

Chapter 8: Five Year Strategic Plan

The Five-Year Strategic Plan brings needs and resources together in a coordinated housing and community development strategy. This section outlines the City's plans and priorities to be pursued over the five-year period of the Consolidated Plan (January 1, 2007 through December 31, 2011), for addressing the identified housing, homeless and community development needs. The Strategic Plan focuses on activities to be funded with the entitlement grant that the City receives from the federal government (CDBG).

This section outlines the City's plans and priorities to be pursued over the five-year period of the Consolidated Plan.

Resources for Housing and Community Development Activities:

The City of Jonesboro is an entitlement jurisdiction under the federal Community Development Block Grant (CDBG) Program provides an allocation of funds directly from HUD of about \$560,000. Currently, the future of the CDBG Program is uncertain, since the President's budget for 2006-07 proposed the elimination of the CDBG Program. Also, since 1995, the City's CDBG entitlement has been steadily declining. In Fiscal Year 2005 the City had a CDBG original entitlement of \$662,000 and for Fiscal Year 2007 the City's entitlement has been reduced to \$564,000, representing a 15 percent reduction in funding over the past 2 years. During this same period the cost of administering this program has been steadily increasing. The City's ability to fund necessary programs and projects to address community needs has therefore been steadily declining as CDBG funds continue to be reduced. This trend is expected to continue and may escalate

Community Development Block Grant (CDBG):

The CDBG Program was established by the Housing and Community Development Act of 1974. The primary objective of this program is to develop viable urban communities by providing decent housing, a suitable living environment and economic opportunities, principally for lower income persons (defined as 80% or less of the City of Jonesboro area median household income).

Through the CDBG Program, the U.S. Department of Housing and Urban Development (HUD) provides funds to local governments for a wide range of community development activities for low-income persons. Funds can be used for a wide array of activities, including: housing rehabilitation, affordable housing or community development projects, public supportive services such as medical care, and removal of architectural barriers to the mobility of the elderly or disabled. In order for an activity to be eligible for CDBG funding, it must be shown to address one of the following national objectives:

- Benefit people with low incomes (up to 80 percent of median)
- Aid in the prevention or elimination of slums and blight; or
- Meet an urgent need (such as earthquake, flood or hurricane relief)

A project may qualify as benefiting low income persons in one of several ways:

- Provide direct services to lower income persons (earning up to 80 percent of the area median income) and document that a minimum of 51 percent of the clients served qualify as lower income.
- Provide area-wide benefits (such as parks, street improvements, etc.) to a service area that has a minimum of 38.2% lower income residents (attached Figure 8 shows the City "planning areas" based on census tract boundaries and identifies those areas with 38.2% or more lower income residents).

- Serve a client group that is “presumed low income” per the CDBG regulations, such as seniors and disabled persons. Projects involving the installation of curb ramps and other accessibility improvements in the community can qualify for funding under this category.

See Maps for Planning Areas with Lower Income Households

Priorities for Allocating Resources:

This section describes the priorities and objectives the City will pursue to address the community’s housing and community development needs. A priority ranking of needs has been established based on an assessment of demographic and housing information, the City Capital Improvement Program, as well as consultation with other public and private agencies, and input from the public and local service providers.

The City’s Five Year Strategy is intended to be flexible in order to take advantage of opportunities that may become available however, the following are the priority objectives. The types and number of projects that are carried out will also depend on the amount of CDBG funding the City receives over the next five years.

HUD Objectives:

- Suitable Living Environment
- Decent Housing
- Creating Economic Opportunities

City of Jonesboro CDBG Priority Objectives:

Improve the livability and quality of life in the City of Jonesboro.

Housing - Rehabilitation/Homeownership
Neighborhood Revitalization/Beautification
Economic Development/Job creation
Public Services - Non-Housing Special Needs

Housing Strategy:

Housing costs remain high and overall housing affordability continues to be a major problem for low income individuals and families. Recent trends in home prices have led to an increasing number of people being priced out of the homeownership market. One consequence has been a shift in tenure trends, with increasing number of people remaining in the rental market, intensifying the competition for scarce affordable housing units. Increasing the supply of affordable housing, and maintaining the current housing stock is a primary goal of the Consolidated Plan.

The City will continue to work with the Housing Authority in maintaining its current level of assisted rental units for low-income households over the next five years. The Housing Authority will attempt to increase its number of assisted rental units as additional HUD funding allows. However, we do not expect any significant increases in HUD funding for rental assistance or new construction in the next five years.

In addition to addressing the City’s current assisted rental units, increased new homeownership and homeowner rehabilitation assistance will have a substantial impact on deteriorating neighborhoods. Owner occupants tend to be more invested in their neighborhoods, are less likely to move, and have a greater incentive to maintain their properties than their renter counterparts. The City will continue to make a substantial commitment to providing homebuyer assistance and homeowner rehabilitation assistance for low income households, especially those willing to purchase homes in the older, declining neighborhoods.

Goal: Improve livability and availability of affordable housing:

Objective 1: Stabilize, preserve, and improve existing affordable housing stock

- Provide funding to address low and very low income homeowner rehabilitation repair needs - working toward the goal of 20 units.
- Explore the possibility of partnering with volunteer organizations for minor repairs

Objective 2: Increase new homeownership opportunities

- Continue to fund first time new homeownership program for low and very low income persons – 10 units
- Assist with new homeownership, credit repair, and foreclosure education - 250 graduates.

Objective 3: Increase affordable housing stock

- Assist developers in determining incentives and financial partnerships to promote more affordable housing projects.
- Encourage the development of rental housing for very low and low income families and individuals throughout the City (especially for large families and seniors).
- Explore opportunities to work with property owners and/or non-profit developers to acquire, rehabilitate and convert to affordable housing units - should appropriate properties be identified by the City.
- Work with nonprofit agencies on approaches to provide housing for persons with physical or mental disabilities, and other special needs populations.

Remove Barriers to Affordable Housing:

The primary barriers to affordable housing in Jonesboro are the high cost of housing and the scarcity of public funds to assist in the development of affordable housing. The City has limited ability to significantly reduce these barriers. The City has, however, made efforts to address these barriers by using CDBG whenever possible to increase and preserve the affordable housing stock. Also the city has made viable efforts to increase the number of new homeowners with the homebuyer educational program.

Fair Housing:

The City will continue to participate with the local housing authority to improve the provision of fair housing services.

Expand public outreach efforts to provide information regarding fair housing services in Jonesboro, such as providing a direct link from the City's web site to the fair housing agency's web site and provide brochure information on fair housing service.

Homeless Strategy:

The City of Jonesboro intends to assist, as much as is feasibly possible, the current shelter and service providers addressing homelessness and services to those at risk of becoming homeless. These organizations strive to guide families effectively out of the generational poverty cycle and public assistance dependency and into self sufficiency.

- Continue to support programs that protect people from becoming homeless by providing shelter and supportive services.
- Take part in efforts to support and develop programs that provide emergency rent and utility payments and security deposit assistance.
- Take part in efforts to fund or support programs that provide short-term shelter to persons who are homeless or at risk of homelessness, including homeless and runaway youth.
- Assist efforts to support local emergency homeless shelters and services.

Community Development Strategy:

The City's Community Development Strategy involves focusing on neighborhoods with the highest concentrations of lower income households in order to maintain public facilities, provide adequate recreational opportunities in the form of parks and activities, improve neighborhood appearance and safety, and improve accessibility for disabled residents.

The Community Development Strategy also involves providing a variety of public services to those most in need in order to prevent homelessness, provide shelter and support to those who are homeless, assist low income households with basic needs and the means through supportive services to break the poverty cycle, assist at-risk and homeless youth and help seniors survive on their limited incomes and continue living in their homes. The City intends to carry out the following actions over the next five years.

Goal: Improve livability, create better functioning, and more attractive neighborhoods, and provide support to public services addressing low income needs

Objective 1: Improve appearance, eliminate blight, and health hazards in low income neighborhoods

- Demolition and Clearance of abandoned and unsightly structures

Objective 2: Address needs of low income neighborhood public facilities

- City public facilities maintenance and repair - Fund 1 Project
- Improve Parks and Recreation Facilities - Fund 3 Projects

Objective 3: Economic Development/Job creation

- Encourage the development of new business and job creation ventures
- Encourage employment education programs
- Assist in the creation of low income neighborhood-based collaborations to build capacity and sustain long term viability for existing businesses in low income areas

Objective 4: Provide funding and/or support to a variety of public services to help low income persons meet basic needs, to prevent them from becoming homeless, provide shelter and support services to those who are homeless, and help seniors survive on their limited incomes and continue living in their homes.

- Fund needed services for qualified low income citizens -Fund 15 Projects

Objective 5: Improve low-income neighborhood livability through neighborhood revitalization and citizen participation

- Explore the advantages of creating low income neighborhood revitalization strategy areas,

- determine their viability, and implement if determined a benefit
- Investigate the need and public interest in local neighborhood action networks, watches, and block clean up programs.
- Make City facilities accessible per the requirements of the Americans with Disabilities Act (ADA), based on the availability of CDBG funds after housing, poverty, and public service priorities have been addressed.
- Increase public outreach to inform the community about available programs and services. Explore new avenues for outreach such as schools, Post Offices, neighborhood action networks.

Special Needs Groups:

The senior population increased by 25.8% from 1990 to 2000. It is expected that this trend will continue in the future. The 2000 Census shows there are 2,417 lower income senior households, representing about 9.94% of the total City population. Affordable senior housing continues to be a current and future need, as this population group continues to increase.

Based on 2000 Census data, extremely low income, representing 24% of low income households, 63% reported housing problems. Of the very low income (26% of low income households) 70% reported housing problems, indicating that this population group may currently be underserved by housing programs.

Additionally, affordable housing continues to be a need for persons with disabilities, female headed households (38% below poverty level), persons with HIV/AIDS, and persons with alcohol or other drug addictions.

Anti Poverty Strategy

The Anti Poverty Strategy describes Jonesboro's programs and policies to reduce the number of households with incomes below the poverty line. The poverty line is the level of income below which one cannot afford to purchase all the resources one requires to live. The official Census poverty thresholds do not vary geographically, but are only adjusted annually for inflation using the Consumer Price Index. In high cost areas the poverty line may, in fact, be much less than what a household would need in a particular area to pay for all essential needs. In 2006 the U.S. Census poverty line threshold for a one-person household was \$10,488 for persons under the age of 65 and \$9,669 for persons 65 and over. For a four-person household that includes 2 children under the age of 18, the poverty line threshold was \$20,444. Persons living below the poverty line are the most at risk of becoming homeless.

According to the 2000 Census, 17.4% of the population and 12.9% of families in Jonesboro had incomes below the poverty line in 1999. Out of the total population, 22% of those under the age of 18 and 12.3% of those 65 and older were living below the poverty line. The data also shows that between 1989 and 1999 there was an increase in the number of persons living below the poverty line from 16.5% to 17.4%.

There are three components to the City's anti-poverty strategy:

- Support services to prevent homelessness
- Job training and support services
- Affordable housing.

Each of these aspects of the anti-poverty strategy is discussed below:

Support Services to Prevent Homelessness

The first goal is to prevent persons from becoming homeless, since most households living below the poverty line survive paycheck to paycheck and any unforeseen event can result in their becoming homeless. Support services such as emergency rental assistance, assistance with utilities, financial education, foreclosure resolution programs, and other such services are critical. Survival services needed to enable households to survive on their limited incomes are also critical. The City funds a number of such services and will continue to do so, as long as CDBG funds are available.

Job Training and Support Services

The second goal of the anti-poverty strategy is to assist in the provision of job training and support services, such as transportation, so that individuals can find and maintain employment.

Affordable Housing

Increasing the supply of affordable housing is the final aspect of the anti-poverty strategy. Since housing costs typically take up a major portion of a household's income, the provision of affordable housing is critical to ending the cycle of poverty. The City intends to continue its strong efforts to increase and maintain the affordable housing supply. Currently the CDBG program is planning to assist developers in determining incentives and financial partnerships to promote more affordable housing projects.

Lead Based Paint Strategy

According to the Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X), lead based paint hazard is defined as any condition that causes exposure to lead from lead contaminated dust, lead contaminated soil or lead contaminated paint that is deteriorated or present in chewable surfaces, friction surfaces, or impact surfaces that would result in adverse human health effects. As required by Title X, the City of Jonesboro is carrying out CDBG funded activities in tandem with our Inspection Department.

The City requires lead based paint testing and hazard reduction in properties that are rehabilitated using CDBG funds. Owners of properties to be rehabilitated are informed of the risks of lead based paint. As part of the rehabilitation process, the property is inspected for signs of defective paint. Defective paint in older homes that is suspected to be lead based is removed following the lead based paint standards. If there are children in the home, the parents are provided information regarding the benefits of having the children tested for lead based paint and also where they can go to get this done.

Institutional Structure/Coordination

The institutional structure for implementation of the Consolidated Plan includes non-profit organizations, other public agencies and educational institutions. The City of Jonesboro Department of Community Development is responsible for implementation of the Consolidated Plan.

The City provides funding and coordinates with nonprofit organizations that provide public services that benefit Jonesboro residents. The City also works with non-profit housing developers in the development of affordable housing in the City. Nonprofit organizations are therefore critical to achieving the Consolidated Plan goals.

The City assists with the Housing Authority in submitting applications for funding to increase Section 8 vouchers or provide additional funding for affordable housing or services in the City. The City coordinates its activities with other public agencies. The City regularly participates in JURHA, and non-profit meetings, focus groups, and activities. Outreach and public information will significantly expand with added personnel.

The City assists non-profit agencies in securing other State and Federal funding by writing letters of support and assisting agencies in completing applications for funding. The City is also active in lobbying for continued funding of the Section 8 Program and other programs that are crucial for affordable housing programs and public services.

The major strengths of the City's institutional structure is in the access to the various City Departments, and to a large number of very capable non-profit organizations who are highly competent in using available resources and leveraging funding, in order to achieve the desired housing and services.

The major obstacle in the institutional structure is the need to rely on a variety of different funding sources, all with different requirements and time lines. It typically takes a year or two to secure all the funding for a project. Some funding sources are so competitive that all planning approvals must be in place by the time the project funding is requested. The cost of holding land for a year or more while financing is secured can be prohibitive.

Performance Measurement

Recipients of Fiscal Year 2007 CDBG funds will be required to comply with a performance measurement system to measure performance, as requested by HUD. Recipients will be responsible for complying with productivity performance goals as well as quantifiable project impact goals that reflect the extent to which funded activities yield the desired outcomes in the community or in the lives of the persons assisted. Subrecipients will be required to submit quarterly reports detailing their progress in meeting performance goals. The City will report the results in its Consolidated Annual Performance Report to HUD.

Capped Incomes

The City of Jonesboro will continue to use the federal capped incomes for all CDBG Program activities. Due to the limited amount of CDBG funds that the City receives, there are insufficient funds available to expand services to persons earning up to 80 percent of the City median income. As a result, the CDBG funds are used primarily to assist persons earning 50 percent or less of the median income or up to the capped income level for the low income category.

Monitoring of Funded Activities

The City of Jonesboro has a monitoring plan that involves an annual on-site monitoring of CDBG funded activities. CDBG funded activities that are being carried out by experienced agencies with past monitoring reviews showing no major issues will be monitored every other year. CDBG activities where there is inexperienced new staff, new programs or programs where there have been issues identified during past reviews, will be monitored annually. The on-site monitoring involves review of assisted client/tenant files, review of agency administration, fiscal management and program management. Sub-recipients of federal funds are required to maintain a financial audit trail for inspection by City, consisting of original invoices and timecards to document expenses all the way to cancelled checks to document payment of expenses. On-site monitoring of housing projects also involves inspection of the housing units to ensure they meet housing quality standards.

In addition to on-site monitoring, the City conducts quarterly desk reviews of each funded activity. Sub-recipients are

required to submit clients' reports detailing the Jonesboro clients served during the quarter, as well as the income and race/ethnicity of each client. Agencies are also required to submit quarterly budget reports showing expenses and revenue and a detailed invoice specifying what expenses are being charged to the CDBG funds. Agencies must also submit an annual independent audit report regarding their financial accounting.

The City prepares an annual performance report to HUD detailing the progress made in achieving the goals in the Consolidated Plan. The City also prepares detailed agreements with sub-recipients outlining goals and objectives to be met. The City's annual report to HUD includes an analysis of any problems or obstacles encountered by the sub-recipients in meeting their goals and objectives.

Each new affordable housing project that is developed (and other projects with long-term affordability restrictions) results in on-going monitoring responsibilities for the City. As a result, the City is faced with an increasing need for resources each year in order to meet its monitoring obligations. For example, during the past year we have added a housing project, Homeowner Rehabilitation program, and have restructured our policy on demolition of substandard housing. The number of projects will continue to increase as the projects continue to be funded and developed. The increasing need for monitoring resources has become a challenge for the City as the CDBG entitlement continues to decrease.

The following are the specific Goals, Objectives, and Strategies to be addressed during the 2007-2011 Program Years.

AFFORDABLE HOUSING - GOALS, OBJECTIVES, AND STRATEGIES

- 1 Goal: Improve livability and availability of affordable housing**
 - 1.1 Objective 1: Improve low income homeowner housing conditions
 - 1.1a - Provide funding for emergency homeowner rehabilitation repairs
 - 1.1b - Explore the possibility of obtaining volunteer assistance in repairs
 - 1.1c - Determine the availability of volunteer organizations, funding, and donations to assist in painting and minor repairs
 - 1.2 Objective 2: Increase new homeownership opportunities
 - 1.2a - Continue First Time New Homeownership Program
 - 1.2b - Assist in the expansion of homeownership, credit repair, foreclosure education to create new homeowners and retain current homeownership
 - 1.3 Objective 3: Assist developers in determining incentives and financial partnerships to promote more affordable housing projects
 - 1.4 Objective 4: Support and assist existing emergency shelters and transitional living housing
 - 1.4a - Provide support for rehabilitation of current shelters

BARRIERS TO AFFORDABLE HOUSING - GOALS, OBJECTIVES, AND STRATEGIES

2 Goal: Address barriers to affordable and fair housing

- 2.1 Objective 1: Increase the number of qualified new homeowners through homebuyer education
- 2.2 Objective 2: Include fair housing resolution information on City website
- 2.3 Objective 3: Create fair housing and resolution information brochure for public distribution

LEAD-PAINT HAZARDS - GOALS, OBJECTIVES, AND STRATEGIES

3 Goal: Increase lead safe housing stock

- 3.1 Objective 1: Maintain standards for lead-based paint abatement in all housing rehabilitation projects
- 3.2 Objective 2: Increase the number of safe housing units through housing initiatives
- 3.3 Objective 3: Provide the public with Lead Based paint hazard information on the City website

SUITABLE LIVING ENVIRONMENT-NON HOUSING COMMUNITY DEVELOPMENT GOALS, OBJECTIVES, AND STRATEGIES

1 Goal: Improve Livability, create better functioning, and more attractive neighborhoods

- 1.1 Objective 1: Improve appearance and eliminate blight in low income neighborhoods
 - 1.1a - Demolition and Clearance
- 1.2 Objective 2: Address needs of low income neighborhoods public facilities
 - 1.2a - Public Facilities maintenance and repair
 - 1.2b - Improve Parks and Recreation Facilities
- 1.3 Objective 3: Provide public services to address the needs of low income citizens
 - 1.3a - Fund needed services for qualified low income citizens
- 1.4 Objective 4: Improve low-income neighborhood livability through citizen participation in Neighborhood Revitalization
 - 1.4a - Explore the advantages of creating neighborhood revitalization strategy areas, determine their viability, and implement if considered
 - 1.4b - Investigate the need and public interest in local neighborhood networks, watches, and block clean up programs.
- 1.5 Objective 5: Economic Development and job creation for low income areas.
 - 1.5a - Encourage the development of new business and job creation ventures.

- 1.5b - Encourage employment programs.
- 1.5c - Assist in the creation of low income neighborhood-based collaborations to build capacity and sustain long term viability for existing businesses in low income areas.

SPECIAL NEEDS - HOMELESSNESS GOALS, OBJECTIVES, AND STRATEGIES

1 Goals: Increase housing and service opportunities extended to homeless persons

- 1.1 Objective 1: Support and assist existing emergency shelters and transitional living housing
 - 1.1a - Provide support for rehabilitation and/or services for existing shelters
- 1.2 Objective 2: Address homeless prevention activities
 - 1.2a - Provide technical assistance for and/or actual funding assistance to non-profits addressing homeless prevention activities
- 1.3 Objective 3: Collaborate with homeless providers
 - 1.3a - Provide staff assistance for homeless counts
 - 1.3b - Develop partnerships with non-profits to expand current services
 - 1.3c - Attend quarterly meetings with service providers in Jonesboro

ANTI-POVERTY STRATEGY

2 Goal: To assist in the reduction of households with incomes below the poverty line.

- 2.1 Objective 1: Support services to prevent homelessness.
 - 2.1a - Support services such as emergency rental assistance, assistance with utilities, financial education, foreclosure resolution programs, and other services.
 - 2.1b Survival services to enable households to survive on their incomes are also critical.
- 2.2 Objective 2: Assist in the provision of job training and supportive services
 - 2.2a - Support services such as transportation, so individuals can find and maintain employment.
- 2.3 Objective 3: Increase the supply of affordable housing for low income persons
 - 2.3a - Assist developers to promote affordable housing projects for low income persons

OTHER SPECIAL NEEDS - GOALS, OBJECTIVES, AND STRATEGIES

3 Goal: Explore the possibility of expanding services and/or access to services for our special needs population.

- 3.1 Objective 1: To work with services providers to assist special needs groups' access needed services.