



Second Program Year Action Plan – 2011-2012

The CPMP Annual Action Plan includes the [SF 424](#) and Narrative Responses to Action Plan questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

Narrative Responses

GENERAL

Executive Summary

The Town of Paradise, through its Community Development Block Grant (CDBG) program, has developed a strategy that focuses on cultivating Paradise as a viable community by providing decent housing, a suitable living environment, and by expanding economic opportunities, principally for low and moderate income persons.

As a new Five Year Consolidated Plan was completed this year in conjunction with this annual plan, it is very clear what the mission is for this program year, and the subsequent years of the five year planning period. Through the Consolidated Plan process, the Town met with many stakeholders, citizens and public service agencies to develop priorities for its CDBG funding.

Also, as decent and safe, affordable housing is an important component of a communities' housing stock, the Town is working in conjunction with several Town agencies on the Paradise Community Village project. This development will provide, at build-out, 60-90 affordable rental housing units. The project applicant has received a HOME grant and will begin the infrastructure portion of this important collaborative project. The project will include soccer fields, a skate park, and a charter school, a possible satellite location for the Boys and Girls Club, and some market rate housing units. CDBG and Redevelopment funds are slated as viable and important aspects of this much needed community facility.

This year the Town will also support low and moderate income homeowners who need repairs to their home, and low income first-time homebuyers who are seeking downpayment assistance to purchase a home.

Finally, the Town will attempt to address many underserved groups in our community by supporting activities and services provided by groups such as Catalyst, Family Resource Center (Youth for Change), Boys and Girls Club, Paradise Recreation and Parks District, Peg Taylor Center and Strive.

2011-2012 Funding Breakdown:

Program Administration	\$39,780
Public Facilities	\$69,867
Housing	\$60,000
Public Services	\$29,830
Peg Taylor Center	\$5,000
PRPD	\$4,000
Youth for Change	\$7,000
Boys & Girls Club	\$1,830
Catalyst	\$10,000
STRIVE	\$2,000
TOTAL:	\$199,477.00

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.

The Town of Paradise is a small mountain community with a mixture of uses and socioeconomic levels. Racial/minority and economic concentrations are not found in Paradise, as families tend to locate socio-economically, rather than racially. Affordability sets the pattern for population concentrations in Paradise. Primarily the two canyons bounding Paradise on the east and west contain the wealthiest constituents and low-to-moderate income families are located throughout Town.

Funds in the Town’s housing programs are spent Town-wide and serve low-to-moderate income families. The sluggish housing economy has created a need in all aspects of the housing industry. Homeowners, homebuyers, contractors, lenders, realtors, etc. will benefit by the investment in housing repairs and mortgage assistance programs.

The two commercial corridors which follow the two main arterials through Town contain mainly micro-businesses. Historically, the Town’s economic base has been low and extremely underserved. In Program Year 2008-2009, the Town allocated approximately 45% of its CDBG funds to stimulating and grow the economy by investing in a micro-business incubator program with a matching loan from the USDA Regional Business Enterprise Grant Program. Unfortunately, the Town was unable to secure USDA Grant Funds. The Town Council will be considering whether to move these funds to another high priority project.

Last year the Town proposed investing CDBG dollars for commercial rehabilitation, as building infrastructure is very old, unsafe, and not environmentally sound. Due to the economy and the struggling commercial real estate market, there have not been many businesses financially able to participate in this program. Because the Town must ensure that funds are spent in a timely manner, the Town Council may consider moving these funds to a more pressing, high priority project.

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.

The Town of Paradise is a very eclectic community. The assorted housing types and conditions scattered throughout the community make it difficult and counter-productive to concentrate efforts into one or two specific neighborhoods. The Town's neighborhoods are not that well defined. Therefore, providing housing funds on a town-wide basis is the best approach.

Community groups that receive subrecipient funding, operate throughout the Town; therefore, their funding must also be available to serve client needs on a Town-wide basis. The Ridge Family Resource Center is centrally located on the Town's main street. It's location is such that most residents drive by there on their way to or from almost any destination.

3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs.

Although the Town has been receiving CDBG funds since 1994, there is still a need for affordable housing, better jobs, and a support system that can help underserved needs of residents from a position of need to one of self-sufficiency. There are still unmet needs in Paradise especially related to elder care, affordable housing, and support for at-risk youth. Another obstacle facing this area is the lack of an efficient public transportation system. The local community will also experience a cut in services from local non-profit agencies, as they are dealing with major reductions from the state and other sources in their budgets (Community Needs Stakeholder Meeting, 2010).

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 Town applied for and received a \$900,000 HOME grant in 2009, which will also be used to support owner-occupied housing rehabilitation and first time homebuyer programs.

Managing the Process

1. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.

The Town of Paradise is the lead agency responsible for administering the 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.

The annual plan process is a public process coordinated by the Town staff. The Town follows the prescribed citizen participation process when developing the Annual Plan. Town staff held stakeholder meetings, public hearings, conducted surveys and met with individuals and groups to collaborate and coordinate efforts and resources. As a relatively small community, it is easy to stay connected with other groups and citizens.

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 Town will focus on collaboration between government agencies; local non-profits; community needs organizations, and local businesses. The town will continue to work with stakeholder and other community service agencies, and organizations.

Town staff is also currently in partnership with the Paradise Unified School District, the Paradise Charter Middle School, the Paradise Recreation and Parks District, the Boys and Girls Clubs of the North Valley, Youth for Change, and the Paradise Ridge Youth Soccer Association in the development of a 45+ acre parcel. The various groups mentioned will have new and expanded facilities constructed at the site. The Town is working very closely with all of the groups. The Paradise Redevelopment Agency has made a financial commitment to the housing component of the overall development. Sixty to ninety affordable housing units will be constructed by Youth for Change.

The Town of Paradise will also hold a forum for lenders/realtors to promote and educate community stakeholders regarding the first time homebuyers program. This will ensure that all agencies and individuals involved with the Town's housing programs follow the guidelines set forth by HUD and Housing and Community Development (HCD).

HUD recently staffed a county-wide Continuum of Care Coordinator to develop a strategy aimed at reducing the number of homeless people in the County.

The Town collaborates with the Chamber of Commerce in many ways to share information, provide services and support, and initiates programs and policies that benefit the local business community.

Citizen Participation

1. Provide a summary of the citizen participation process.

A public notice was published in the Paradise Post on December 26, 2009 outlining the noticing requirements of the Citizen Participation Plan and Annual Plan. The public notice announced the two public hearings that allowed citizens the opportunity to comment and make suggestions on the development of the 2010-2015 Consolidated Plan and Annual Action Plan.

- **1st Public Hearing:** Tuesday, January 25, 2011 at 6:00 p.m. The public hearing was held to solicit suggestions and/or comments from the public regarding the 2010-2011 Annual Plan funding priorities.
- **2nd Public Hearing:** Tuesday, March 8, 2011 at 6:00 p.m. The Draft Annual Action plan was available for review by the Council and the public on this date. The hearing initiated a 30-day public comment period.
- **30-Day Public Comment Period:** March 11th-April 11th, 2011. The Draft Annual Action Plan was available for public review at the following locations, Paradise Public Library, Senior Center, Family Resource Center, Paradise Chamber of Commerce, Town Hall and on the Town's website, www.townofparadise.com.
- **Council Meeting:** Tuesday, Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach May 3, 2011, at 6:00 p.m. The Council reviewed the final draft of the 2011-2012 Annual Plan, adopted the Plan and approved submission to HUD.

2. Provide a summary of citizen comments or views on the plan.

No public comments were received on the 2011-2012 Annual Plan.

- to minorities and non-English speaking persons, as well as persons with disabilities.

The Town posted the public hearing notice in the Paradise Post and made it available on the Town's website. Community Service organizations were given information about the Annual Plan process and were encouraged to discuss these projects with individuals who visit their organizations. The draft plan was made available for review at the above mentioned locations, all of which are accessible to persons with disabilities.

3. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.

Institutional Structure

1. Describe actions that will take place during the next year to develop institutional structure.

The Town Institutional Structure is as follows:

5 member Town Council

- Holds public hearings on Consolidated Plan, Annual Plans and CAPER reports
- Approves funding for Public Service Agencies

The Town of Paradise, Business and Housing Services staff provides the main administrative and project management duties over the CDBG program. The BHS Staff is under the management of the Town Manager. Staff prepares the Consolidated Plan, Annual Plans and Consolidated Annual Performance Evaluation Reports (CAPER) for each CDBG program year. The oversight of the CDBG program is provided by the five-member Town Council whom are elected officials voted in by the citizens of Paradise. All reports and plans are reviewed by Council before submitted to HUD.

The Community Village rental housing project united several organizations that are working cooperatively for the betterment of the community. The degree of commitment and cooperation needed to move this project forward establishes a new paradigm in institutional structure and brings community resources together in a whole new way.

The Town works closely with non-profit organizations in the area that provide specific programs to the citizens of Paradise. These organizations provide services to very low-, low- and moderate-income residents, including the frail and elderly, mentally disabled, physically disabled, homeless, and at-risk youth. These organizations submit funding requests to the Town to qualify for money that comes out of the Community Needs Category. As required by HUD, 15% of annual funding is set-aside for these organizations. Once applications for grant funding are received and reviewed by staff, they go through a competitive review process and recommendations are decided by a funding committee and forwarded to the Town Council for final approval.

Once funding decisions are made, organizations are required to sign a contract with the Town outlining the rules and regulations of public service funds. They are required to submit the required documents and reference material related to grant funding. After the contract is signed, the organizations submit quarterly and year end reports for staff review. Organizations are audited and staff performs site visits on a yearly basis. If organizations are not submitting reports on-time or are unable to follow

through with program requirements, staff will monitor the organizations to make sure that HUD regulations are being met, or funding is relinquished.

Monitoring

1. 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.

Staff works closely with sub-grantees to ensure program compliance. Town staff will be meeting with sub-grantees on a quarterly basis to work through the performance measurement requirements and to ensure their compliance with program regulations.

The Town also cooperates in annual independent audits and receives monitoring visits from the State. These audits and monitoring visits educate and inform the Town on its processes and procedures and help to ensure long term compliance with program requirements.

Lead-based Paint

1. Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.

The Town's mortgage subsidy program and residential rehabilitation program comply with federal regulations regarding lead testing, containment, and abatement.

HOUSING

Specific Housing Objectives

*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve during the next year.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

Although the housing prices have fallen over the past two years, affordability for low income persons is still an issue.

The decline in property values will prevent many low income persons from being able to afford major home repairs. Deferred maintenance becomes an issue, especially in the Town's older housing stock which tends to need more attention. The Town will continue to fund home repair programs for low and moderate income families. These funds benefit homeowners as well as local contractors, building suppliers and others related to the housing industry.

The Town will also continue to fund a mortgage assistance program for low-to-moderate income home buyers. These funds benefit those involved in the housing industry, including lenders, realtors, etc.

Needs of Public Housing

1. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.
2. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year.

The Butte County Housing Authority provides Section 8 vouchers and public housing assistance to the residents of Butte County. At this time the Town has one public housing apartment building. This public housing complex is supported by Housing Authority funds.

The Town and Housing Authority share information on needs and works collaboratively, when needed, to address the needs of the community. The Housing Authority holds public meetings for their clients. These meetings are well attended and comments and needs are recorded and prioritized.

Barriers to Affordable Housing

1. Describe the actions that will take place during the next year to remove barriers to affordable housing.

The Town of Paradise has hired a consultant to update its Housing Element, which was completed 2010 and submitted to the California Housing and Community Development Department. As a part of that process, the consultants identified both barriers and deficiencies in the Town's housing efforts. The consultants also looked at current policies, available land, citizen needs and demands to assist the Town in addressing any barriers to affordable housing that may exist.

The consultants went to great lengths to gather public input from both housing professionals, service providers, non-profits and the general public in order to ensure that the housing element lists and addresses all issues.

HOME/ American Dream Down payment Initiative (ADDI)

1. Describe other forms of investment not described in § 92.205(b).
2. If the participating jurisdiction (PJ) will use HOME or ADDI funds for homebuyers, it must state the guidelines for resale or recapture, as required in § 92.254 of the HOME rule.
3. If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is that is being rehabilitated with HOME funds, it must state its refinancing guidelines required under § 92.206(b). The guidelines shall describe the conditions under which the PJ will refinance existing debt. At a minimum these guidelines must:
 - a. Demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing.
 - b. Require a review of management practices to demonstrate that disinvestments in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
 - c. State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.
 - d. Specify the required period of affordability, whether it is the minimum 15 years or longer.
 - e. Specify whether the investment of HOME funds may be jurisdiction-wide or limited to a specific geographic area, such as a neighborhood identified in a neighborhood revitalization strategy under 24 CFR 91.215(e)(2) or a Federally designated Empowerment Zone or Enterprise Community.
 - f. State that HOME funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.
4. If the PJ is going to receive American Dream Down payment Initiative (ADDI) funds, please complete the following narratives:
 - a. Describe the planned use of the ADDI funds.
 - b. Describe the PJ's plan for conducting targeted outreach to residents and tenants of public housing and manufactured housing and to other families assisted by public housing agencies, for the purposes of ensuring that the ADDI funds are used to provide down payment assistance for such residents, tenants, and families.
 - c. Describe the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers.

The Town of Paradise submitted an application for HOME funds in 2009, and was awarded the contract in November, 2009. ADDI funds are used in combination with HOME funds to provide downpayment assistance to qualified first time home buyers. ADDI guidelines are followed as outlined in the program guidelines and as required in the application process.

HOMELESS

Specific Homeless Prevention Elements

*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Sources of Funds—Identify the private and public resources that the jurisdiction expects to receive during the next year to address homeless needs and to prevent homelessness. These include the McKinney-Vento Homeless Assistance Act programs, other special federal, state and local and private funds targeted to homeless individuals and families with children, especially the chronically homeless, the HUD formula programs, and any publicly-owned land or property. Please describe, briefly, the jurisdiction’s plan for the investment and use of funds directed toward homelessness.
2. Homelessness—In a narrative, describe how the action plan will address the specific objectives of the Strategic Plan and, ultimately, the priority needs identified. Please also identify potential obstacles to completing these action steps.
3. Chronic homelessness—The jurisdiction must describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness by 2012. Again, please identify barriers to achieving this.
4. Homelessness Prevention—The jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.
5. Discharge Coordination Policy—Explain planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how, in the coming year, the community will move toward such a policy.

In 2009, the Butte County Continuum of Care coalition received \$105,000. This funding will support a coordinator who will coordinate the efforts to serve homelessness in the County. A 2010 homeless survey was completed through this effort. The total funding for the Chico/Paradise area is listed below:

CA-519 - Chico/Paradise/Butte County CoC

Butte County CoC HMIS Project	SHPR	\$105,000
Esplanade House Phase 2 - Permanent Housing SHP	SHPR	\$45,880
Esplanade House Transitional Housing SHP	SHPR	\$53,946
	Total:	\$204,826

The Town will continue to supporting the efforts of the Butte County Continuum of Care. The Continuum of Care program works with the local homeless population and facilitates the coordination of services to these individuals. They identify the gaps in services and apply for additional funding resources to meet these needs. The Town will continue to help fund the Family Resource Center's Self Sufficiency Fund which provides interim assistance for residents of Paradise that are in danger of losing their homes or need assistance paying for food and rent. This program has assisted 208 individuals and/or families during the 2010-2011 program year. The Town also supports the Community Housing Improvement Program's Credit Counseling Program which provides residents of Paradise with information about improving credit and finding ways to insure that those who may be losing their home- find a means to help them stay in their home.

Emergency Shelter Grants (ESG)

(States only) Describe the process for awarding grants to State recipients, and a description of how the allocation will be made available to units of local government.

N/A

COMMUNITY DEVELOPMENT

Community Development

*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table (formerly Table 2B), public facilities, public improvements, public services and economic development.
2. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.

*Note: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.

The town's non-housing community development needs are as follows:

1. Economic development
2. Public facilities
3. Public services
4. Public improvements

The Town of Paradise has adopted program objectives that mirror HUD's primary objectives of decent housing, expanded economic opportunities, and achieving a suitable living environment. The Town will focus funding towards needed infrastructure in the downtown area, which will go a long way towards business growth and job creation. Needed infrastructure includes a wastewater treatment facility, improved streets, pedestrian improvements, parking and other amenities conducive to a successful downtown. Additionally, Town staff will continue to work closely with the Paradise Community Village partnership to ensure the construction of 60 to 90 affordable housing units, as well as the other aspects of the development that assist or benefit low and moderate-income residents.

Antipoverty Strategy

1. Describe the actions that will take place during the next year to reduce the number of poverty level families.

The Town's non-profits work with social service agencies to address needs of low and very low income individuals and families. The Town collaborates with these groups to provide assistance in the form of subrecipient funding and to ensure that services are available to help reduce poverty and the effects of poverty.

NON-HOMELESS SPECIAL NEEDS HOUSING

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

*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan.
2. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by this Action Plan.

The Town intends to continue to work with local care providers, such as the Peg Taylor Center and STRIVE to provide social, employment, recreational and health care opportunity for our special needs population. The Town will also support local efforts to obtain other funds that support the special needs community.