.

Baytown also has an active Community Development Advisory Committee (Committee) that meets regularly to prioritize needs, allocate funds, review progress of grant recipients and hear from the public on housing and community development issues. Staff hosted a CDBG-project tour for the Committee on April 13, 2007, which highlighted actual projects funded by CDBG. Throughout the fiscal year, the Committee held five public meetings. On December 5, 2006, the Committee reviewed the previous Action Plan, its accomplishments and discussed actual project goals versus expenditures. Another public Committee meeting was held to discuss the progress of currently funded programs and any minor amendments. This Committee meeting was held on March 20, 2007 prior to the technical assistance workshop. The Committee held two public hearings on May 8 and May 15, 2007, to hear community needs and funding requests. See *Exhibit E* for both public hearing minutes. Lastly, in an additional public meeting held on May 22, 2007, the Committee drafted budget recommendations for the Action Plan to present to City Council.

On June 12, 2007, the proposed Action Plan budget was reviewed by City Council at the public Council meeting. Committee members were given an opportunity to present their funding recommendations to City Council and to discuss Action Plan goals. Staff posted the Action Plan for public comment on June 12, 2007. During the comment period, legal public notices were published in *The Baytown Sun* and on the City's website to solicit public review and comments on the proposed Action Plan. See *Exhibit F* for the public notice of the City's intent to apply for funds and seeking comments. A hard copy of the proposed Action Plan was available for review at the Planning and Development Services Department in the Baytown City Hall. Council took action to approve the FY07 Action Plan on July 12, 2007. See *Exhibit G* for the City Council resolution.

There were numerous public notices concerning the availability of funds, public hearings and the pending CDBG Action Plan process listed on the city's website, posted at City Hall and published in *The Baytown Sun*. *The Baytown Sun* is the local daily newspaper that serves as the official publication for the City of Baytown. Additional public notices listing the proposed Action Plan budget were also posted to request citizen comments throughout the 61-day

comment period ending on August 12, 2007. Many verbal comments and questions concerning the proposed Action Plan were posed, but no written comments were submitted.

A copy of the approved budget was mailed to everyone who requested funds and the Action Plan was available in the Planning & Development Services Department at Baytown's City Hall.

The City of Baytown will continue to encourage citizen participation, with particular emphasis on participation by persons of very low, low, and moderate income and residents in target areas where proposed funds will be used. The City will continue to maintain the Community Development Advisory Committee, which consists of representatives appointed by the City Council. Committee members each represent an area of Baytown in which they live. Six out of the nine-committee members reside in the target areas within the City.

The City makes every effort to provide citizens with the opportunity to access information and submit comments on the performance reports generated by the Planning and Development Services Department. Performance reports are provided to City Council monthly and are made available to the public for review.

All CDBG-related documents, including the Consolidated Plan, Annual Action Plans, Analysis of Impediments and Fair Housing Plan and the Consolidated Annual Performance and Evaluation Report (CAPER) are available to the public for review at any time. This also includes information gathered from public meetings/hearings, measurable achievements and subrecipient monitoring results. Availability of information is announced at all public committee meetings and hearings.

### **SPECIFIC ANNUAL OBJECTIVES AND DESCRIPTION OF PROPOSED PROJECTS**

In lieu of utilizing Table 3A from the CPMP Tool, the following information catalogs the Action Plan projects with their corresponding objective and outcome categories.

**Priority Need: Infrastructure**

IDIS Project #1: Sidewalk, Curb & Alleyway Repairs Program – provides funding for materials needed to reconstruct deteriorated sidewalks, curbs, gutters and to construct handicap ramps throughout the CDBG target areas.

Objective Category: Suitable Living Environment

Outcome Category: Sustainability

**Priority Need: Other**

IDIS Project #2: Alamo Habitat Village – funds for basic site clearance of old sidewalks, parking lot and playground equipment on property lines that is hindering development of low-income housing units in Alamo Habitat Village.

Objective Category: Suitable Living Environment

Outcome Category: Sustainability

IDIS Project #3: Substandard Structures Abatement – includes salary and related benefits for the Urban Rehabilitation Specialist. It also includes funding for the demolition of at least 15 dilapidated residential and commercial structures at an average cost of \$2,500 each. Other costs are asbestos testing and abatement and education/training.

Objective Category: Suitable Living Environment  
Outcome Category: Sustainability

**Priority Need: Owner-Occupied Housing**

IDIS Project #4: Homebuyers' Assistance Program – includes salary and related benefits for the Housing Planner. Other costs include assistance for the purchase of at least 18 houses at a maximum of \$4,500 each for low to moderate-income homebuyers.

Objective Category: Decent Housing  
Outcome Category: Affordability

IDIS Project #5: Owner-Occupied Housing Rehabilitation – includes salary and related benefits for the Property Maintenance and Rehabilitation Specialist. It also includes funding for the rehabilitation/reconstruction of at least 6 low-income owner-occupied homes at an average cost of \$50,000 each. Other costs include lead testing and education/training.

Objective Category: Decent Housing  
Outcome Category: Availability/Accessibility

IDIS Project #6: Residential Sewer Line Repair/Replacement – funds will repair or replace decayed residential sewer lines for approximately 30 low to moderate-income homeowners at an average cost of \$2,500 each.

Objective Category: Decent Housing  
Outcome Category: Availability/Accessibility

**Priority Need: Public Services**

IDIS Project #7: Homebuyers' Counseling Workshop – funds to present six 6 English-language and three 3 Spanish-language homebuyers' counseling workshops. The workshops are open to the public; however, information will be gathered from each participant to ensure that at least 51% are low to moderate income.

Objective Category: Decent Housing  
Outcome Category: Availability/Accessibility

IDIS Project #8: Swim Safe & Life Guard Training – funds for the Baytown Family YMCA to provide low-income youth with at least 50 sessions of swim lessons and life guard training primarily in West Baytown.

Objective Category: Suitable Living Environment  
Outcome Category: Availability/Accessibility

IDIS Project #9: Our Promise for West Baytown – funds for teaching aides and necessary operating costs to assist the Children, Youth, and Family Outreach Services at the neighborhood center in West Baytown.

Objective Category: Suitable Living Environment  
Outcome Category: Availability/Accessibility

IDIS Project #10: Baytown Resource & Assistance Center – funds to provide shoes and school uniforms to approximately 350 low-income children through a reimbursable voucher system.

Objective Category: Suitable Living Environment

Outcome Category: Availability/Accessibility

**Priority Need: Homeless**

IDIS Project #11: New Horizon Family Center – provides funds for rental deposits and first month’s rent to assist approximately 15 victims of domestic violence to transition from the shelter facility to self-sufficiency.

Objective Category: Suitable Living Environment

Outcome Category: Availability/Accessibility

**Priority Need: Economic Development**

IDIS Project #12: Adult Literacy Program – provides individual and small group tutoring for approximately 35 functionally illiterate, low-income adults.

Objective Category: Economic Opportunity

Outcome Category: Availability/Accessibility

**Priority Need: Non-Homeless Special Needs**

IDIS Project #13: Senior/Disabled Citizens Transportation Program – provides transit service to approximately 300 low-income senior and disabled citizens within the city limits of Baytown and to medical appointments in Houston. Funds are also included for a portion of the CDBG Secretary’s salary and benefits.

Objective Category: Suitable Living Environment

Outcome Category: Availability/Accessibility

IDIS Project #14: Program Administration – includes salary and related benefits for a CDBG Planning Manager and a portion of the costs for the CDBG Secretary and Grant Accountant.

Objective Category: N/A

Outcome Category: N/A

The following programs will directly benefit persons who have annual incomes of 80% or less than the median income of \$60,900: Homebuyers Assistance, Owner-Occupied Housing Rehabilitation, Homebuyers Counseling Workshop, Residential Sewer Line Repair/Replacement, Swim Safe & Life Guard Training, Adult Literacy, Baytown Resource & Assistance Center, New Horizon Family Center and the Senior/Disabled Transportation Program. The total amount of CDBG funds in the Action Plan specifically for low to moderate-income persons is \$678,326 or 65%.

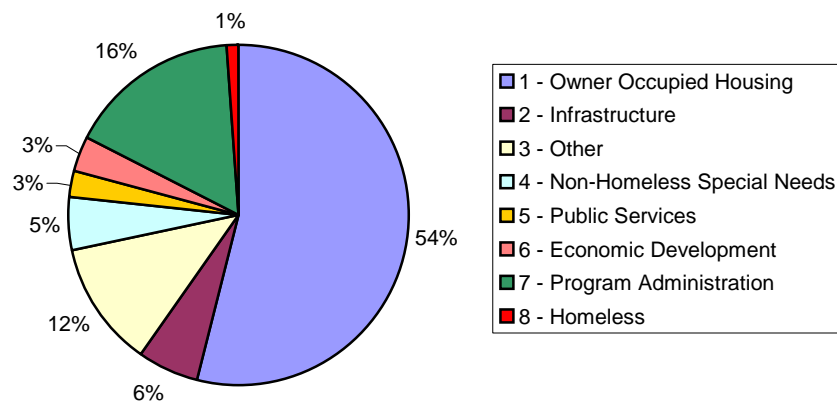
The area-wide benefit programs will take place within the target areas of which 51% or more of the population are low to moderate-income. Those programs include the Sidewalk, Alleyway & Curbs, Alamo Habitat Village and Our Promise for West Baytown. They account for \$79,141 or 7.5% of the CDBG funds. Again, though a majority of the Action Plan projects are based on the recipient’s income, the reality is that those persons and/or the services they are seeking are located in the target areas. Based on past performance of the programs and locations of the

actual project sites, it is estimated that over 50% of the Action Plan funds will be dispensed within the CDBG target areas. See *Exhibit H* for the map of the CDBG target areas and proposed site-specific projects.

Each of these activities will begin on October 1, 2007, and should be completed by September 30, 2008. See *Exhibit I* for the CPMP Project Tables.

The following graph indicates the distribution of available resources to the Consolidated Plan/Action Plan objectives and CDBG Priority Needs.

CDBG PRIORITY NEEDS



**HOMELESS**

It is estimated that on any given night there are 85 single individuals and 149 persons in families that are homeless in Baytown and in need of shelter, transitional housing or permanent housing for the disabled. Of the 85 single individuals, 70 are considered to be chronically homeless. Located within the City of Baytown are two (2) non-profit agencies with facilities that serve the needs of homeless individuals and families. The New Horizon Family Center (New Horizon) provides emergency shelter for 25 homeless victims of domestic violence, including children. In 2006, New Horizon serviced 437 individuals and provided counseling to 396 people. Bay Area Homeless Services (BAHS) provides emergency shelter and transitional housing for 35 homeless individuals and families at any one time. Last year, BAHS provided temporary shelter to 651 people. The maximum stay at BAHS and New Horizon is currently 28 days. In case of an emergency, both have the capacity to offer an extension of 14 days.

The 2005 Consolidated Plan identifies the need for additional shelter beds, transitional housing and permanent supportive housing for approximately 120 homeless persons per night. Strategies to serve the homeless, as listed in the Plan, include:

- To provide additional shelter beds;
- To provide transitional housing units, particularly for families;

- To provide supportive services to complement the housing opportunities for the homeless and access to those services; and
- To coordinate resources in the community through the expansion/enhancement of the Continuum of Care Program.

The City does encourage and facilitate local agencies in applying for County ESGP funds and the region's Continuum of Care funding. Staff recognizes that there are not enough local CDBG funds to adequately address the needs of homeless individuals and families without assistance from other agencies. The City continues to work closely with BAHS and New Horizon to provide technical assistance whenever possible.

New Horizon has been awarded CDBG funds through Harris County to construct a new shelter facility within the Baytown city limits. The Planning Department assisted in navigating through the development process. The facility is currently under construction. Once complete, New Horizon will be equipped with 54 beds and will offer a variety of services, including rental deposits, counseling, employment search and case management.

BAHS is still seeking options and identifying resources to replace a demolished auxiliary building next to their current shelter. They plan to build a facility for office space, storage and training rooms for shelter clients. This would permit additional bed space for homeless individuals and their families in the primary shelter facility. Bay Area Homeless Services did not apply for CDBG funds to be included in this Action Plan.

Specifically, the 2005 Consolidated Plan explains that there is a high need for 8 transitional housing units for homeless families. The Action Plan includes funds to New Horizon for the Project First Step program. The program is intended to provide one-time rental deposits and first month rent to at least 15 victims of domestic violence. Shelter clients are identified to transition from the shelter into self-sufficient living and will continue to use the counseling services of the shelter as needed. The organization will work directly with the clients and coordinate their transitional housing needs with available resources. Prior to participating in the program, clients are residents of the shelter and are considered homeless due to the violent home situation they previously fled.

Prevention services are delivered with more emphasis on collaboration among agencies and outreach with government, public institutions, and those serving youths. Homeless prevention activities are targeted at assisting individuals and families to remain in housing by providing emergency rental and utility assistance. In recent years, an emphasis has been placed on working with public institutions to locate appropriate housing prior to a person's release in order to prevent persons being discharged into homelessness.

Chronic homelessness is prevented in Baytown through a number of programs, including:

- Family Self-Sufficiency activities of the Baytown Housing Authority;
- Job training/income enhancement programs through Lee College, Texas Workforce Commission and other agencies;
- Code enforcement and housing rehabilitation through the City of Baytown; and
- Emergency rental and utility assistance through churches, interfaith ministries and various non-profits.

With the City of Baytown inspecting and forcing rehabilitation of unsound rental housing, this provides a means for the lowest-income and marginally homeless to access rental housing. More public housing units and Section 8 Certificates are certainly needed to provide a critical element in homeless prevention.

The City of Baytown does not have an independent discharge policy. However, there are many non-profit agencies, including Harris County, that have discharge plans for the greater Houston area. The AIDS Foundation of Houston, Montrose Counseling Center and the Coalition for the Homeless have already established programs with jails and prisons for developing and monitoring discharge planning for those who are released from incarceration. The Covenant House and DePelchin Children's Center, through the Homeless Youth Network, have systems that provide discharge planning and follow-up for those youth "aging out" of systems. Harris County, through the Harris County Office of Housing and Economic Development, enforces a discharge policy titled "McKinney Act: Homeless Programs- Discharge Policy." The City of Baytown maintains an extensive referral list of various services to assist those locating in the area following the discharge from a publicly funded institution or system of care.

### **SPECIAL NEEDS POPULATION**

Special Needs population is served in the City of Baytown in a number of ways through several agencies and funding streams. The priorities for Baytown in addressing the special needs population include:

- ◆ To assist public and nonprofit agencies in providing housing, transportation, and supportive services to the elderly and physically/mentally disabled;
- ◆ To assist public and nonprofit agencies in providing housing and supportive services to the severely mentally ill, developmentally disabled, chronic substance abusers and dually diagnosed; and
- ◆ To assist public and nonprofit in providing housing and supportive services to people living with HIV/AIDS.

There are a number of local agencies providing services to Baytown's special needs population, including the Bay Area Rehabilitation Center, Baytown Senior Center, Baytown Opportunities Center and the Mental Health Mental Retardation Agency. Many of the CDBG programs provide assistance to these agencies' clients, especially the Senior/Disabled Citizens Transportation Program and the housing programs. The Community Development staff also provides technical assistance to the agencies as needed.

Gracemont House is being developed under the HUD Section 811 Program for Supportive Housing for the disabled. There will be 14 one-bedroom units. It is scheduled to begin construction at the beginning of 2008. Staff provided a Certificate of Consistency in support of the development.

The Action Plan includes funds for the Senior/Disabled Citizens Transportation Program, which provides necessary transit service to the elderly and physically/mentally disabled. The Owner-Occupied Housing Program does not specify assisting special needs persons, however, a majority of the participants are elderly and/or disabled. The program will provide for repairs to

accommodate physically disabled persons, such as handicapped showers, grab bars and ADA-accessible counter tops and doorframes.

**PUBLIC HOUSING - BAYTOWN HOUSING AUTHORITY**

The Baytown Housing Authority (BHA) is the leader in providing affordable rental units in Baytown. The agency owns public housing, owns and manages market rate rental complexes and administers a rental assistance program for low-income families. The following chart lists the public housing units occupied by persons at or below 30% of the area’s median income:

<b>COMPLEX</b>	<b>ADDRESS</b>	<b>TOTAL UNITS</b>	<b>AFFORDABLE UNITS</b>
Archia Courts	316-322, 442-448 Clyde	58	58
Olive Courts	1200 Miriam	20	20
DeZavala Courts	2000 W. Texas	29	29
Edison Courts	1100 N. Tenth	42	42
<b>TOTAL</b>		149	<b>149</b>

BHA also owns 60 units of housing that is reserved for households 50% or below of the area median income, totaling 210 public housing units available. Through the Section 8 Program, the Housing Authority administers 727 Tenant-Based Section 8 Rental Certificates and 130 Site-Based Units. This assistance is available for families that earn at or below 50% of the area’s median income. The subsidy allows the household to choose a single-family home or an apartment unit that accepts the voucher.

The Housing Authority’s total budget includes HUD-direct assistance, resident payments, interest income, federal grants and other income. The agency has a separate 501(c) 3 organization named Futures for Families, Inc. that allows for private grant initiatives and additional housing development.

Other programs of the Housing Authority include the Resident Council Program, Security Program, Drug Elimination and joint recreational activities with the Baytown YMCA. The staff dispenses information concerning City services to the residents and provides first-time homebuyer essentials to participants of the Futures for Families Program. BHA is also working toward moving as many public housing and Section 8 recipients as possible into home ownership. The BHA Five-Year Plan calls for increasing the number of home ownership vouchers by at least 20 households. This will allow more families to move from subsidized renter rolls to homeownership.

Currently 331 households are on the waiting list for Public Housing and/or Section 8 Housing Choice Vouchers. The waiting list consists of 293 families, 20 elderly households, and 18 handicapped/disabled households needing units. A majority of those on the waitlist are in need of larger units. Clearly, there is a need for additional public housing units. The waiting list for assistance was opened March 2006 and over 1,200 applications were received. The Baytown Housing Authority has been filling the vacancies generated by the natural transition of families. Nevertheless, those few available units are not adequate to cover the obvious need. Staff will work with the Baytown Housing Authority to seek additional Section 8 Housing Vouchers.

There are also other housing options that can be supported, such as encouraging Low-Income Housing Tax Credit applicants to locate in the area.

To foster public housing improvements and resident initiatives, the City of Baytown continues to assist the Baytown Housing Authority in identifying additional sources for rehabilitation and operations of the public housing units. Unfortunately, CDBG has been unable to provide funds, but supports the agency with technical information as needed for approval of other funding sources. On request, Staff is available to review the Public Housing Annual Plan and provides Certification of Consistency for various programs when appropriate. The City has also been responsible for reviewing the funded programs and completing the Environmental Review for submission with their Public Housing Annual Plan and Budget.

The Baytown Housing Authority is not currently classified as troubled.

**AFFORDABLE HOUSING**

The condition and availability of housing is important to the livability and quality of life for community residents. The need for affordable, sound housing is most critical for the very low- and moderate-income residents. Baytown has a slightly lower rate of homeownership than the rest of Texas but a slightly higher rate than the rest of Harris County. Baytown mirrors both Texas and Harris County in the rate of housing with one or more problems and the rate of households with a housing cost burden.

In addition to the public housing units and Baytown Housing Authority’s Section 8 Housing Choice rental vouchers, there are other privately owned subsidized units in Baytown. The privately owned and managed complexes receive a direct federal subsidy for low-income households without any type of voucher. The following chart highlights those complexes.

<b>PROJECT-BASED COMPLEX</b>	<b>ADDRESS</b>	<b>TOTAL UNITS</b>	<b>AFFORDABLE UNITS</b>
Bay Terrace Apartments	1502 Nolan	130	130
Centennial Square*	805 Schilling	100	100
Creekside Apartments	3120 Decker Dr.	250	250
Pecan Village	2208 Cedar Bayou	18	18
Rollingbrook Apartments	730 Rollingbrook	25	25
Village Apartments	4601 Village Lane	210	210
<b>TOTAL</b>		<b>740</b>	<b>740</b>

There are also 1,228 Low-Income Housing Tax Credit (LIHTC) units available or under construction in Baytown. The total amount of LIHTC that has been allocated in Baytown since 1993 is \$4,845,188. Rosemont at Garth opened in March 2006 with 250 units. The units are designed for families at 50% or 60% of the area’s median income. There are one, two and three-bedroom units along with a clubhouse, computer center, and adult education programs. Bayview Apartments opened in April 2007 with 240 units. Piedmont Apartments should open in the Fall of 2007 with 250 units. Birdsong Place Villas is under construction and scheduled to open in Spring 2008 with 96 units. This development will provide affordable housing for the elderly.

In Baytown, there are a total of 76 privately owned, market-rate apartment complexes. However only 25 of those complexes accept the Baytown Section 8 Voucher and/or the Harris County Vouchers. Each of those complexes has limits on the number of vouchers that will be accepted at any given time. Out of the 6,812 rental units in Baytown, there are no more than 727 affordable units accepting the Baytown Housing Authority's Section 8 voucher. After tallying all of the subsidized units, there is a deficit of adequate affordable rental units in Baytown. The Consolidated Plan notes that there is a need for 3,776 rental units and 2,835 homeownership units for the low- to moderate-income residents of Baytown. The following table summarizes the need for additional affordable rental and owned housing units.

**Summary of CHAS Data and Affordability Mismatch Data**

	Number of Households (A)	Number of Total units (occupied & vacant) (B)	Number leased/owned by higher income (C)	Number leased/owned by or available to income (D=B-C)	Gap (Households – Available Units) (E=D-A)	Number of Units with Problems (F)	Gap (Households – Available Sound Units) (E-F)
<b>Rental Units</b>							
Very Low Income (<= 30% Median)	2,027	1,583	777	806	-1,221	427	-1,648
Low-Income (>30% & <=50% Median)	1,270	5,204	2,455	2,749	1,479	1,892	-413
Moderate-Income (>50% & <=80% Median)	2,225	4,000	2,018	1,982	-243	1,472	-1,715
<b>Total Rental</b>	<b>5,522</b>	<b>10,787</b>	<b>5,250</b>	<b>5,537</b>	<b>15</b>	<b>3,791</b>	<b>-3,776</b>
<b>Owner Units</b>							
Very Low Income (<= 30% Median)	1,100	N/A	N/A	N/A	N/A	N/A	N/A
Low-Income (>30% & <=50% Median)	1,353	9,498	8,292	1,206	-147	931	-1,078
Moderate-Income (>50% & <=80% Median)	2,197	3,192	2,681	511	-1,686	71	-1,757
<b>Total Owner (Low-Mod Only; Not Very Low)</b>	<b>3,550</b>	<b>12,690</b>	<b>10,973</b>	<b>1,717</b>	<b>-1,833</b>	<b>1,002</b>	<b>-2,835</b>

Source: State of the Cities/HUD; 2000 Census Data CHAS database

The necessary affordable units can become available through the development of affordable housing using state, county and federal resources, an increase of Section 8 housing choice vouchers and the development of middle-income housing. Increasing these resources will help to move those earning 80 to 120 percent of the median income into higher priced housing, making the affordable housing available to the lower-income residents.

The Action Plan will supply affordable housing units to both homeless and non-homeless households through the Project First Step and the Homebuyers Assistance Programs. The New Horizon Family Center's Project First Step program will provide rental assistance to at least 15 homeless persons who are victims of domestic violence. The Homebuyers Assistance Program

will make available funds to assist low to moderate-income households with the purchase of at least 18 affordable housing units. The Owner-Occupied Housing Rehabilitation Program will sustain at least 6 affordable existing units for low-income households. The Residential Sewer Line Repair/Replacement Program will also provide approximately 30 existing affordable units with required repairs. The Action Plan will not directly fund the production of new units or acquisition of affordable units. The Action Plan's total housing goal is 69 units for fiscal year 2007-08. See *Exhibit J* for Table 3B Annual Housing Completion Goals.

The City of Baytown's CDBG Program fosters and maintains affordable housing in several ways. The Owner-Occupied Housing Rehabilitation and Residential Sewer Line Repair/Replacement Program makes it possible for low-income homeowners to remain in their homes by bringing those homes into compliance with City building codes. The Homebuyers' Assistance Program provides closing cost assistance to income-eligible homebuyers and provides homebuying and household budget education to all interested citizens. The Planning and Development Services Department assists developers by guiding them through and streamlining the building process for housing. The Department also supports those who apply for Low-Income Housing Tax Credits by providing a Certificate of Consistency with the Consolidated Plan. The City aids and encourages Habitat for Humanity by expediting their building permits. The Planning and Development Services Department is in the process of working with the Baytown Habitat for Humanity to become a Community Based Development Organization. This will create additional funding options to spur affordable housing development in Baytown. All of these actions are an attempt to encourage decent, safe and sanitary housing for low-moderate income persons in older areas of the City.

### **REMOVING BARRIERS TO AFFORDABLE HOUSING**

The City is committed to removing any and all barriers to fair housing that may exist. The City of Baytown revised the Analysis of Impediments to Affordable Housing and Fair Housing Plan. This document is used to ensure and document that there are no policies in Baytown to impede the affordable housing process. The City recently adopted the 2006 International Building Codes and related development ordinances. They are consistent with national legislation in an effort to promote fair housing throughout Baytown. Further, the City's Fair Housing Ordinance calls for the review of any fair housing complaint received to determine the cause and resolution of the complaint. The ordinance also assures that the City's policies and/or a developer's procedures do not inadvertently create barriers to fair and affordable housing. The City of Baytown has appointed a Fair Housing Officer whose duty it is to affirmatively further fair housing through programs, policies and coordination with other entities.

### **LEAD-BASED PAINT HAZARDS**

The new lead regulations have been successfully merged into the housing programs with revised procedures, staff training and participant education. There is a Lead Risk Assessor, Lead Inspector and two Lead Visual Assessors on staff to ensure the lead regulations are being managed efficiently and effectively. The Owner-Occupied Housing Rehabilitation Program and the Homebuyers' Assistance Program work to evaluate and reduce lead-based paint hazards in older structures. The programs identify the existence of lead-based paint and other products and take all appropriate actions to mitigate the hazards. Further, all participants in these programs, including homebuyer workshop participants, are provided with information booklets on identifying and addressing lead-based paint hazards. If there is a project that cannot be assisted through one of our housing programs for any reason, Staff will refer the project to Harris County

to assist in the abatement of lead. Staff continues to provide contractor training for Safe-Work Practices as a refresher course and will be open to new contractors.

### **ANTI-POVERTY STRATEGY**

The Consolidated Plan reported that there were more than 11,445 households living below 95 percent of the region's median household income. This number represented 51 percent of Baytown's households. The City of Baytown is committed to reducing poverty and its causes. The Consolidated Plan listed the following as priorities: (a) expand the inventory of shelter available to low-income residents which is affordable, decent and safe; (b) fund public service activities that allow low-income residents to have services needed so they can maintain a quality of life that encourages them to be self-sufficient; (c) create employment opportunities that allow low-income residents to become economically self-sufficient members of the community by providing assistance to businesses who offers jobs for very low and moderate-income persons; and (d) promote and fund activities that will allow children to develop their maximum potential and leave the "poverty" environment.

To reduce the number of poverty-level families, the City of Baytown targets the primary cause of poverty, which is limited access to housing, education and economic resources. The Adult Literacy Program provides literacy training to income-eligible adults in order to increase reading and educational skills. The goal of the program is to assist citizens in becoming employable and/or helping them to improve their earning potential. Funding for Our Promise for West Baytown provides a variety of services, including educational training through programs and volunteer mentoring. The Homebuyers Counseling Workshops includes an extensive section on household budgeting. Regardless of the desire to purchase a home, this information is invaluable for low-moderate income persons. The City provides contracting opportunities to small historically underutilized and disadvantaged businesses (HUBs) through the Owner-Occupied Housing Rehabilitation, Residential Sewer Line Repair/Replacement and Substandard Structures Abatement Programs. Activities and opportunities are highlighted in target areas to inform low-moderate income persons of the City's intent to assist. All of the activities included in the Action Plan will assist in alleviating poverty-stricken conditions for citizens as well as in the target areas.

In terms of housing provision as an anti-poverty strategy, the City of Baytown and the Baytown Housing Authority are committed to providing low-income housing in established neighborhoods so that those requiring housing assistance can live in a viable community setting. The Baytown Housing Authority's Economic and Family Self-Sufficiency Programs combine Section 8 rental assistance with job training, education and other supportive services. Lee College provides a number of job training and technical preparatory programs for those who are low-income. The Drug Elimination Program, mentoring activities and other youth programs assist in reducing dropout rates and increases the employability of youths by encouraging them to finish school.

Regardless of the efforts to rehabilitate neighborhoods and build low-income housing, the positive physical changes cannot be maintained without providing economic opportunities to raise incomes. The City of Baytown's Planning and Development Services Department is designated as the lead agency for coordinating and implementing the Consolidated Plan. The department will continue to collaborate with other City departments and various housing and service providers to create and maintain continuity of services and to link housing with the

needed supportive services and economic development. The City of Baytown will continue to work with agencies to identify and secure additional or alternative funding for housing and service programs. Additionally, the City will assist in encouraging new businesses to relocate and existing HUBs and DBEs to expand in Baytown, which would enhance the workforce opportunities for low-income workers.

### **OBSTACLES TO MEETING UNDERSERVED NEEDS**

The most significant obstacle to meeting the needs of Baytown's under-served population is a shortage of funding. The CDBG entitlement allocation has decreased as the local needs have increased. There was \$1,423,606 in funding requests for 19 different programs and only \$1,042,594 available. To fill this funding gap, the City of Baytown continually seeks collaboration projects with other entities and other sources of funding, such as general budget funds, grants, and in-kind contributions. The Community Development staff urges and assists local social service agencies in securing additional funds for community needs consistent with those identified in the Consolidated Plan. Staff will continue to help new agencies become United Way certified. Staff previously helped to develop the Baytown Downtown Association; a non-profit organization geared to the redevelopment of the downtown area. Efforts will continue to support the organization's activities in the downtown area. All of these actions will increase agencies' eligibility and their chances of acquiring resources to fund projects within Baytown.

The primary obstacles in meeting the housing needs of the underserved are: (1) the availability of subsidized housing, (2) the availability of sound affordable housing, (3) the availability of housing that is accessible to the disabled and (4) incomes and credit ratings high enough with debt ratios low enough to result in a purchase or lease. The Homebuyers Assistance Program and Counseling Workshops provide some relief for potential homebuyers to acquire affordable housing. The Owner-Occupied Housing Rehabilitation and Residential Sewer Line Repair/Replacement Programs assist low-income owners to maintain their homes in a safe and sanitary manner. The Owner-Occupied Housing Rehabilitation Program also installs items to make the structure handicapped accessible, including ramps and wider doors.

Transportation is yet another obstacle in meeting the underserved housing needs. Baytown does not participate in the metropolitan area's public transportation program. Therefore, very low- and low-income residents must spend more income on car purchases and gasoline/maintenance than those with comparable income living in an area with adequate public transportation. CDBG provides limited transportation service for low-income elderly and disabled persons. This service allows persons to travel around Baytown and into Houston for medical appointments at subsidized facilities in Harris County Hospital and in the Texas Medical Center.

### **INSTITUTIONAL STRUCTURE AND ENHANCE COORDINATION**

The Planning and Development Services Department (Department), which manages the CDBG funds, reports to the City Manager and City Council in Baytown. The Department works closely with other city departments and local agencies to assist in the development of a strong institutional structure for effective program delivery. The Department provides funding, expertise, technical assistance and documentation of need to the general-fund departments, such as the Public Works, Health, Library and Parks Departments. Staff develops, operates and monitors programs with the coordination of the City's Finance, Purchasing, City Clerk, Legal, Public Works, Risk Management, Health, Police and City Manager's Departments. The

Department is also used as a liaison between neighborhoods/residents and the other City departments.

Very little can be accomplished through City structure alone. Therefore, the Planning and Development Services Department maintains a relationship with the Texas Department of Housing and Community Affairs (TDHCA), other State agencies and HUD. The Department is available to assist local agencies in applying to TDHCA for Emergency Shelter Grant Program funds, low-income housing tax credit and housing bond funds, as well as to various other State agencies. Such coordination potentially increases programs that provide welfare assistance, economic development, health care enhancement and social service expansion for low-income residents. Furthermore, the Department is committed to assisting local homeless service agencies in increasing their participating in the Continuum of Care System of the Coalition for the Homeless of Houston/Harris County and in their involvement in the annual application to HUD under the Homeless Assistance Consolidated Application process (Continuum of Care).

The City of Baytown works diligently to enhance coordination between public and private agencies within the community. The Community Development Planning Manager, Community Development Secretary, and the Housing Planner are members of the Baytown Area Resource Association (BARA), a group of local public and private social service agencies that provide a variety of services and programs for low-income citizens. The goal of BARA is to coordinate services and resources in an effort to effectively manage social services on a community-wide basis and to prevent duplication of services. In the past and currently, CDBG has provided funding to a number of BARA agencies, including the Bay Area Rehabilitation Center, Our Promise for West Baytown, Baytown Senior Center, New Horizon Family Center, Baytown Family YMCA, Bay Area Homeless Services and the Baytown Resource & Assistance Center. Participation in this group allows a network of credible referrals to ensure that citizens can be assisted with numerous services. Another benefit of participation in BARA is that it provides an opportunity to strengthen the local network of public/private housing and social service agencies. The monthly meetings provide a platform to dispense agency information, communicate citizens' needs and determine available resources.

The City of Baytown will continue to work with all agencies, groups and organizations located in or serving Baytown's residents.

## **MONITORING**

The City of Baytown's monitoring strategy is designed to ensure the successful administration of the goals and objectives set forth in the Consolidated Plan. The monitoring process is an on-going process of planning, implementation, communication and follow-up. At a minimum, monthly desk monitoring of expenditures are completed and reconciled for each program. Site monitoring is conducted quarterly or semi-annually, depending on the activity. However, if the activity or program is considered to have a high risk of non-compliance, a more frequent monitoring schedule is developed. High-risk programs include housing rehabilitation, economic development, acquisition, and construction projects. Other types of programs may be considered dubious if administered by first-time recipients, any one sub-recipient with multiple activities, and/or programs undertaken by an agency or department with a history of staff turnovers, reporting problems, or monitoring findings.

The programs listed in the Action Plan are derived from the goals and objectives of the 2005 Consolidated Plan. Through consistent management of the Action Plan via the monitoring process, Staff is fulfilling the stated goals of the Consolidated Plan. This is further evidenced at the end of each fiscal year in the Consolidated Annual Performance and Evaluation Report (CAPER). Baytown's CDBG Program is rather small and predominately administered within the City departments. This allows easy monitoring of funded activities and quick resolutions to any issues that may arise. The monthly desk monitoring highlights any potential issues and permits Staff to provide technical assistance in order to remedy a problem.

The actual monitoring process starts at the beginning of each fiscal year when Staff executes Sub-Recipient Agreements (Agreement) with each program administrator. The Agreement establishes the expectations of recipients in fulfilling its regulatory obligation toward using CDBG funds and complying with the Consolidated Plan. The Agreement also establishes a monitoring mechanism specific to the recipient. It includes a scope of service, budget, project schedule and reporting requirements based on the nature of the project being performed. A shorter, streamlined version is developed for City departments. Most of the subrecipients are required to submit monthly reports outlining their activities and expenditures. This allows Staff to conduct a monthly desk review of the activities. Staff also reviews expenditures each month to check that the funds are spent in a timely manner. The ability of the agencies to spend their entire program budgets within one fiscal year is considered prior to awarding the grant. The Sub-Recipient Agreements require that public service activities utilize their full grant within the fiscal year. There is no allowance for extensions and the remaining funds will be recaptured. Non-public service activities can request a one-year extension to expend funds. All funds granted to city-sponsored projects will be recaptured at the end of the fiscal year to be used in the next budget, which assists with our ability to comply with the timeliness requirements.

This year, the City's high-risk programs are the Residential Sewer Line Repair/Replacement and Owner-Occupied Housing Rehabilitation Programs. The Community Development division administers both construction programs with specific Staff assigned for daily management. The Housing Rehabilitation Specialist/Coordinator prepares a scope of work for each construction project. The Staff conducts on-site inspections of repairs on a daily basis to monitor performance of the approved scope of work. Throughout the project, the City's certified building inspectors complete benchmarked inspections of work. Specifically, all plumbing, electrical, HVAC, foundation, roof and structural work must pass the standard inspections, as any other building project within Baytown. At the end of each construction project, a final building inspection is completed to prove the house is in compliance with the locally adopted building codes. The Staff's daily monitoring as well as the building inspectors reviews certify all building codes are met to achieve safe housing conditions.

The other programs proposed in this Action Plan carry minimal risk in regards to the monitoring strategy. The programs are repeat activities with agencies that have experience with CDBG requirements. Staff will continue to monitor the activities in accordance with the City's monitoring strategy and Sub-Recipient Agreements that will minimize any potential non-compliance risks. The purpose of Baytown's monitoring strategy intends to guarantee proper program performance and financial compliance in accordance with HUD Regulations.

### **CERTIFICATIONS**

See *Exhibit K* for the general and CDBG certifications.