

Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Single Family Homeowner Rehabilitation	2015	2019	Affordable Housing	Yakima County HOME Consortium	Owner Occupied Rehabilitation	HOME: \$249,888	Homeowner Housing Rehabilitated: 4 Household Housing Unit
2	Multi and Single Family New Construction Rental	2015	2019	Affordable Housing	Yakima County HOME Consortium	Rental Housing	HOME: \$62,472	Rental units constructed: 1 Household Housing Unit
4	CHDO-Homebuyer New Construction	2015	2019	Affordable Housing	Yakima County HOME Consortium	Homebuyer Program	HOME: \$62,472	Homeowner Housing Added: 1 Household Housing Unit
5	Administrative HOME Costs	2015	2019	Affordable Housing	Yakima County HOME Consortium	Owner Occupied Rehabilitation Rental Housing Homebuyer Program	HOME: \$41,648	Other: 0 Other

Table 57 – Goals Summary

Goal Descriptions

1	Goal Name	Single Family Homeowner Rehabilitation
	Goal Description	Approximately 60% of the total resources available over five years (excluding CHDO set asides) would be allocated to rehabilitation activities. This amount could increase pending the lack of viable or simple the lack of any projects proposed in a Request for Proposals (RFP) for multi/single family rental projects and homebuyer projects. Rehabilitation activities are planned to begin in year one and continue in each of the following years.
2	Goal Name	Multi and Single Family New Construction Rental
	Goal Description	Approximately 15% of the total resources that is available over five years (excluding CHDO set asides) would be available for Consortium-wide affordable rental housing, through new construction. This allocation of funds is based on viable projects being submitted through a RFF process. In Year 5 a landlord rehabilitation program will be piloted using up to approximately \$75,000 of HOME funds.
4	Goal Name	CHDO-Homebuyer New Construction
	Goal Description	Expand affordable homeownership opportunities by providing assistance to owners, developers, and sponsors households ready to acquire new construction single-family housing. This activity will also be awarded through a RFP process. The total includes a 15% set-aside from the annual HOME program grant award of \$58,836 to a certified CHDO.
5	Goal Name	Administrative HOME Costs
	Goal Description	Administrative costs for grant management of affordable housing funds.

Projects

AP-35 Projects – 91.220(d)

Introduction

The primary beneficiaries of HOME funds are households with incomes less than 80 percent of area median income (AMI). These households often must spend a high proportion of their income on housing and utility costs. For those who own their homes, many cannot afford to make basic repairs to their houses and therefore face a higher risk of experiencing dangerous housing conditions, such as mold and roof damage.

Projects

#	Project Name
1	Single Family Homeowner Rehabilitation
2	Multi and Single Family Rental New Construction
3	CHDO-Homebuyer Program
4	HOME Administration

Table 58 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The HOME Consortium will pursue several strategies to reach the goals. One of the biggest obstacles to be faced as strategies are implemented is limited federal funds available to meet the significant needs of the community. While the need for affordable housing is dominant, the high cost for land acquisition, construction, service provision, administration, and maintenance rises while the level of available funding at the federal level has declined. This places limits on the amount of housing that can be assisted. The HOME Consortium has suffered a large grant reduction from \$750,000 in 2010 to the current 2015 allocation of \$392,239.

AP-38 Project Summary
Project Summary Information

1	Project Name	Single Family Homeowner Rehabilitation
	Target Area	Yakima County HOME Consortium
	Goals Supported	Single Family Homeowner Rehabilitation
	Needs Addressed	Owner Occupied Rehabilitation
	Funding	:
	Description	Preserve the housing of extremely low- to moderate-income homeowners. Preserve existing owner-occupied housing. Provide assistance to homeowner households at or below 80% of area median income to rehabilitate existing family housing, Loans and grants will be used to assist homeowners of aging homes needing rehabilitation and improvements. The HOME Rehabilitation Loan Program include procedures for inspection, testing and stabilization or abatement in accordance with federal lead-based paint regulations, bringing housing up to local health and safety codes and providing energy efficient improvements.
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	Estimated four households will benefit from this project. Individuals and families up to 80% AMI on a first come first served basis from the priority jurisdictions.
	Location Description	Areas of the participating jurisdictions; City of Grandview, Mabton, Sunnyside, Toppenish, Wapato, Union Gap, and unincorporated Yakima County.
Planned Activities	Activities will include but not limited to; application intake, detailed inspection, lead and asbestos (per federal and state regulations), pest inspections(per federal and state regulations), environmental review, scope of work/cost estimate, cost reasonableness determination, bid process, construction management, loan closing, and loan management.	
2	Project Name	Multi and Single Family Rental New Construction
	Target Area	Yakima County HOME Consortium
	Goals Supported	Multi and Single Family New Construction Rental
	Needs Addressed	Rental Housing
	Funding	:
	Description	Expand the supply of affordable multi-family and/or single family rental housing available to extremely low- to moderate-income homeowners.

	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	1 unit, with first priority given to families who are up to 50% AMI and then to families up to 80% AMI
	Location Description	<p align="left">These funds would be awarded based on a competitive allocation process for eligible projects. In a competitive process, we cannot predict what population will be served or where the project will be located. Additionally, because these types of projects require many different fund sources and financing tools, it is difficult to pinpoint precisely how many units can be produced. This activity will become a priority once either the grant award reaches level close to 2010 or if through a competitive process a viable project is selected. The funds for this allowable activity is up to 23% of any year's grant award. If a viable project is not submitted in the RFP process then the 23% will be reallocated to the Homeowner Rehabilitation program or the Homebuyer program, which ever program shows the need for the additional funds on an annual bases to be determined by the HOME Board.</p>
	Planned Activities	Approximately 15% of the total resources that is available over five years (excluding CHDO set asides) would be available for Consortium-wide affordable rental housing, through new construction. This allocation of funds is based on viable projects being submitted through a RFF process. In Year 5 a landlord rehabilitation program will be piloted using up to approximately \$75,000 of HOME funds.
3	Project Name	CHDO-Homebuyer Program
	Target Area	Yakima County HOME Consortium
	Goals Supported	CHDO-Homebuyer New Construction
	Needs Addressed	Homebuyer Program
	Funding	:
	Description	Funds are restricted for activities such as supporting local CHDOs in the predevelopment phases of single-family and multi-family production. A portion of the funds could also be used for operations of CHDOs.
	Target Date	6/30/2016

	Estimate the number and type of families that will benefit from the proposed activities	1 family will benefit from this activity who qualifies up to the 80% AMI
	Location Description	Pending RFP process and determination of viable project.
	Planned Activities	Expand affordable homeownership opportunities by providing assistance to owners, developers, and sponsors to new households ready to acquire new construction single-family housing. This activity will also be awarded through a RFP process.
4	Project Name	HOME Administration
	Target Area	Yakima County HOME Consortium
	Goals Supported	Administrative HOME Costs
	Needs Addressed	Owner Occupied Rehabilitation Rental Housing Homebuyer Program
	Funding	:
	Description	Administration
	Target Date	6/30/2016
	Estimate the number and type of families that will benefit from the proposed activities	All families who come into contact with any administration type of activities.
	Location Description	Yakima County -Department of Public Services 128 N. 2nd St , Fourth Floor Courthouse, Yakima, Wa. 98901
	Planned Activities	Grant management and administration of the grant

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

Note: The number of households living in poverty has been used to develop the factor of “need’ within the Consortium. The breakdown above reflects each city’s and the unincorporated area’s households living in poverty as a percentage of the total number of households in poverty within the Consortium. In order to allow a minimum of one household to be rehabilitated in the five year period the percentage is slightly over 100%.

Geographic Distribution

Target Area	Percentage of Funds

Table 59 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The number of households living in poverty has been used to develop the factor of “need’ within the Consortium. The breakdown above reflects each city’s and the unincorporated area’s households living in poverty as a percentage of the total number of households in poverty within the Consortium.

Discussion

The Consortium planned for the housing rehabilitation activities to take place within existing neighborhoods – located in incorporated cities and targeted, populated communities in unincorporated areas – in order to maximize the potential for access to transportation and services. Rather than support scattered site rehabilitation in less dense areas, the program will support established neighborhoods that are typically within close proximity to job sources located in or near the cities. This is consistent with the goals of the *Transportation Element of the Yakima County Comprehensive Plan* (Plan 2015), which states in the “Transportation Demand Management” section:

“The capacity of the system can be “increased” by seeking to reduce the demand on the system. Not all transportation demand measures are appropriate to Yakima County. However, by selecting effective demand management measures, transportation system demand can be reduced and system capacity can be essentially “increased” at a lower cost. Effective demand management measures can have the added benefit of reducing air pollution. In addition, there is a strong connection between land use and its impact on the adjacent transportation system.”

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

A first step in the planning process was to assess the needs of the area. Consultants were contracted to conduct research on housing and human needs through document and data research, and gathering information from local jurisdictions, service providers, housing and banking industry representatives, agencies involved in developing and managing housing for lower income households, governmental agencies, and both public and private non-profit organizations. Planning documents were also reviewed for needs and goals/strategies to avoid conflict with local planning.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	6
Special-Needs	0
Total	6

Table 60 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	2
Rehab of Existing Units	4
Acquisition of Existing Units	0
Total	6

Table 61 - One Year Goals for Affordable Housing by Support Type

Discussion

The Plan establishes local priorities consistent with national objectives and priorities of HUD. The action steps in the plan will utilize HUD grant resources obtained through the HOME Investment Partnership Program. It is anticipated that the Consortium will receive approximately \$1.96 million in Federal HOME funds over the course of the five years. Additional resources from local match contributions and program income are expected to bring the total funds available for implementing affordable housing activities in the Consortium to \$2.66 million over the course of the five years. The proposed activities are designed to meet the following HUD objective:

- Provide decent affordable housing to lower-income households

AP-60 Public Housing – 91.220(h)

Introduction

Three public housing authorities serve the housing needs of low- and moderate-income households in the Yakima Valley. Each operates independently of each other managing a variety of housing for residents in their jurisdiction. While they have separate Boards of Commissioners, informal relationships exist between them.

Actions planned during the next year to address the needs to public housing

The Yakima County HOME Consortium will continue to collaborate and coordinate to the maximum extent possible pending the limited federal budget. Specific projects and funding requests will be analyzed to determine cost reasonableness and any underwriting needs to determine if it is a viable project per the Consolidated Plan.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

Yakima Housing Authority has a process in place that encourages involvement of residents in the management of the PHA.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable

Discussion

The Yakima HOME Consortium looks forward to continued collaboration with the Yakima Housing Authority and the Sunnyside Housing Authority.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The Homeless Network of Yakima County is the primary homeless planning and coordinating body that has been coordinating activities in the Valley since the 2004. The current Network includes over 40 local services providers and community members. The Homeless Network of Yakima County formally established as a Continuum of Care (CoC) by the United States Department of Housing and Urban Development (HUD). The CoC is designed to promote community-wide planning and strategic use of federal, state and local resources to address homelessness; improve coordination and integration with mainstream resources and programs targeted to people experiencing homelessness; improve data collection and performance measurement; and allow the local community to tailor its programs to the particular strengths and challenges in assisting homeless individuals and families.

The mission of the Network is to advocate for the individuals who are homeless in Yakima County to improve quality of life, increase public awareness of the issues of homelessness, impact public policy and prevent and end homelessness. The *Ten Year Plan to End Homelessness in Yakima County*, adopted by the County Commissioners in 2005, aims to reduce homelessness by 50% by the year 2015. Currently homelessness has been reduced by 43% since 2005.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Yakima County HOME Consortium will continue to support, engage, and collaborate with the Yakima Continuum of Care as a strategy to reaching out to homeless persons (especially unsheltered persons) and help assess their individual needs. The Consortium's goals of preserving owner occupied housing, increasing affordable rental housing, and increasing affordable new construction single family homes, assists by keeping individuals and families in affordable housing and aids in the prevention of homelessness.

Addressing the emergency shelter and transitional housing needs of homeless persons

The Yakima County HOME Consortium, Homeless Network of Yakima County, Continuum of Care, and City of Yakima will continue collaborative efforts in addressing the emergency and transitional housing needs of homeless persons.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals

and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The mission of the Homeless Network is to advocate for the individuals who are homeless in Yakima County to improve quality of life, increase public awareness of the issues of homelessness, impact public policy and prevent and end homelessness. The *Ten Year Plan to End Homelessness in Yakima County*, adopted by the County Commissioners in 2005, aims to reduce homelessness by 50% by the year 2015. Currently homelessness has been reduced by 43% since 2005.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

Coordination will continue by referring families to public and private agencies as well as accepting referrals to see if affordable housing needs can be addressed through the Consortium.

Discussion

The initial policies of the Consortium are to allocate resources along program lines with three distinct program approaches: Homeowner Rehabilitation, New Construction Multi-Family and Single Family Rental Units/Landlord Rental Rehabilitation(pilot program in the fifth year of the plan), and Homebuyer New Construction Programs.

Funds for the allowable activities will be allocated for use in Consortium homeownership programs (rehabilitation and new construction) that operate in the individual member jurisdiction. The amount allocated will be based upon that jurisdiction's percentage of households living in poverty compared to the number of households living in poverty within the entire Consortium. These funds will be utilized on a first come first served basis and evaluated every 6 months by the HOME Administrator to analyze where concentrated recruiting efforts may need to occur.

We anticipate the New Construction of Rental Units and the Homebuyer Program/Rehabilitation of Affordable Rental Housing component will be allocated to projects Consortium-wide through an RFP process. These projects will generally benefit the entire Consortium by increasing or improving affordable housing opportunities for residents of the Consortium.

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

Several recommendations can be considered to reduce barriers to affordable housing, some of which can best be implemented through coordinating efforts of local governmental agencies, non-profit agencies and/or planning organizations. Other recommendations may lead to new initiatives or changes in policies or approaches. Many can be considered through cooperative efforts between governmental agencies and local planning groups and organizations that are seeking to increase affordable housing and encourage self-sufficiency among all residents of the county.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Strategies to Remove or Ameliorate the Barriers to Affordable Housing:

- Promote programs and activities that offer the opportunity to construct new affordable rental housing programs serving lower income populations.
- Encourage programs and projects which most closely meet the specific needs of the disabled, large families, lower income populations and the elderly.
- Utilize the HOME Program as a subsidy to support the construction of affordable rental housing (when grant funding levels are of a sufficient amount to support reasonable levels of subsidy or viable projects are proposed).
- Support activities which provide counseling to renters on their rights
- Support local efforts and activities to provide landlords with information and understanding of fair housing rights of renters.
- Advocate for potential state and federal resources which can be used to support housing for lower income persons.
- Encourage consideration of inclusionary zoning and other actions which support affordable housing in the updating of local planning documents.
- Encourage the development of affordable rental housing by housing developers and housing authorities, including housing which is suitable for the needs of large families.
- Encourage the development of new housing resources in locations close to jobs, transportation and services, utilizing “in-fill” sites wherever feasible.
- Consider in long-range housing planning efforts the trending housing needs of the elderly and disabled persons.
- Advocate for the retention or restoration of critical social service programs supporting the most

severely disabled populations.

Discussion:

The initial policies of the Consortium are to allocate resources along program lines with three distinct program approaches: Homeowner Rehabilitation, New Construction Multi-Family and Single Family Rental Units/Landlord Rental Rehabilitation(pilot program in the fifth year of the plan), and Homebuyer New Construction Programs.

AP-85 Other Actions – 91.220(k)

Introduction:

The HOME Consortium will pursue several strategies to reach the goals. One of the biggest obstacles to be faced as strategies are implemented is limited federal funds available to meet the significant needs of the community. While the need for affordable housing is dominant, the high cost for land acquisition, construction, service provision, administration, and maintenance rises while the level of available funding at the federal level has declined. This places limits on the amount of housing that can be assisted. The HOME Consortium has suffered a large grant reduction from \$750,000 in 2010 to the current 2015 allocation of \$392,239.

Actions planned to address obstacles to meeting underserved needs

The primary beneficiaries of HOME funds are households with incomes less than 80 percent of area median income (AMI). These households often must spend a high proportion of their income on housing and utility costs. For those who own their homes, many cannot afford to make basic repairs to their houses and therefore face a higher risk of experiencing dangerous housing conditions, such as mold and roof damage.

The initial policies of the Consortium are to allocate resources along program lines with three distinct program approaches: Homeowner Rehabilitation, New Construction Multi-Family and Single Family Rental Units/Landlord Rental Rehabilitation(pilot program in the fifth year of the plan), and Homebuyer New Construction Programs.

Funds for the allowable activities will be allocated for use in Consortium homeownership programs (rehabilitation and new construction) that operate in the individual member jurisdiction. The amount allocated will be based upon that jurisdiction's percentage of households living in poverty compared to the number of households living in poverty within the entire Consortium. These funds will be utilized on a first come first served basis and evaluated every 6 months by the HOME Administrator to analyze where concentrated recruiting efforts may need to occur.

We anticipate the New Construction of Rental Units and the Homebuyer Program/Rehabilitation of Affordable Rental Housing component will be allocated to projects Consortium-wide through an RFP process. These projects will generally benefit the entire Consortium by increasing or improving affordable housing opportunities for residents of the Consortium.

Actions planned to foster and maintain affordable housing

To work toward overcoming these obstacles, the following strategies will assist in achieving the goal and objectives.

- Focus on developing strong collaboration and cooperation with residents and community

organizations that work toward improving service delivery and/or cost effectiveness. The HOME program is in process of developing Memorandums of Understanding with Yakima Valley OIC and Northwest Action Center, who are grantees of Washington State Department of Commerce Weatherization Program funds to subsidize costs of rehabilitation for homes that also meet their program requirements to assist in projects being viable. There is ongoing coordination with Yakima County Department of Public Services to access water filtration systems through a grant made possible by the Washington State Department of Health. This would assist certain eligible household who have unsafe levels of nitrates in the water to have access to safe drinking water.

- Pursue long-range sustainable solutions, including development of improved coordination with and among housing providers, preservation of housing and public facilities and reduction of barriers to affordable housing. The HOME Consortium is participating in a county wide Affordable Housing Committee
- Focus HUD program resources for maximum impact and use 2060 Affordable Housing Funds to complement federal resources.
- Prioritize the development of a program, consistent with other goals and priorities set forth in this plan, to fund affordable housing projects that are: Environmentally sound (“green” housing) Meet the accessibility requirements of the Fair housing Act (as appropriate) Sustainable Projected to save on long-term costs for the owner and the residents Incorporate universal design principles in new and rehabilitated housing to facilitate access for people with physical and sensory disabilities and aging adults as demonstrated by need.

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Actions planned to reduce lead-based paint hazards

In accordance with the 24 CFR Part 35, subparts A, B, J, K, and R, the Yakima County HOME Consortium requires that all projects/homes receiving HOME funds that were built prior to 1978, with construction costs over \$5,000, be inspected and analyzed for the presence of lead-based paint. Should lead hazards be identified through the risk assessment process, those hazards are to be brought into compliance with Title X of the Housing and Community Development Act of 1992 as part of the project’s scope of work. HOME funds may be provided for testing, risk assessment, and clearances for eligible activities.

Actions planned to reduce the number of poverty-level families

Approximately 15% of the population of the county is living in poverty. It is the goal of the Yakima

County HOME Consortium to reduce the percentage of families living in poverty within their jurisdiction.

The Consortium has established the affordable housing goal and the objectives as the primary vehicle for utilizing HOME funds to reduce poverty in the area. Increasing the accessibility and availability of new affordable housing and supporting homeowner rehabilitation is critical to combat the market conditions (such as the extremely low rental housing vacancy rate), which limit affordable housing choices for lower income households in the Consortium.

Actions planned to develop institutional structure

Support legislation and other initiatives designed to increase funding and other support for affordable housing; and coordinate with statewide and community-based housing agencies to provide housing education for the public and policy makers, in order to build support for increasing the housing funding base and to enhance acceptance of affordable housing.

Actions planned to enhance coordination between public and private housing and social service agencies

Vigorously enforce fair housing laws. Require HOME funded developments to implement an affirmative fair housing marketing plan. Increase awareness of fair housing issues.

Discussion:

New rental housing units constructed or assisted with HOME Program resources will target populations under 50% of the median income of the area and will provide a resource for expanding housing available to the homeless and special needs populations. Individual renter and owner occupied housing costs will be limited to 30% of the assisted household's income. In addition, the HOME Consortium will work with non-profit and government agency developers to encourage the location of new rental units in areas that are readily accessible to transportation, jobs, and key services.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

Due to limited HUD funding , the Yakima County HOME Consortium strives to effectively and efficiently as possible to benefit it's citizens within the participating jurisdictions as per HUD's requirements. Any program income is embedded within th eappropriate programs for Eligible Activities to meet HUD approved National Objectives.

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

It is estimated that a total of \$1,961,195.00 in HUD HOME Program resources will be available to the Consortium during the five-year period of the Consolidate Plan. Based on the 2015 HUD HOME Program allocations, the expected annual funding available to the unincorporated areas of Yakima County and the seven partner municipalities will be approximately \$392,239. Program Income is expected to increase each year and total approximately \$217,205.00 over a five year period. Match funds from the local 2060 Affordable Housing Fund are expected to equal approximately \$490,298.75 over the five years. The County receives these assets through a state law provision that allows the County to collect a fee on real estate transactions. The funds can be used by the County for low-income housing activities within the county. Note that the Consortium anticipates making available up to 15% of the funds to a qualified Community Housing Development Organization (CHDO).

The combined resources bring the total expected to be available for project activities to \$2.66 million.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

This resale requirement will ensure that, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability, the housing will be made available for subsequent purchase only to a buyer whose family qualifies as a low-income family and will use the property as its principal residence. The resale requirement will also ensure that the

price at resale provides the original HOME-assisted owner a fair return on investment. Fair return is defined as the homeowner's down payment and any capital improvement made to the house. The housing will remain affordable to a reasonable range of low-income homebuyers. There will be deed restrictions that will run with the land.

Fair return on investment is defined as the homeowner's initial investment and capital improvements. Capital improvements is defined as investments made to the home's infrastructure such as roofing, heating systems, new windows, doors, insulation. Routine maintenance is not included. The value of the improvements is based on the actual costs of the improvements, as documented by receipts. If the homeowner cannot provide receipts then the average increase in value that specific type of improvement brings at sale will be used to determine the fair return amount. The percentage change in the Consumer Price Index (CPI) over the period of ownership will be used to calculate the fair return amount. Special note: if the home value is depreciating due to declining housing market, original homebuyer may not receive a return on his or her investment because the home may sell for less or the same price as the original purchase price. In these circumstances, this would be considered the fair return to the original home buyer.

Reasonable range of low income homebuyers is defined as those homebuyers who meet the HUD Adjusted HOME Income limits definition of being <80% or below Area Median Income(AMI) and whose income and Principal, Interest, Taxes and Insurance (PITI) is no more than 30% of their income. Exceptions can be made for homebuyers whose PIT is up to 35% of income on a case by case bases to be determined by the HOME Administrator and Director of Public Services. Determining factors will be used on a scoring sheet to help determine the mortgage debt would not be a financial burden as to not allow other usual and customary living expenses(food, clothing, power, water, medical) to suffer. PITI can include any and all of the following:

- Principal and Interest,
- Real Estate Taxes,

Note: If proposed construction, base estimate on property being completed and valued/reassessed by the taxing authority.

- Hazard Insurance Premiums,
- Monthly FHA Mortgage Insurance Premiums,
- Flood Insurance,
- Ground Rent,
- Homeowner's Association Dues/Condominium Fees, Other property related special assessments, and
- Subordinate Financing payments scheduled to begin within 3 years of loan closing.

To ensure an affordable sales price it may be necessary to provide HOME assistance to the subsequent buyer in the form of down payment assistance to provide the original homebuyer's fair

return amount. This would occur in the event the resale price is not affordable per HUDS HOME definition for the potential buyers.

Enforcement of the resale provisions will be documented into the written agreement with the homebuyer before or at the time of sale. It will specifically state that the unit must be the principal residence for the full affordability period or if the unit is sold before the end of the affordability period. This written agreement will be in the form of deed restrictions that will run with the land and recorded in the Yakima County Auditor's Office.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

To ensure an affordable sales price it may be necessary to provide HOME assistance to the subsequent buyer in the form of down payment assistance to provide the original homebuyer's fair return amount. This would occur in the event the resale price is not affordable per HUDS HOME definition for the potential buyers.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The Consortium does not plan to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

Discussion:

The year specified in this Annual Action Plan is Year 1 2015.