



**City of Midland
Community Development
Program**

"Changing Communities, Changing Lives"

**October 2019 to September 2020
ACTION PLAN**

to the

**City Of Midland's Consolidated Plan
For Community Development
And Housing Funds
October 2015 - September 2020**

Prepared for the U.S. Department of Housing and Urban Development



City of Midland

FIFTH YEAR ACTION PLAN October 2019 to September 2020

Consolidated Plan for Community
Development and Housing Funds
October 2015 to September 2020

Mayor:

Jerry Morales

City Manager:

Courtney Sharp

City Council Members:

District 1: Scott Dufford

District 2: John B. Love III

District 3: Sharla Hotchkiss

District 4: J. Ross Lacy

At-Large: Michael Trost

At-Large: Spencer Robnett

Assistant City Manager:

Morris Williams

Assistant City Manager:

Robert Patrick

CDBG Committee: Council members John B. Love III and J. Ross Lacy

Community Development Office Staff:

Isaac G. Garnett, Community Development Manager

Wanda Valles, Program Coordinator

**CITY OF MIDLAND CONSOLIDATED PLAN
FOR COMMUNITY DEVELOPMENT AND HOUSING FUNDS**

ACTION PLAN for the 2019/20 PROGRAM YEAR

EXECUTIVE SUMMARY

The Consolidated Plan establishes Midland's long-range strategy for investment of its U.S. Department of Housing and Urban Development (HUD) resources and other resources linked to activities directed at community development, housing and homeless services needs. The Plan covers a five-year period, beginning October 1, 2015 and ending September 30, 2020.

The purpose of the 2019/2020 Action Plan is to identify the HUD resources that will be used in the coming year to address the various housing, homeless and community development needs in the City. This Action Plan represents Year Five of the Consolidated Plan. The sole funding source is the City's 2019/2020 Community Development Block Grant (CDBG) program entitlement allocation of \$915,709. Additionally, the City expects to receive \$100,000 in program \$1,015,709. Priority housing needs to be addressed are those of owner households in the 0% to 80% of median income range, and renter households in the 31% to 80% of median income range who will be making home purchases. The City will also address public services (senior citizens) and other park improvement. Specific objectives with intended outcomes to be addressed are:

- 10 minor repairs on homes occupied by low-income homeowners
- Assist 10 low-income first time homebuyers with home purchases
- Senior Life Midland-support meals program (330 persons)
- Casa de Amigos-home cleaning program for seniors (60 persons)
- Casa de Amigos- parking lot paving
- CDBG-Administration cost
- Greenwood Infrastructure Improvements
- Midland Mission Adult Day Center-support meals program

The Action Plan provides information as to the locations of the proposed activities. The City anticipates that 100% of funds will benefit low and moderate income persons.

In summary, the Action Plan was developed through the following citizen participation and consultation process: public organizations and affected groups were informed of the 2019/2020 plan development process and schedule, two community meetings were held, formal project proposals were accepted, two public hearings were held, media outreach was conducted, and public notification including city web page, and newspaper. The draft plan was made available for a 30-day review period (June 22 2019 to July 22, 2020). Concerning progress on the 2015-2020 Consolidated Plan, the City is eight months into the fifth Year Action Plan. Specifically, public service activities, the owner housing assistance programs and public improvements are progressing well towards their respective goals. The Home Reconstruction Program and the Homebuyer

assistance program have concluded successfully. The City's Consolidated Annual Performance and Evaluation Report that is generally published in December should also be reviewed for past performance.

The Plan includes narrative responses on a variety of issues posed as part of the Consolidated Plan. CDBG program specific requirements including required certifications are contained in the Action Plan. The agency responsible for development of the Plan is the Community Development Division of the City's Development Services Department.

Specific projects proposed to be undertaken with the total \$1,015,709 CDBG funds are:

<u>Projects</u>	<u>Amount</u>
Housing Needs	
Owner Housing Minor Repairs Program	\$50,000
Homebuyer Assistance Program	\$100,000
Community Development Needs	
Senior Link Nutrition Program	\$68,000
Casa de Amigos-Home Cleaning Program	\$34,000
Greenwood Infrastructure	\$500,000
Administration	
Contracts	<u>\$30,000</u>
Total	\$782,000

* = includes \$100,000 in program income.

Fith Program Year Action Plan Narrative

GENERAL

Executive Summary

An **Executive Summary** is located at the beginning of the Action Plan.

General Questions

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.
2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) during the next year and the rationale for assigning the priorities.
3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs.
4. Identify the federal, state, and local resources expected to be made available to address the needs identified in the plan. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan.

The geographic areas in which CDBG funds will be directed are shown on the **Locations of Proposed 2019 Projects Map**. The Map also identifies the location criteria for beneficiaries of each proposed project. The reader should also refer to the census tract boundaries, minority population and low-income area maps. The minority population maps are based on 2010 Census Tracts boundaries and data. The low income areas map relies on the 2010 Census geographic areas.

The City's rationale for its geographic distribution of CDBG funds is based on compliance with the CDBG Primary Objective - the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Generally, CDBG supported public services are available on a citywide basis to income eligible households or persons. However, public capital improvements and other development projects are specifically directed at sites within low- and moderate-income neighborhoods.

Housing assistance, and elderly programs specifically target underserved populations. The targeting techniques include providing higher levels of assistance for lower income applicants and limiting assistance to low income areas.

As per the **Funding Sources Report**, the City will receive \$915,709 in CDBG Entitlement Grant.

A total \$100,000 is estimated as CDBG program income for 2019/2020. Altogether, \$1,015,709 in CDBG funds will be available in 2019/2020. The City anticipates that 100% of CDBG funds will benefit low and moderate income persons.

As it relates to other HUD programs, the City shall support applications by other entities as reported in the **Support Other Applications Report**. The City and the City/County Housing Authority providers may apply for these HOME funds as well as access the State's HOME Reservation System Participant program component. Currently a Low-Income Housing Tax Credit application for Midland is under consideration with TDHCA. The City does encourage local providers to seek suitable federal resources such as the Emergency Shelter Grants (ESG) and federal weatherization funds.

Private funds may be used in conjunction with CDBG funding include banking funds received by CDBG/subrecipients. Organizations like Christmas in Action and Habitat for Humanity rely on private donations for their programs.

Managing the Process

1. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.
2. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.
3. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.

The lead agency for administering the Action Plan is the City of Midland's Department of Development Services through its Community Development (CD) Division. Major public and private agencies responsible for administering programs covered by the Consolidated Plan are the City of Midland, local housing authorities and numerous housing (Midland Community Development Corporation, Midland Habitat for Humanity) and social service non-profits (Casa de Amigos, Community and Senior Services of Midland, the local Workforce Networks).

The process for developing the Action Plan includes public notification, citizen input situations and target area selection. Public notification consisted of informing public organizations, non-profits and key target organizations about the upcoming Action Plan cycle was made in February, 2019. Proposals from outside organizations and city departments for the use of funds were accepted until March 2019. Two community meetings and two public hearings were conducted and the above groups were encouraged to attend. The City communicates and coordinates with other Midland governmental entities, local housing authorities, the City of Odessa and various State departments on an as needed basis. The City provided copies of the Action Plan to the following governmental entities: Community Advocacy groups, local housing authorities and Midland County. Midland is not adjacent to another municipal government.

The City will continue to participate in local, regional and state efforts that serve to enhance coordination among public and private housing, health, and social service agencies. Such efforts include those of the Midland Affordable Housing Alliance, the Midland Homeless Coalition, the United Way, Board of Realtors, Home Builders Association, and social service case managers among others.

Citizen Participation

As per the Citizen Participation Plan for the City's Community Development program, the citizen participation process consists of providing notification and having formal opportunity for citizen input. The City informs the public through various means of upcoming input opportunities such as community meeting or public hearings. Specifically, the City conducted two neighborhood community meetings at the SE Senior Center and Casa de Amigos in March, 2019 to solicit citizen input on community development and housing needs. Two public hearings (May 14, 2019 and June 11, 2019) at City Hall were also held to solicit citizen input. Spanish interpretation was available at the meetings. Minutes of the public hearings are maintained by the City Secretary Office. Copies of the draft plan were made available at several locations including the housing authorities as part of the 30-day review period (that occurred from June 22 to July 22, 2019). Comments received on the proposed Action Plan are included in the **Citizen Participation section**. This section also contains copies of published notices of the above meetings and public hearings.

Institutional Structure

Major changes to the institutional structure described in the Consolidated Plan are not anticipated in the coming year. The City will continue to support activity by the various providers and encourage them to seek other funding sources to enhance the service delivery system in Midland. City staff and/or elected officials will continue to be involved in housing and homeless concerns that seek to improve service delivery. Examples can be seen in the existence of the Midland Affordable Housing Alliance and the Midland Homeless Coalition among others.

Monitoring

- Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

The City's Community Development Office has the responsibility of monitoring plan implementation. For its CDBG activity, monitoring will be done on a continuous basis regardless of whether a project is undertaken by a subrecipient or City staff. The **Summary of**

Specific Annual Objectives Tables is used to track progress of individual activities toward addressing the broader Program objectives. All CDBG projects will be monitored monthly for progress in expenditure of funds. Public service programs also report performance monthly. Technical assistance to project managers by the CD Office is available throughout the year. Written agreements with subrecipients contain provisions on complying with HUD requirements that will be enforced. The City will perform on-site monitoring of such projects. Program objectives will be stated in measurable terms in the agreements. Any project involving development must conform to City development standards and other City Master Plan Objectives. Housing reconstruction homes and units under homebuyer assistance programming will meet HUD's housing quality standards. The City has a performance manual that is used on the reconstruction program. City staff will strive to attend HUD sponsored training to help maintain the capacity needed to monitor programs effectively.

Although the City is not responsible for monitoring HUD funds it does not directly receive, the City will issue certificates of consistency with the Consolidated Plan on the condition that receiving agencies provide periodic reports to the City. In this manner, the City can better track progress related to the implementation of the plan. The City will seek information on the number and categories of households served by such projects. To obtain a certificate, an agency must provide information on its ability to implement the proposed program, the proposal's measurable objectives and time frames for completion, and the responsible officials.

Lead-based Paint

The City has implemented its CDBG activities consistent with the lead-based paint hazard reduction objective. Specifically, prospective households shall be made aware of the potential hazard and appropriate evaluation and reduction steps will be pursued in rehabilitation programs. Referrals to services for testing of children by local health and child welfare agencies will be made as needed.

HOUSING

Specific Housing Objectives

Available resources for the coming year will consist of the 2019/2020 CDBG funds budgeted for housing and the program income generated by the owner occupied housing program. The City anticipates housing programming to address priority housing needs of owner households, principally in the 0% to 50% of median income range and first time homebuyers in the 40% to 80% of median income range. As shown in the **Project Tables**, it is expected that homebuyer assistance, owner housing major projects, and owner housing minor repairs will be undertaken. The Project Tables contain information on outcome measurements. Privately funded Christmas in Action should annually achieve 300 plus minor repair projects. West Texas Opportunities is responsible for weatherization projects funded by the DOE. **Table 3B Annual Housing Completion Goals** of the Action Plan also identifies the specific housing goals including resources to be used.

Needs of Public Housing

The only public housing project in Midland is for the elderly and is in good condition but was built in 1976. The City will remain receptive to assisting the PHAs, upon request, on their "resident initiative" activity and will continue to provide information on homeownership opportunities to households assisted by the PHAs. The CD Office provides its housing brochure to the PHAs for distribution at its offices, and the PHAs reciprocate. Currently, the PHAs are not designated as "troubled" or otherwise performing poorly.

Barriers to Affordable Housing

The City shall continue to be receptive to cases supporting the objective. Often, favorable outcomes can be achieved when re-zoning cases, mobile home occupancy permit and sidewalk waivers are considered. The City shall also strive to reduce or waive certain development and building fees for affordable housing projects and use local funds to pay for public improvements and the disposal of site clearance debris on affordable housing sites. Services such as platting and surveying aspects can also be considered for non-profit developers. The City uses its Street Fund that is generated from each building permit for street improvements primarily within the city's low income areas. The City shall strive to use City resources for street improvements, primarily in Midland's south and east sides. Continuation of CDBG funding for the housing reconstruction program contributes toward this objective. These actions also have the effect of fostering and maintaining affordable housing.

The City of Midland is not a HOME/ADDI participating jurisdiction.

HOMELESS

Specific Homeless Prevention Elements

Not counting the CDBG program, the City does not receive any funds to carry out homeless programs. Therefore, the City relies on other organizations to pursue funds to serve homeless needs. For 2019/2020, the City does not anticipate using CDBG funds that will directly assist in programs that serve the homeless or on projects involving homeless facilities.

By being an active partner in the Midland Homeless Coalition, and the Midland Affordable Housing Alliance, the City aims to work toward addressing gaps within the Remainder of State Continuum of Care for the homeless and eliminating chronic homelessness. As required, partners in the Homeless Coalition are still considering an appropriate discharge coordination policy. Collaborations with the United Way and local foundations are vital in efforts to ensure current funding levels are sustained and that federal/state funding opportunities are not missed in order to apply for shelter and transitional housing needs.

The current system of support services and facilities through the Salvation Army, Midland Fair Havens, Safe Place, local churches and social service agencies, and agencies dealing with offenders will continue. This system intends that extremely low income individuals and families can be prevented from becoming homeless and that homeless persons can be aided in their transition to permanent housing and independent living.

Emergency Shelter Grants (ESG)

The City of Midland does not receive an ESG allocation.

COMMUNITY DEVELOPMENT

Community Development

The 2019/2020 CDBG funds, the City will address the following non-housing community development needs: public services (senior care) and neighborhood park improvement needs. Specifically as shown in the **Project Tables**, the City will address the following Community Development Objectives:

- Fund meals and home cleaning programs that benefit the elderly
- Public infrastructure projects in the Greenwood neighborhoods for street improvements.

The individual Project Tables contain information on outcome measures.

The City will use General Fund dollars for the proper administration of the CDBG programs include citizen participation and fair housing programming.

No changes to the Consolidated Plan were made during the past year.

Antipoverty Strategy

The City will continue its overall anti-poverty strategy that revolves around economic development – using the economic development sales tax to create jobs for Midland. Fortunately, the current oil based economic boom has resulted in the generation of jobs in all sectors of the local economy. Other aspects of the local strategy are to continue to direct assistance programs towards the neediest households, employment-training programs and the hiring of low-income individuals on federally supported contracts. Small businesses that hire low-income persons typically are vendors in housing assistance programs. Adherence to HUD's Section 3 requirements is another way to help eliminate poverty.

NON-HOMELESS SPECIAL NEEDS HOUSING

Non-homeless Special Needs (91.220 (c) and (e))

While the City does not anticipate having any resources that will be devoted to the non-homeless special needs objectives of the Consolidated Plan, the public services to be funded by CDBG do serve special needs populations – the elderly, frail elderly and persons with disabilities. Owner housing assistance programs are designed to be most helpful towards those special needs individuals with lower incomes.

Housing Opportunities for People with AIDS

The City of Midland is not a direct HOPWA grantee.

Specific HOPWA Objectives

The City of Midland is not a direct HOPWA grantee.

**STAFF REPORTS ON APPLICATIONS
RECEIVED FOR 2019-2020
CDBG FUNDING**

NAME: Owner Housing Minor Repair Program

Request: \$50,000

APPLICANT: CDBG Office

Description: The City's Community Development (CD) Office proposes to continue the Minor Repair Program (MRP) of the Owner-Occupied Housing Assistance Program (OHAP). The MRP provides grant assistance for certain repair items; however, the homeowner pays, in advance, a portion of the cost. Up to \$5,000 assistance can be provided to a household during the year.

Budget: With \$50,000 of new funding and an estimated \$5,000 in client payments, 20 homeowners can be assisted during the 2019-2020 program year. Community Development Office staff conducts the OHAP and is paid by the City's general fund.

Eligibility: Per 24 CFR 570.202(a), housing improvements and rehabilitation of single family owner-occupied homes is an eligible activity. To meet the low and moderate-income benefit CDBG Objective, only homes occupied by low and moderate-income households will be CDBG aided. The MRP would be available within low income Census Tracts.

Consolidated Plan: The need for home improvement assistance for lower income homeowners is an identified priority need.

NAME: Homebuyer Assistance Program

Request: \$100,000

APPLICANT: CDBG Office

Description: The City's Community Development Office proposes to continue the City's Homebuyer Assistance Program (HAP). Through the HAP, low income first time homebuyers receive financial assistance to help purchase decent homes anywhere in the City. Depending on income, up to \$15,000 assistance would be provided to a homebuyer as a zero interest, deferred forgivable loan.

Budget: The requested funds could assist 7 households during the year. The CD office staff will accept and verify applications, inspect the homes, coordinate the closings and process payments. Community Development Office staff conducts the HAP and is paid by the City's general fund.

Eligibility: Per 24 CFR 570.201(n), homeownership assistance is a basic CDBG eligible activity. In order to meet the CDBG Objective of benefit to low and moderate income persons, the City must document that each assisted household meets the low and moderate-income criteria.

Consolidated Plan: A high priority is the need for more affordable homes to buy.

NAME: SE Senior Center Nutrition Program

Request: \$85,000

APPLICANT: Senior Life Midland

Description: The former Community and Senior Services of Midland, Inc., Senior Link Midland (SLM) requests funding for the nutrition programs at the Southeast Senior Citizen Center (1803 E Indiana) and at the Casa de Amigos (1101 E Garden Lane). Approximately 210 seniors are expected to benefit from the lunchtime meal program, and take home food boxes in order to supplement their nutritional needs. Meals are prepared daily at the SLM central kitchen located at 3301 Sinclair.

Budget: Previously, only the SE Center meals program has been CDBG supported. This time, SLM is including the Casa meals program in its application for the upcoming CDBG fiscal year. CDBG funds would be used to pay for an average 53 meals per day for the October 2019 to September 2020 period. The estimated \$7.53 cost per meal includes all costs in providing the meals: personnel, supplies, transportation, food, equipment and administrative overhead.

Eligibility: Per 24 CFR 570.201(e), a public service for senior citizens is considered by HUD as a presumed benefit to low and moderate-income person's activity under its limited clientele provisions. This request will be subject to the 15% limitation on funds allocated for public services.

Consolidated Plan: Public services of benefit to the elderly and handicapped individuals are a priority community need.

Other Comments: As an ongoing program, this request is subject to the potential need for the operator to secure replacement funding. CDBG assistance has been provided continuously for senior citizen programming in southeast Midland since 1986. SLM has administered CDBG funds for the SE Nutrition Program since 1988.

NAME: Home Cleaning Program

Request: \$34,000

APPLICANT: Casa de Amigos

Description: Casa de Amigos requests funds to support its Citywide Community Services' Home Cleaning Program. The program's objective is to maintain safe and sanitary living conditions for indigent senior citizens (60+ years of age) and disabled individuals. Services include an initial deep cleaning and subsequent routine weekly cleaning. It is expected that 100 clients will be assisted during the year.

Budget: The requested funds would be used to help pay the wages of the program's homemakers. CDBG funds are proposed to be 30% of the total Citywide Community Services budget. The Citywide Community Services budget for the next year will be \$97,000. Grants from United Way also help fund the program.

Eligibility: Per 24 CFR 570.201(e), public services are eligible for CDBG funding. A public service for senior citizens and disabled persons is considered by HUD as a presumed benefit to low and moderate income activity under its limited clientele provisions. This request will be subject to the 15% limitation on funds allocated for public services.

Consolidated Plan: Public services of benefit to the elderly and handicapped individuals are a priority community need.

Other Comments: As an ongoing program, this request is subject to the potential need for the operator to secure replacement funding. The home cleaning service has been continuously CDBG supported since 1991.

NAME: Take Home Terrific Program

Request: \$40,000

APPLICANT: Mission Center Adult Day Service

Description: Mission Center Adult Day Service requests funds to support the continuation of program – Take Home Terrific Program. Take Home is an evening meal delivery service for individuals who have some type of mobility dysfunction or health issue that would keep them from meeting their nutritional needs. After an initial assessment, participants will receive meals during the week with extra meals provided for weekend needs on request. Participants will also receive a monthly wellness check. It is expected that 40 clients will be assisted during the year.

Budget: The requested funds would be used to pay for food supplies and staff preparation time and wages. These CDBG funds are proposed to be 30% of the total Take Home Terrific program budget. The entire program budget for the 12 month period is projected to be \$90,000.

Eligibility: Per 24 CFR 570.201(e), public services are eligible for CDBG funding. A public service for senior citizens and disabled persons is considered by HUD as a presumed benefit to low and moderate income activity under its limited clientele provisions. This request will be subject to the 15% limitation on funds allocated for public services.

Consolidated Plan: Public services of benefit to the elderly and handicapped individuals are a priority community need.

Other Comments: As an ongoing program, this request is subject to the potential need for the operator to secure replacement funding.

NAME: Greenwood Infrastructure Improvements Request: \$500,000

APPLICANT: CDBG Office

Description: The Installation of new street paving from the 700 Block of S. Benton street to the 300 Block of S. Benton street sidewalks, curb & gutter, curb ramps.

Budget. The requested funds will be used to pay for contractors.

Eligibility. Per 24 CFR 570.201(e), Public Facility are eligible for CDBG funding.

Consolidated Plan. Public Facility. Development of public facilities by construction.

Other Comments. NA

NAME: Administrative Contacts Request: \$30,000

APPLICANT: CDBG Office

Description: Requested bids for research and development of the 2020/2025 Consolidated plan.

Budget: The requested funds would be used to pay for services contracts.

Eligibility: Per 24 CFR 570.201(e), Administration.

Consolidated Plan: Administration.

Other Comments: NA

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The Consolidated Plan establishes Midland's long-range strategy for investment of its U.S. Department of Housing and Urban Development (HUD) resources and other resources linked to activities directed at community development, housing and homeless services needs. The Plan covers a five-year period, beginning October 1, 2015 and ending September 30, 2020.

The purpose of the 2019/2020 Action Plan is to identify the HUD resources that will be used in the coming year to address the various housing, homeless and community development needs in the City. This Action Plan represents Year Five of the Consolidated Plan. The sole funding source is the City's 2019/2020 Community Development Block Grant (CDBG) program entitlement allocation of \$915,709. Additionally, the City expects to receive \$100,000 in program \$1,015,709. Priority housing needs to be addressed are those of owner households in the 0% to 80% of median income range, and renter households in the 31% to 80% of median income range who will be making home purchases. The City will also address public services (senior citizens) and other park improvement. Specific objectives with intended outcomes to be addressed are:

- 10 minor repairs on homes occupied by low-income homeowners
- Assist 10 low-income first time homebuyers with home purchases
- Senior Life Midland-support meals program (330 persons)
- Casa de Amigos-home cleaning program for seniors (60 persons)
- CDBG-Administration cost
- Greenwood Infrastructure Improvements
- Midland Mission Adult Day Center-support meals program (60 persons)

The Action Plan provides information as to the locations of the proposed activities. The City anticipates that 100% of funds will benefit low and moderate income persons.

In summary, the Action Plan was developed through the following citizen participation and consultation process: public organizations and affected groups were informed of the 2019/2020 plan development

process and schedule, two community meetings were held, formal project proposals were accepted, two public hearings were held, media outreach was conducted, and public notification including city web page, and newspaper. The draft plan was made available for a 30-day review period (June 22 2019 to July 22, 2020). Concerning progress on the 2015-2020 Consolidated Plan, the City is eight months into the fifth Year Action Plan. Specifically, public service activities, the owner housing assistance programs and public improvements are progressing well towards their respective goals. The Home Reconstruction Program and the Homebuyer assistance program have concluded successfully. The City's Consolidated Annual Performance and Evaluation Report that is generally published in December should also be reviewed for past performance.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

<u>Projects</u>	<u>Amount</u>
Housing Needs	
Owner Housing Minor Repairs Program	\$50,000
Homebuyer Assistance Program	\$100,000
Community Development Needs	
Senior Link Nutrition Program	\$68,000
Casa de Amigos-Home Cleaning Program	\$34,000
Greenwood Infrastructure	\$500,000

Administration

Contracts	<u>\$30,000</u>
Total	\$782,000

* = includes \$100,000 in program income.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City has made substantial progress in meeting its primary goals of the current Consolidated Plan. Goals for homebuyers assistance, housing minor repairs, street paving, sidewalk improvements, neighborhood parks improvements and public services grants are being completed on time. The housing reconstruction program has fund two home reconstructions during the fiscal year and are complete.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The City adheres to its CDBG Citizen Participation Plan. Specifically, publicity for scheduled meetings and events was made, two community meetings were conducted within the target area, two public hearings were held by the Midland City Council. Efforts were made to include as many sub-populations/groups and/or advocate groups by visiting organizations to gather input for the process.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Comments or views will be added to the Citizen Participation Section (See the Appendix) once the development process is completed.

6. Summary of comments or views not accepted and the reasons for not accepting them

No comments or views were objected; all feedback has been relevant to the City of Midland CDBG office objectives.

7. Summary

This document has been developed to satisfy the consolidated planning requirements of HUD. Goals are principally those that can be funded, assuming availability of funds.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	MIDLAND	Community Development Division

Table 1 – Responsible Agencies

Narrative (optional)

Consolidated Plan Public Contact Information

Isaac G. Garnett, Development Manager

300 N. Loraine

Midland TX 79702

432-685-7408

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

The City has identified the significant aspects of the process by which the Action Plan is being developed and the public/private agencies, groups, organizations, and others that participated in the plan. The Action Plan is a comprehensive document that addresses statutory purposes. The lead agency for overseeing the development of the Plan is the City of Midland's Department of Development Services through its Community Development Division or CD Office.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The Community Development Office has a long standing working relationships with both housing authorities in the city. All three are members of the Midland Affordable Housing Alliance and participants in the Midland Homeless Coalition as well. The same relationships exist with other local housing providers. Through the Homeless Coalition, the City maintains relationships with mental health providers and homeless shelter and services providers with specific responsibilities for homeless individuals and families. The City also participates in other umbrella/coalition efforts that seek to address other issues that relate to housing and public service needs.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

As a member of the Midland Homeless Coalition, the City participates in monthly meetings, annual point-in time counts, and a range of support for the efforts of the individual agencies making up the Coalition.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The city does not receive ESG funds although we consult with our local, Continuum of Care providers to develop best practices.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Midland Homeless Coalition
	Agency/Group/Organization Type	PHA Services-Elderly Persons Services-Persons with Disabilities Services-homeless Service-Fair Housing Other government - County Other government - Local Planning organization Civic Leaders Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Public Housing Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	

Identify any Agency Types not consulted and provide rationale for not consulting

The City of Midland made many efforts (email, newspaper, web page, and phone) to reach local agencies and solicit input for this plan.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Midland Homeless Coalition	The City of Midland Strategic Plan overlap the goals of the Midland Homeless coalition by providing funds for housing improvements and developments.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

The City communicates and coordinates with other Midland governmental entities, local housing authorities, the City of Odessa and various State of Texas departments on an as needed basis. The City provided copies of the draft Action Plan to the following governmental entities: the Permian Basin Regional Planning Commission, local housing authorities and Midland County. Midland is not adjacent to another municipal government.

AP-12 Participation – 91.105, 91.200(c)

**1. Summary of citizen participation process/Efforts made to broaden citizen participation
Summarize citizen participation process and how it impacted goal-setting**

Citizen participation remained consistent with the Consolidated Plan of 2015. Question were about how to create affordable for non-oil field worker, infill housing development, infrastructure improvements in the older parts of the city and quality of life improvements.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Residents of Public and Assisted Housing	The need for greater infrastructure project to revitalize low-moderate income neighborhoods. Seven individual attended the meetings or gave input via alternate methods.	The cost of livening in Midland is becoming too expensive and In-fill hosing is needed to assist in keeping housing at an affordable level.	All input was considered.	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	915,709	100,000	0	1,015,709	0	

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Program income will provide for further project and program goals being met.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City of Midland is working with the local housing realtors association to have an affordable housing design demonstration event in September of 2019.

Discussion

None

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

Table 6 – Goals Summary

Goal Descriptions

Projects

AP-35 Projects – 91.220(d)

Introduction

The Project Titles and Programs presented are the CDBG 2019 program year objectives and goals that the City of Midland plan on addressing.

Projects

#	Project Name

Table 7 - Project Information

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

Housing cost are high in the Permian Basin area and affordable housing is great concern for the city. CDBG office is working and allocating funds to stabilize vulnerable communities with sub-grants and direct project activities within the City of Midland.

AP-38 Project Summary
Project Summary Information

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

The geographic areas in which CDBG funds will be directed are shown on the locations of Proposed 2019 Projects Map. The Map also identifies the location criteria for beneficiaries of each proposed project. The reader should also refer to the census tract boundaries, minority population and low--income area maps found in the Appendix.

Geographic Distribution

Target Area	Percentage of Funds
City of Midland	15
Low and Moderate Income Census Tracts	25
Greenwood Development Addition	60

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City's rationale for its geographic distribution of CDBG funds is based on compliance with the CDBG Primary Objective-(the development of viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for persons of low and moderate income). Generally, CDBG supported public services are available on a citywide basis to income eligible households or persons. However, public capital improvements and other development projects are specifically directed at sites within low- and moderate-income neighborhoods.

Discussion

none

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City's CDBG program for 2019-2020 will result in affordable housing through its homebuyer assistance program (HAP) and affordable housing rehabilitation program (AHRP).

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	35
Special-Needs	0
Total	35

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	15
The Production of New Units	0
Rehab of Existing Units	20
Acquisition of Existing Units	0
Total	35

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

None

AP-60 Public Housing – 91.220(h)

Introduction

The only public housing project in Midland is for the elderly and is in good condition but was built in 1976. There has not been any additional affordable public housing units built or acquired by the local housing authorities.

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

We are working with the local housing authorities to plan and develop more public housing units in the City of Midland.

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

The City of Midland appointed new board members to the Housing Authority and designed a staff member to be the liaison for this process.

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

NA

Discussion

None

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

Introduction

The City does not receive any funds to carryout homeless programs. Therefore, the City relies on other organizations to pursue funds to serve homeless needs. For the 2019/2020 program year the City does not anticipate using CDBG funds that will directly support programs that serve the homeless. Being an active partner in the Midland Homeless Coalition, and the Midland Affordable Housing Alliance, the City aims to work toward addressing gaps within the continuum of care for the homeless and eliminating chronic homelessness. Collaborations with the United Way and local foundations are vital in-efforts to ensure current funding levels are sustained and that federal/state funding opportunities are not missed in order to apply for shelter and transitional housing needs. The United Way of Midland has collaborated with Family Promise of Midland and has achieved six transitional housing units. The current system of support services and facilities through the Salvation Army, Midland Fair Havens, Safe Place, local churches and social service agencies will continue. This system intends that extremely low income individuals and families can be prevented from becoming homeless and that homeless persons can be aided in their transition to permanent housing and independent living. The City of Midland does not receive an ESG allocation.

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 City shall continue to participate in the Midland Homeless Coalition and support individual efforts of agencies comprising the Coalition.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City shall continue to participate in the Midland Homeless Coalition and support individual efforts of agencies comprising the Coalition to seek fuding to address emergency situations.

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 City shall continue to participate in the Midland Homeless Coalition and support individual efforts of agencies comprising the Coalition.

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.

The City shall continue to participate in the Midland Homeless Coalition and support individual efforts of agencies comprising the Coalition.

Discussion

None

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

Introduction:

Beyond the direct involvement in governmental supported housing developments, there are limited actions that the City can take to help make affordable housing possible in Midland. Market decisions will generally drive where and how much housing of any type will occur although the CDBG office will advocate to more subsidized housing units by the support of Tax Credit applications from TDHCA.

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

The City shall also strive to reduce or waive certain development and building fees for affordable housing projects and use local funds to pay for public improvements and the disposal of site clearance debris on affordable housing sites. Services such as platting and surveying aspects can also be considered for non-profit developers. The City uses its Street Fund that is generated from each building permit for street improvements primarily within the city's low-income areas. The City shall strive to use City resources for street improvements, primarily in Midland's south and east sides. Continuation of CDBG funding for the housing improvement program contributes toward this objective. These actions also have the effect of fostering and maintaining affordable housing

Discussion:

The CDBG office will recommend the implementation of strategies that will address the Analysis of Impediments to Fair Housing Choice in Midland by partnering with the Priority Midland Initiative and develop housing solutions for Midland.

AP-85 Other Actions – 91.220(k)

Introduction:

The following actions will be pursued by the City towards meeting Consolidated Plan regulations.

Actions planned to address obstacles to meeting underserved needs

The CDBG housing assistance and elderly programs specifically target underserved populations. The targeting techniques include providing higher levels of assistance for lower income applicants and limiting assistance to low income areas. The City shall encourage and assist, as appropriate, other private and/or public entities seeking funds for programs designed for the underserved.

Actions planned to foster and maintain affordable housing

The City shall also strive to reduce or waive certain development and building fees for affordable housing projects and use local funds to pay for public improvements and the disposal of site clearance debris on affordable housing sites. Services such as platting and surveying aspects can also be considered for non-profit developers.

Actions planned to reduce lead-based paint hazards

The City will implement its CDBG-aided activities consistent with the lead-based paint hazard reduction objective. Specifically, prospective households shall be made aware of the potential hazard and appropriate evaluation and reduction steps will be pursued in rehabilitation programs. Information for providers and contractors will be passed-through.

Actions planned to reduce the number of poverty-level families

The City will continue its overall anti-poverty strategy that revolves around economic development--using the economic development sales tax to create jobs for Midland. Other aspects of the local strategy are to continue to direct assistance programs towards the neediest households, employment--training programs and the hiring of low-income individuals on federally supported contracts. Small businesses that hire low-income persons typically are vendors in housing assistance programs. Adherence to HUD's Section 3 requirements is another way to help eliminate poverty.

Actions planned to develop institutional structure

Major changes to the institutional structure described in the Consolidated Plan are not anticipated in the coming year. The City will continue to support activity by the various providers and encourage them to seek other funding sources to enhance the service delivery system in Midland. The City will provide necessary CDBG related training to its sub-recipients.

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

The City will continue to cooperate with private housing providers and social service agencies, including participation in MAHA and the Homeless Coalition. The long-standing, good working relationships with both PHAs will be continued. The City will continue to accommodate the PHAs in their planning requirements.

Discussion:

None

Program Specific Requirements

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

Introduction:

This section provides details on program specific requirements on the Community Development Block Grant that the City will receive.

This Action Plan covers the program year 2019/2020 with CDBG Entitlement Grant and program income that will be received during the year.

**2015-2020 Consolidated Plan
Specific Community Development Objectives**

#	Objective	Outcome
DH1.1	Purchase of land for affordable housing development by the City in target areas.	100 parcels
DH1.2	Construction of affordable rental units under Low Income Housing Tax Credit Program by private developers at appropriate citywide locations.	200 units
DH1.3	Construction of affordable rental housing for low-income elderly households through HUD 202 funding by non-profit sponsor at appropriate citywide location.	100 units
DH1.4	Rehabilitation or reconstruction of homes occupied by low-income homeowners. This is the City's major projects loan program available to ICT residents.	30 units
DH1.5	Minor repair services to low-income homeowners by City and other non-profits.	1,750 units
DH1.6	Increase the number of emergency shelter beds for individuals.	5 beds
DH1.7	Increase the transitional housing capacity for individuals.	8 beds
DH1.8	Increase the number of emergency shelter units for intact families.	5 units
DH1.9	Increase the transitional housing capacity for intact families.	10 units
DH1.10	Develop a 60 unit affordable housing assisted living facility for frail elderly.	60 units
DH1.11	Develop a 60 unit affordable housing assisted living facility for near frail elderly.	60 units
DH2.1	Financial assistance by non-profit entities and the City from CDBG, HOME and other sources to low-income homebuyers.	130 units
SL1.1	Infrastructure – City Streets – Paving construction with curb and gutter in low-income areas.	8 blocks per year
SL1.2	Public Facility – City Parks – Upgrade neighborhood parks that are deteriorating. Located in low-income areas.	5 parks
SL1.3	Public Facility - Community Facility/Youth Center - an indoor/outdoor multi-purpose facility. Developer and owner operator are needed.	1 facility
SL1.4	Public Services – Senior services – support senior citizen center meal program and home cleaning program.	1,500 persons
SL1.5	Infrastructure – City Sidewalks – Sidewalk construction in low-income areas.	8 blocks per year
SL2.1	Public Services – Childcare – support local match childcare program for working families.	50 children
SL3.1	Demolition of dilapidated structures by the City in slum/blighted areas.	100 structures
SL3.2	Clearing of unsightly properties by the City in slum/blighted areas.	2,000 properties

Amended May 2017

CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about --
 - (a) The dangers of drug abuse in the workplace;
 - (b) The grantee's policy of maintaining a drug-free workplace;
 - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
 - (a) Abide by the terms of the statement; and
 - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan -- It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds -- It has complied with the following criteria:

1. **Maximum Feasible Priority.** With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. **Overall Benefit.** The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) , 2013 , shall principally benefit persons of low and , shall principally benefit persons of low and moderate income in a manner that ensures that at least 70% of the amount is expended for activities that benefit such persons during the designated period;
3. **Special Assessments.** It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, subparts A, B, J, K and R;

Compliance with Laws -- It will comply with applicable laws.

Honorable Jerry Morales 7/23/19 Date

Mayor
Title

OPTIONAL CERTIFICATION CDBG

Submit the following certification only when one or more of the activities in the action plan are designed to meet other community development needs having a particular urgency as specified in 24 CFR 570.208(c):

The grantee hereby certifies that the Annual Plan includes one or more specifically identified CDBG-assisted activities which are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

B. Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

Midland, City Hall, 300 N Loraine, Midland, Midland, Texas 79701

Check if there are workplaces on file that are not identified here.

The certification with regard to the drug-free workplace is required by 24 CFR part 24, subpart F.

7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).