The City of Reading

PUBLIC HEARING ON
HOUSING AND
COMMUNITY
DEVELOPMENT NEEDS

May 5, 2022
City’s Website

Items that are available on the website:
Consolidated Plan
Action Plans
Year End Reports (CAPERs)
Annual Community Assessments
PY2023 CDBG ESG HOME Applications
The 2023 CDBG ESG and HOME applications are located on the City’s webpage at: https://www.readingpa.gov/content/housing-community-development
Comments

Please share your comments upon completion of the presentation.

We respectfully require each attendee to please keep their comments to no more than a total of 10 minutes. The requirement is meant to avoid disruptions at the meeting and not meant to interfere with public participation.

You are welcome to set up an appointment with the Community Development Department Phone 610-655-6211 if you need additional time to discuss your comments.
Consolidated Plan

Five Year Plan 2019 to 2023
• Identifies local housing and community development needs
• Identifies the strategy for addressing local needs

Annual Plan 2023
• Describes actions to be undertaken to meet strategic plan goals
• Details budget for use of federal funds
Past Performance Information
CDBG, ESG, and HOME Programs

The Action Plans, Annual Assessments, and CAPERS are available on the Community Development webpage.

You may also contact the office to obtain a copy of those documents.
The City was allocated $2,082,307

$117,187.81 was spent as of December 31, 2021

The Human Relations Commission Emergency Rental Assistance Program has served 69 families
FUNDING CYCLE 2023

FY 2023 allocation estimates:

CDBG $2,500,000
HOME $1,000,000
ESG $220,000
ELIGIBLE ACTIVITIES

Some Examples Include:

- Housing Rehabilitation
- Homeownership Assistance
- Public Facilities and Improvements
- Blight Removal / Site Clearance
- Code Enforcement
- Economic Development
- Public Services
- Acquisition / Disposition of Real Property
**INeligible Activities**

Some Examples Include:

- **NO** Political activities
- **NO** Construction of housing units by a unit of local government
- **NO** Operation and maintenance of public facilities / improvements
- **NO** General government expenses including construction of general government buildings
- **NO** Purchase of equipment
- **NO** Direct income payments
Each activity must meet one of the Three National Objectives.

1. Benefit Low & Moderate Income Persons
2. Prevent or Eliminate Blight
3. Meet urgent needs when health and welfare are threatened
FUNDABLE ACTIVITIES

Meeting National Objectives

National Objectives can be met in multiple ways . . .
1. Area Benefit

Must serve 51% low/moderate income persons by Census tract or block group
Factors to determine the area served by a public facility or improvement are:

- The nature of the activity
- The location of the activity
- Access to the facility
- The availability of comparable activities
LOW & MODERATE INCOME BENEFIT
Types of Low/Mod Benefit

2. Limited Clientele

**Clientele presumed to be low/mod:**
- Abused children
- Battered spouses
- Elderly persons
- Homeless persons
- Illiterate adults
- Migrant farm workers
- Adults meeting definition of “severely disabled”
- Persons living with AIDS

**OR**

**Clientele document family income **\(\leq 80\% \text{ of AMI}\)

**OR**

**Eligibility requirements limit clientele to low/mod income persons**

**OR**

**Activity removes material or architectural barriers to accessibility of elderly persons or “severely disabled” adults**

**OR**

Nature and location of the service predominantly used by low/med income persons
LOW & MODERATE INCOME BENEFIT

Types of Low/Mod Benefit

3. Housing

Providing or improving permanent residential structures, which upon completion, will be occupied by low-and moderate-income households.
The activity must involve employment of persons, a majority of whom are of low and moderate income.
LOW & MODERATE INCOME BENEFIT

Definitions

- **Income** – Section 8 low income limit established by HUD
  - Very Low Income – under 30% of Area Family Median Income
  - Low Income – 31% to 50% of AFMI
  - Moderate Income – 51% to 80% of AFMI

- **Family** – all persons living in the same household who are related by birth, marriage, or adoption
<table>
<thead>
<tr>
<th>Family/Household Size</th>
<th>Moderate Income (80%)</th>
<th>Low Income (50%)</th>
<th>Extremely Low Income (30%)</th>
</tr>
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<tbody>
<tr>
<td>1 person</td>
<td>$46,050</td>
<td>$28,800</td>
<td>$17,300</td>
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<tr>
<td>2 person</td>
<td>$52,600</td>
<td>$32,900</td>
<td>$19,750</td>
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<td>3 person</td>
<td>$59,200</td>
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<td>7 person</td>
<td>$81,500</td>
<td>$51,000</td>
<td>$40,120</td>
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<tr>
<td>8 person</td>
<td>$86,600</td>
<td>$54,300</td>
<td>$44,660</td>
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</tbody>
</table>
ELIMINATION OF SLUM & BLIGHT

Area Basis or Spot Basis?

Definition of slum and blight per state law (P.L. 991) or local law.
Emergency Solutions Grant (ESG) Program

(ESG) funds can be used to provide a wide range of services

- Street Outreach
- Emergency Shelter
- Rapid Re-housing
- Homelessness Prevention
- HMIS - (Homeless Management Information System)
ESG-CV CARES Act funding

- The City was allocated $2,200,060.

- As of December 31, 2021 $973,885.84 has been spent

- The Human Relations Commission’s Homelessness Prevention Program has served 230 families.
HOME Program

HOME Investment Partnership Act
- Dedicated Housing Improvement Program
- New Construction Rental
- Acquisition, Rehabilitation, Resale
- Tenant Based Rental Assistance (TBRA)
- 15% set-aside for Community Housing Development Organizations (CHDO’s)
- Home Ownership Program (HOP)
SCHEDULE

June 30, 2022 – PY2023 Applications Due
July - August, 2022 - Applications reviewed for eligibility / fundability
September 2022 - Mayor sends the PY2023 Action Plan to City Council
October 2022 (Exact date TBD) – Public comment period
October 2022 (Exact date TBD) – PY 2023 Action Plan Public Meeting
November 4, 2022 – City Council’s vote on the Action Plan
November 15, 2022* – Send the PY2023 Action Plan to HUD
* HUD may change the submission date

January 1, 2023 - Start of Federal grant period PY2023
January 1, 2023 - CDBG and HOME activities will commence
May 1, 2023 (est.) - City receives HUD contract
July 1, 2023 - ESG activities will commence