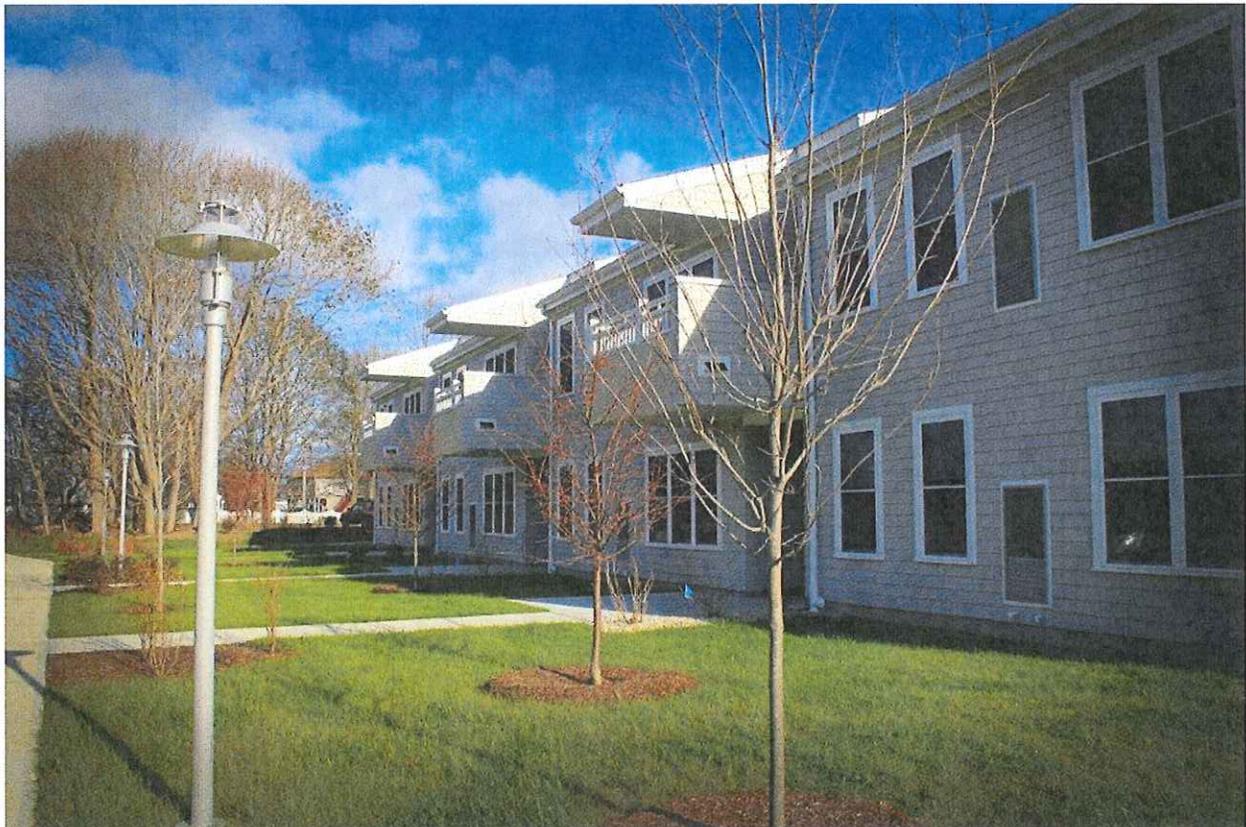


**BARNSTABLE COUNTY HOME CONSORTIUM
HOME PROGRAM**

**CONSOLIDATED ANNUAL PERFORMANCE EVALUATION
REPORT (CAPER)**

**FEDERAL FISCAL YEAR (FFY) 2011
JULY 1, 2011 – JUNE 30, 2012**



Veterans' Park/Schoolhouse Green- Falmouth

PARTICIPATING JURISDICTION: BARNSTABLE COUNTY HOME CONSORTIUM

LEAD AGENCY: BARNSTABLE COUNTY – CAPE COD COMMISSION

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PROGRAM YEAR: 2011

BARNSTABLE COUNTY HOME CONSORTIUM

2011 CAPER

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SECTION I. EXECUTIVE SUMMARY

A. Public Participation Process

In order to ensure that the public was given adequate opportunity to comment on this report, the Barnstable County HOME Consortium (BCHC) took the following steps in accordance with the Citizen Participation Plan of the 2010-2014 Consolidated Plan:

August 7, 2012- Notice of August 16, 2012 Public Meeting on Annual Report posted on Cape Cod Commission web site in English, Spanish, and Portuguese.

August 7, 2012- Draft 2011 Annual Report posted on Cape Cod Commission web site.

August 7, 2012- E-mail notification of August 16, 2012 Public Meeting sent to about 150 people from all fifteen towns, local housing authorities, affordable housing developers, local housing committees, and social service and minority organizations working with low income residents. The notice about the hearing that was e-mailed was also provided in Spanish and Portuguese.

August 8, 2012- Publication in the Cape Cod Times of Notice of August 16, 2012 Public Meeting on 2011 Annual Report.

August 10, 2012- The draft 2011 Annual Report was distributed to the BCHC Advisory Council for its review and comments.

August 16, 2012- Public Meeting held at Cape Cod Commission office in Barnstable. The meeting location was handicap accessible, and provisions were made for providing special accommodations for language interpretation or services for the deaf or hard of hearing.

August 16, 2012- Advisory Council voted to approve the draft 2011 Annual Report.

August 22, 2012- Public Comment Notice and draft 2011 Annual Report posted on Cape Cod Commission web site for review and comment.

August 24, 2012- Publication of 15 day Public Comment Notice in the Cape Cod Times.

August 24, 2012- E-mail notification of 15 day Public Comment Notice to about 150 people from all fifteen towns, local housing authorities, affordable housing developers, local housing committees, and social service and minority organizations working with low income residents.

B. Public Comments

The following are a summary of the comments received at the August 16th public meeting:

The Advisory Council reviewed the draft 2011 Annual Report and concurred with the summary that while the Consortium has done very well in meeting and exceeding its rental housing objectives, the 2009 HUD ruling that the Massachusetts universal deed rider is not HOME compliant has significantly hindered the Consortium's ability to meet its homeownership objectives.

The following are a summary of the comments received during the fifteen day public comment period:

There were no comments received during the 15 day public comment period.

C. Summary of Expenditures

The Barnstable County HOME Consortium was established in 1992 and is comprised of Barnstable County, the lead entity, and the fifteen (15) towns in the County: Barnstable, Bourne, Brewster, Chatham, Dennis, Eastham, Falmouth, Harwich, Mashpee, Orleans, Provincetown, Sandwich, Truro, Wellfleet, and Yarmouth.

The only source of funding for the Consortium is the HOME Program. The Consortium received an allocation of \$664,528 for FFY 2011, and received an additional \$68,733 in program income over the course of the year. During this reporting period the Consortium expended \$477,285 in HOME funds allocated from FFY 2009 through FFY 2011. Included within the expenditures was \$65,233 from program income that was spent on down payment/closing cost, homeowner rehab, and housing development program activities.

FFY 2011 HOME Activities	2011 Projected Activity Allocations	Actual Funds Expended	Funds Leveraged
Housing Production/CHDO	\$523,076	\$382,583*	\$56,801,143
Down Payment/Closing Cost	\$75,000	\$ 30,729*	\$ 1,003,256
Homeowner Rehab	\$0	\$ 2,500*	N/A
Administration	\$66,452	\$ 61,573	N/A
Program Income	\$15,000	(\$65,233)*	N/A
Total	\$679,528	\$477,285	\$57,804,399

*Program income expenditures of \$65,233 included within overall housing production (\$46,380), homeowner rehab (\$2,500), and down payment program (\$16,353) expenditures.

The HOME funds were used for the following purposes: increase the Cape's affordable rental stock for very low and low income tenants; provide homeownership opportunities for low income, first time homebuyers; and provide home improvement loans for low income owners.

During this reporting period numerous local, state, and federal resources were used in conjunction with HOME funds. These sources included federal and state Low Income Housing Tax Credits, federal Neighborhood Stabilization Program II funds, Section 8 project-based rental subsidies, Massachusetts HOME, Massachusetts Affordable Housing Trust Fund, Massachusetts Capital Improvement Preservation Fund, Massachusetts Community-Based Housing funds, Massachusetts Housing Partnership (MHP), MassHousing, Rural Housing Service loans, private bank financing, town Community Preservation Act (CPA) funds, private fundraising, and town donated and leased land.

D. Program Results

The Consortium was successful in directing HOME funds to address nearly all of the priorities identified in its 2010- 2014 Consolidated Plan and 2011 Annual Plan. The Consortium continues to build on its past success and is making significant inroads with respect to broadening the availability and impact of the HOME program- particularly with respect to the top priority need for rental housing. **This was another very active year for the Consortium in terms of rental units created or preserved along with the significant number of projects in the housing production pipeline. As noted in the chart below, two projects with one hundred sixty-three (163) affordable units were completed; there were five projects with two hundred fifteen (215) affordable units underway; and new commitments totaling \$900,000 were made to six projects that could create one hundred and sixty-six (166) affordable units. Five hundred thirty-nine (539) affordable rental units have been created, preserved, or are in the pipeline.**

1) Housing Production Program:

Housing Production	# Projects	# Rental Projects	# Affordable Rental Units	# Ownership Projects	#Affordable Ownership Units	HOME Funds Committed
Projects Completed	2	2	163	0	0	\$300,000
Prior Years' Commitments That Closed and Have Construction Underway	5	4	210	1	5	\$675,000
FFY 09-11 Commitments Not Closed	6	6	166	0	0	\$900,000
Totals	13	12	539	1	5	\$1,875,000

a) During this reporting period, two (2) projects that created or preserved one hundred sixty-three (163) affordable units were completed.

Cromwell Court- Barnstable: The non-profit Preservation of Affordable Housing (POAH) received a \$150,000 HOME commitment to assist in the acquisition and rehabilitation of Cromwell Court, an existing one hundred twenty-four (124) unit affordable family rental development that was built in 1971 and whose affordability was due to expire in 2016. POAH's acquisition will preserve the project's affordability in perpetuity. Eleven (11) of the units will be considered HOME assisted. POAH also received funding from the state's Capital Improvement Preservation Fund, state Affordable Housing Trust Fund, an allocation of federal tax credits, and \$500,000 from the Barnstable CPA. The loan closing and the start of rehab occurred in March 2011, and rehab work was completed by November 2011. The rehabilitation included modifications to create two fully handicapped accessible and four handicapped adaptable units. This was the first preservation project funded in Consortium history.



Building 8- Cromwell Court- Hyannis

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Veterans' Park/Schoolhouse Green- Falmouth: The non-profit Falmouth Housing Corporation (FHC) received a \$150,000 HOME commitment to construct thirty-nine (39) affordable rental housing units for households age 55 or over or for non-elderly disabled individuals, eleven (11) of which will be HOME-assisted, on land transferred to FHC by the Falmouth Housing Authority. FHC also received funding from state HOME, state Affordable Housing Trust Fund, state Community Based Housing, an allocation of federal tax credits, and \$800,000 from the Falmouth CPA. The loan closing and start of construction occurred in December 2010, and construction (other than landscaping) was completed by October 2011 with occupancy occurring in October and November. Four of the units are fully handicapped accessible.



Back Building- Veterans' Park/Schoolhouse Green- Falmouth

b) During this reporting period the affordable housing staff serviced five HOME development project awards that closed during this or a prior program year and that are underway or under construction.

Barnstable Home Ownership Project (HOP)- Barnstable: Housing Assistance Corporation (HAC), a CHDO, received a \$150,000 HOME commitment in to assist in a program to purchase five (5) existing homes, and then use the public funds to buy down the price to an affordable level for sale to first time, low income homebuyers. All five (5) homes will be HOME-assisted. HAC has received additional subsidy funding from the Barnstable CPA. The HOME subsidy agreement was executed in June 2009, and HAC has sold two (2) homes to eligible buyers to date. Future sales using HOME funds have been put on hold pending resolution with HUD of the use of HOME funds with the Massachusetts universal deed rider.

Clay Pond Cove- Bourne: Housing Assistance Corporation (HAC), a CHDO, received a \$150,000 HOME commitment to assist in the new construction of forty-five (45) affordable rental units for households age 55 and over, of which eleven (11) will be HOME assisted. HAC has secured commitments of state funding from HOME, Community Based Housing, and the Affordable Housing Trust Fund along with a commitment of federal and state housing tax credits. Loan closing and construction start occurred at the end of September 2011, and construction is expected to be completed by August 2012.

Province Landing- Provincetown: The Community Builders (TCB), a non-profit, received a \$125,000 HOME commitment to assist in the new construction of fifty (50) affordable family rental units, eleven (11) of which will be HOME assisted, on a Town-donated parcel of land on Shank Painter Road. TCB secured state HOME and Affordable Housing Trust funding in the fall 2010 funding round along with an allocation of state and federal tax credits. TCB has also secured additional funding support of \$391,050 from the Provincetown CPA. TCB started site work and construction in May 2011 using federal Neighborhood Stabilization Program II funds and then closed with its public and private funders in October 2011. Construction completion on all six buildings is expected by the end of August 2012.

83 Shank Painter Road- Provincetown: The for-profit Community Housing Resource, Inc. (CHR) received a \$100,000 HOME commitment to assist in the redevelopment of an existing rooming house primarily used for summer housing into fifteen (15) affordable efficiency and one bedroom rental apartments, five (5) of which will be HOME assisted. CHR secured state funding commitments from the Affordable Housing Trust Fund and Mass Housing Partnership along with \$150,000 in Provincetown CPA funds. CHR closed with its public and private funders and started construction at the end of October 2011, and rehab is expected to be completed by July 2012.

Rock Harbor Village- Orleans: The non-profit Preservation of Affordable Housing (POAH) received a \$150,000 HOME commitment to assist in the acquisition and moderate rehabilitation of Rock Harbor Village, a 100 unit affordable, age-restricted rental housing development located at 9 Main Street that was constructed in 1978.

There are five two-story multi-family buildings and one management office/community building on site. POAH acquired the property for \$9.9 million and will complete approximately \$4.7 million worth of rehabilitation work that will result in improved energy efficiency, unit modernization, and site and accessibility upgrades, and will extend the affordability of the property for 40 years. Ten (10) of the units will be HOME-assisted. POAH also received an allocation both of federal tax and state credits, MassHousing financing, and \$25,000 from the Friends of Orleans Affordable Housing. The loan closing and the start of rehab occurred in June 2012, and rehab work was expected to be completed by February 2013.

c) Six projects received conditional commitments of HOME funds totaling \$900,000 during this reporting period and have not yet closed.

Community Green SPO- Sandwich: Housing Assistance Corporation (HAC), a CHDO, received a \$175,000 HOME commitment to assist in the new construction of ten (10) affordable single person rental units for homeless individuals. All ten (10) units will be HOME assisted. HAC received its comprehensive permit for the project in January 2007 and has also received funding commitments from the Federal Home Loan Bank Board, Mass Housing's Center for Community Recovery Innovations (CCRI) program, and Sandwich CPA (\$49,999). HAC applied to DHCD both in the spring 2011 round and the February 2012 round for the remainder of the funding needed for this first phase of the project; however, it was unsuccessful in both attempts.

Simpkins Residences- Yarmouth: The for-profit Stratford Capital Group (SCG) received a \$150,000 HOME commitment to assist in the redevelopment of a historic former school building along with the new construction of an addition to create sixty-five (65) rental units for households age fifty-five and over; fifty-eight (58) of the units will be affordable and eleven (11) of them will be HOME assisted. The property is owned by the Town of Yarmouth and will be transferred to SCG once all funding is secured. SCG secured a DHCD award from the February 2012 round for both federal and state tax credit allocations and other state resources (HOME, Housing Stabilization Fund, and Affordable Housing Trust Fund) for the remaining funding needed for the project. Projected loan closing is fall 2012.

Breezy Acres/Great Cove Community- Mashpee: Housing Assistance Corporation (HAC), a CHDO, received a \$175,000 HOME commitment to assist in the new construction of ten (10) affordable family rental apartments, all ten (10) of which will be HOME assisted, on a parcel of land that will be leased from the Mashpee Housing Authority. HAC secured commitments from MHP's Neighborhood Rental Initiative and from Mashpee CPA (\$450,000). HAC secured a DHCD award (HOME, Affordable Housing Trust Fund, and Community Based Housing) from the spring 2011 round for the remainder of the funding needed for this project; however, HAC is working to close a funding gap that developed in order to proceed with closing with the public and private lenders.

Sally's Way- Truro: The for-profit Community Housing Resource, Inc. (CHR) received a \$125,000 HOME commitment to assist in the new construction of sixteen (16)

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affordable family rental units, eleven (11) of which will be considered HOME assisted, on a Town-owned parcel that will be leased to CHR. The Town of Truro was awarded a DHCD CDBG grant for infrastructure and site work, and CHR has secured a Truro CPA award of \$163,451. CHR secured a DHCD award from the February 2012 round for the other state resources (HOME, Housing Stabilization Fund, and Affordable Housing Trust Fund) for the remaining funding needed for the project. Projected loan closing is fall 2012.

Village Green- Barnstable: The for-profit Dakota Partners received a \$125,000 HOME commitment to assist in the new construction of sixty (60) affordable family rental apartments, eleven (11) of which will be HOME assisted. Dakota applied to DHCD both in the spring 2011 round and the February 2012 round for the remainder of the funding needed for this first phase of the project; however, it was unsuccessful in both attempts.

Stage Coach Residences- Barnstable: The Barnstable Housing Authority (BHA) received a \$150,000 HOME commitment to assist in the new construction of twelve (12) affordable family rental units, six (6) of which will be HOME assisted, on a 6.9 acre site owned by the BHA that consists of two adjoining parcels located at 70 Stage Coach Road and 151 Oak Street, Centerville, MA. BHA had received a \$750,000 MHP Neighborhood Rental Initiative award along with almost \$690,000 in local funding. BHA then secured a DHCD award from the February 2012 round for the other state resources (HOME and Affordable Housing Trust Fund) for the remaining funding needed for the project. Projected loan closing is fall 2012.

Since its inception, the Consortium has funded 66 projects that have been completed and occupied that have resulted in 992 affordable units: 47 rental projects with 868 affordable units and 19 ownership projects with 124 affordable units. HOME-funded projects represent approximately 18.8% of the affordable housing inventory in the region. While Consortium funds are typically the smallest source of a project's funding, they have been critical in assisting sponsors in securing the other necessary state and federal support.

The 13 projects described in this section (11 of which are in the pipeline) will result in the creation or preservation of five hundred forty-four (544) affordable units, of which one hundred twenty-three (123) will be considered HOME assisted and subject to the HOME regulations governing income and rent limits, as well as long term affordability. These projects will produce five hundred thirty-nine (539) affordable rental and five (5) affordable homeownership units. A total of \$1,875,000 in local HOME funds has been committed to these projects.

2. Down Payment Closing Cost Assistance (DPCC) Program:

For this reporting period four (4) low-income first-time homebuyers received assistance totaling \$28,905- an average loan amount of \$7,226. From its inception, this program has proven to be of great benefit to low-income residents seeking to purchase their first home; however, the August 2009 HUD universal deed rider ruling has made use of HOME with almost any past and present commonly used deed restriction in the region impossible and has fundamentally restricted the use of the DPCC program to only non-deed restricted units.

Four loans were for market rate single family homes with an average purchase price of \$253,750 with a range from \$190,000- \$310,000. All four households had incomes of between 51% - 80% of median income. **To date five hundred ninety (594) households have received assistance through the DPCC Program.** The Commission contracted with the Housing Assistance Corporation (HAC) to administer delivery of the DPCC program to eligible households.

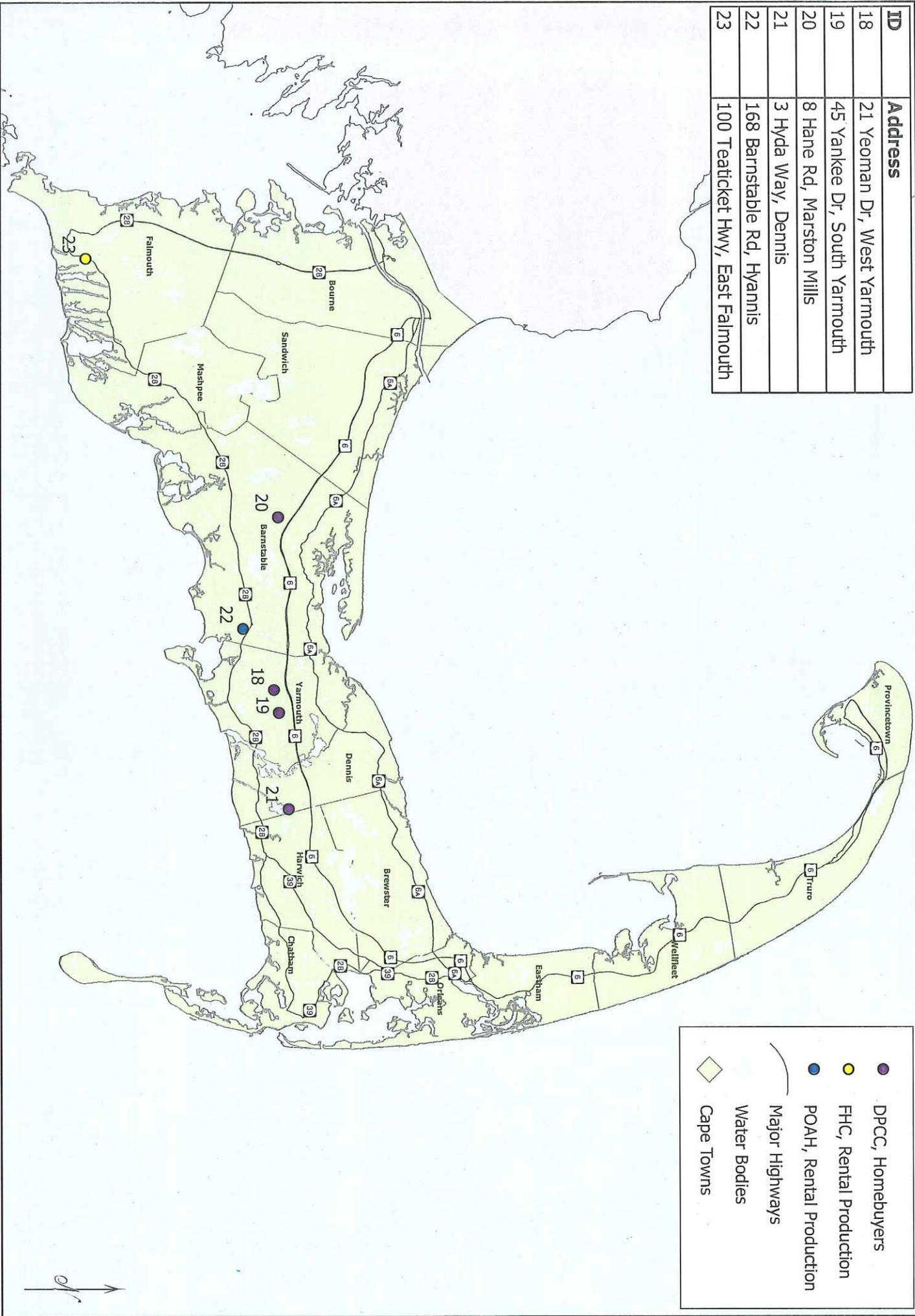
	Households Assisted- FFY 2011	Households Assisted- Total Program
Down Payment/Closing Cost Program	4	594

DPCC loans were made in the following communities: Barnstable; Dennis; and Yarmouth (2).

The Consortium continues to meet its affordable housing goals with respect to its Consolidated Plan and its use of HOME funds. **HOME assistance- either project or client based- was distributed or committed to projects or households in ten (10) of the fifteen (15) communities in Barnstable County during this program year.** The map on page 13 identifies the locations of HOME-assisted activities that were completed during the FFY 2011 program year.

For a statistical profile of the households receiving this assistance, see the attached Table 1 – “Households and Persons Assisted with Housing” on page 27.

ID	Address
18	21 Yeoman Dr, West Yarmouth
19	45 Yankee Dr, South Yarmouth
20	8 Hane Rd, Marston Mills
21	3 Hyda Way, Dennis
22	168 Barnstable Rd, Hyannis
23	100 Teaticket Hwy, East Falmouth



HOME Address Locations

This map is produced by the GIS Department of the Cape Cod Commission, a division of Barnstable County. The information depicted on these maps is for planning purposes only. It is not adequate for legal boundary definition, regulatory interpretation, or parcel level analysis. It should not substitute for actual on-site survey or supersede deed research.



SECTION II. PERFORMANCE MEASUREMENTS

The following table summarizes the major FFY 2011 HOME program activities and the outcome measures that were included in the 2010-2014 Consolidated Plan.

Project Name	Priority-Con Plan	Performance Objective/ Outcome	Funding Amount	Amount Expended	FFY 2011 Goals	FFY 2011 Accomplishments	% Completed
Housing Production	1 and 4	Affordability for the purpose of providing decent housing	\$523,076	\$382,483	55 units	163 units	396%
Down Payment/ Closing Cost	4	Affordability for the purpose of providing decent housing	\$75,000	\$30,729	20 households	4 households	20%
Homeowner Rehab	4	Affordability for the purpose of providing decent housing	\$0	\$2,500	0 households	1 household	

The tables on the following pages reflect the Consortium's performance on the more specific outcome measures that were included in the 2010-2014 Consolidated Plan. The actual units' totals include only those projects that had HOME funds invested and include all affordable units in the project- not just those that are HOME assisted. In addition, HUD's objective and outcome performance measures are referenced.

Rental Housing Production Objectives: Affordability for the purpose of providing decent housing

Obj #	Specific Objectives	Performance Measure	Annual Goal	Units-2011	Goal-2010-2011	Units-2010-2011
1.	<u>Rental Housing Objectives</u>					
1a)	Create affordable rental housing.	Number of units	45/year	163	90	177
		Number of units for HH at or below 30% AMI	5/year	75	10	78
		Number of units for HH between 30-50% AMI	15/year	26	30	30
		Number of newly built units that are accessible under Section 504	10% of newly built units	10% (4 of 39)	10% of newly built units	13% (7 of 53)
		Number of newly built units that meet Energy Star standards	100% of newly built units	100% (39 of 39)	100% of newly built units	100% (53 of 53)
		Number of newly built units that are LEED certified	25% of newly built units	0% (0 of 39)	25% of newly built units	23% (12 of 53)

Explanation of Rental Housing Outcomes

Objective 1a) The Consortium met 5 of the 6 rental housing objectives both in 2011 and also over the first two years of the Con Plan period with only the LEED objective not met. The Consortium significantly exceeded its rental units production goal for the year with 163 completed units and with 210 rental units currently under construction or rehabilitation, the Consortium fully expects to achieve its rental housing production goal over the course of the 2010-2014 Consolidated Plan period.

The Consortium met its income targeting goals, and historically, the Consortium has achieved a significant amount of its housing targeted to very or extremely low income households. According to HUD's SNAPSHOT report as of 6/30/12, over 82% of households in HOME-assisted units have incomes below 50% of area median income and over 49% have incomes below 30% of area median income. These percentages exceed the national averages of HOME jurisdictions in both income categories.

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The Consortium met its 10% accessibility target this year as the one new construction development- Schoolhouse Green- included four accessible units. The Consortium fully met its 100% Energy Star annual goal. While Schoolhouse Green did not seek LEED certification, as a tax credit project, it satisfied DHCD's sustainable building design and energy efficiency criteria in order to receive state funding. Over the two years of the Con Plan, the Consortium is just short of meeting its 25% goal of LEED certified new construction.

Homeownership Production and Homebuyer Assistance Housing Objectives 2a) and 2b): Affordability for the purpose of providing decent housing

Obj#	Specific Objectives	Performance Measure	Annual Goal	Units/HH-2011	Goal-2010 - 2011	Units/HH-2010-2011
2a)	Create affordable ownership housing.	Number of units	10/year	0	20	7
		Number of units for HH at or below 50% of AMI	1/year	0	2	3
		Number of newly built units that are accessible under Section 504	10% of newly built units	N/A	10% of newly built units	0% (0 of the 3 newly built units)
		Number of newly built units that meet Energy Star standards	100% of newly built units	N/A	100% of newly built units	100% (3 of 3 units)
		Number of newly built homes that are LEED certified	25% of newly built units	N/A	25% of newly built units	0% (0 of 3 units)
2b)	Provide down payment/closing cost assistance for first time homebuyers	Number of buyers assisted	25/year	4	50	10
		Number of minority HH assisted	10% of assisted HH	0% (0 of 4)	10% of assisted HH	0% (0 of 10)

Explanation of Ownership Housing Outcomes

Objective 2a) The Consortium did not meet any of its homeownership objectives in 2011. As noted in our 2010 Annual Report, the August 2009 HUD ruling that the Massachusetts universal deed rider (and in effect all prior commonly used deed riders) was inconsistent with HOME has brought the Consortium's ownership production program to a standstill. As a result of that ruling and as HUD has yet to respond to a proposed HOME-compliant deed rider submitted by DHCD and with the 43% reduction in HOME funding for FFY 2012, the Consortium submitted a Substantial Amendment to our 2010-2014 Consolidated Plan that would reduce our ownership production goal to three units per year. Until a HOME-compliant deed rider is approved by HUD, the Consortium's August 2010 moratorium on accepting any new ownership production funding requests will continue.

Objective 2b) The HOME/universal deed rider conflict has also significantly negatively impacted the Consortium's down payment assistance program as only four loans were made this program year and 10 for the first two years of the Con Plan- compared with 46 loans in FFY 2009. The HUD ruling has had the effect of limiting the program to purchasers of market rate, non-deed restricted homes. The Consolidated Plan Substantial Amendment reduced the annual goal of down payment assistance to five per year.

The Consortium did not achieve its minority participation goal in the down payment program either this program year or in the first two years of the Con Plan period. HAC has run the down payment program since its inception by the Consortium and has developed an effective outreach strategy to minority households as evidenced by the 19% minority participation rate in the down payment program from 2005-2009. The Consortium expects that 2010-2011 was an anomaly and that it will achieve the target for minority household participation in the down payment program in the upcoming years, even with the reduction in volume.

Homeless/Special Needs Objectives

Obj. #	Specific Objectives	Performance Measure	Goal	Units-2011	Goal-2010-2011	Units-2010-2011
1.	<u>Homeless Objectives</u>					
1a)	Create permanent supportive housing for homeless individuals or families.	Number of units	2/year	0	4	0
2.	<u>Special Needs Objectives</u>					
2a)	Create rental housing for any of the high priority special needs populations.	Number of units	2/year	4	4	6

Explanation of Homelessness and Special Needs Outcomes

One HOME assisted rental project that was completed this program year was targeted toward families and the other to households age 55 and over and those with disabilities. While there has been progress in the region in moving homeless individuals and families into permanent supportive housing, it has mainly been achieved through the use of rental subsidies rather than the creation of new affordable units. Consortium staff actively participates in the Cape and Islands Regional Network To Address Homelessness and will continue to encourage organizations that are developing permanent supportive housing to consider applying for HOME funding for their projects. One of the HOME projects in the pipeline- Community Green- has targeted all ten (10) units for homeless individuals, and the successful completion of that project would enable the Consortium to meet its permanent supportive housing goal during the 2010-2014 Consolidated Plan period.

The Consortium met its special needs target as the Schoolhouse Green development included four units funded by the state's Community Based Housing (CBH) program. CBH units are reserved for applicants who have a disability and who are institutionalized or at risk of institutionalization and who are not clients of the Mass. Departments of Developmental Services or Mental Health.

SECTION III. PROGRAM ADMINISTRATION

1. HOME Advisory Council:

The Consortium's Advisory Council, made up of representatives of the Consortium's fifteen towns, two at-large members and the Cape Cod Commission's affordable housing specialist as an ex-officio member, continued to provide valuable input regarding the policies and implementation of the HOME program. The Affordable Housing Specialist continued to meet with the seventeen-member council on a regular basis (monthly) to review and discuss program policies and actions.

2. Program Administration:

Overall administration is provided by the Cape Cod Commission's Affordable Housing Specialist and Department Assistant. Day to day operation of the Consortium's down payment program continued to be contracted out to the Housing Assistance Corporation, the area's regional non-profit housing agency. The Consortium puts the administration of these programs out to bid every three years. The Consortium issued a Request For Proposals for the administration of the DPCC program in May 2010, and once again awarded the contract to HAC.

3. Annual Plan/Substantial Amendments to Consolidated Plan:

As required, the Consortium submitted its FFY 2012 Annual Plan on May 17, 2012. The 2012 Annual Plan was subsequently approved by HUD on August 29, 2012. In addition, as a result of the 43% reduction in HOME funding, the Consortium submitted a Substantial Amendment to its 2010-2014 Consolidated Plan on May 17, 2012.

4. Community Housing Development Organization (CHDO) Participation:

The Consortium four years ago modified its funding allocation guidelines to allow a slightly higher amount of housing development funding for CHDO housing development projects. For the first time in its history, the Consortium did not receive any funding requests from any of its three designated CHDO's and will likely need to request HUD to reduce its CHDO requirement for FFY 2011. **However, through its history, 29.75% of the Consortium's funding has been directed to CHDO's; well in excess of HOME's 15% requirement.**

5. Monitoring and On-Site Inspections:

The Consortium's Department Assistant oversees the annual project income and rent certification process, the property standards review, the annual project financial performance assessment, and the initial project reviews of completed housing development projects. The Consortium requires that all HOME assisted units comply with the federal Housing Quality Standards (HQS). The Consortium has contracted with a local inspection entity to conduct inspections of completed rental units, while DPCC assisted units are inspected by HAC personnel. To the extent possible, the Consortium accepts HQS reports and on site monitoring reports already performed and required by other funders in order to both fulfill our responsibilities and also to lessen the reporting burden on housing providers. This program year eighteen (18) Consortium rental housing development projects had their units inspected; sixteen (16) rental projects had on-site monitoring visits; and two (2) newly completed rental

projects (Cromwell Court and Schoolhouse Green) had their initial monitoring review. Attached at the end of this report is a summary of the Consortium's monitoring and property inspection activities for this program year.

6. Match Report:

HOME requires that 25% of a jurisdiction's non administrative and non-program income expenditures be matched with non-federal funds. The \$1.3 million in confirmed match (\$500,000 in Barnstable CPA funds for POAH's Cromwell Court development and \$800,000 in Falmouth CPA funds for Falmouth Housing Corp.'s Schoolhouse Green development) will enable the Consortium to significantly exceed this year's match requirement of \$87,620. The Consortium will carry forward a match surplus of over \$21.5 million into FFY 2012. The match reporting form is attached to this report.

7. Leveraging:

The HOME Program is successfully leveraging other funds for specific projects and programs, thus broadening its impact on this community. **During this reporting period, the investment of \$675,000 in HOME funds for the five projects that were completed and/or still under construction during this period resulted in over \$56 million in leveraged public and private funds (an 83 to 1 ratio).** The Consortium believes such leveraging is essential, given the relatively small pool of funds it has at its disposal.

8. Fair Housing:

The Consortium, through the Cape Cod Commission, in summer 2009 hired a consultant to update the region's fair housing/analysis of impediments plan. Working with Consortium staff, the consultant did an extensive review of data including Home Mortgage Disclosure Act data from 2005-2008, conducted a written survey of key fair housing stakeholders, and held consultations and focus groups with a wide variety of protected classes in addition to two public hearings. The final report was completed at the end of January 2010, and the Barnstable County Commissioners officially adopted the Fair Housing Plan by signing it at their May 26, 2010 meeting.

One of the findings of the Plan is that the Consortium is commended for the broad geographical disbursement of its HOME project funding as the Consortium has funded at least one housing development project in all fifteen towns in the region. However, the Plan identified a number of impediments to fair housing: 1) housing discrimination and barriers exist in the County for minorities and for those with disabilities and limited English proficiency; 2) the Consortium does not have a formalized approach to fair housing; and 3) the overall knowledge/awareness of fair housing in the region is low. The Plan included a series of recommended actions for the HOME Consortium and the County to undertake over the next three years.

Since the publication of the Fair Housing Plan, the Consortium took steps to adopt some of the recommendations related to having a more formalized approach to fair housing. The Affordable Housing Specialist was designated to be the Fair Housing officer for the Consortium. A fair housing subcommittee of the Consortium that is predominantly composed of non-Consortium members was established. The committee intends to meet quarterly, and its purpose is to develop the Consortium's annual fair housing work plan and to oversee the implementation of that work plan. The subcommittee agreed to focus on three of the Plan's recommended action

items: 1) apply for Fair Housing Initiatives Program (FHIP) funding to develop and implement a wide-ranging fair housing outreach and education program in collaboration with Barnstable County's Human Rights Commission; 2) develop a plan to address linguistic barriers for people dealing with housing providers; and 3) improve access at the County and housing providers for those with hearing issues.

The Consortium, in collaboration with the County's Human Services Department, submitted a comprehensive fair housing outreach and education plan as part of its \$124,536 December 2010 Fair Housing Initiatives Program (FHIP) funding application to HUD. The Consortium learned in March 2011 that although it scored 93 points out of 100 on its application, it was not selected for funding. The Consortium, again in collaboration with the County's Human Services Department, submitted a comprehensive fair housing outreach and education plan as part of its \$124,873 August 2011 FHIP funding application to HUD. The Consortium learned in October 2011 that although it scored 97 points out of 100 on its application, it was not selected for funding. The committee will meet to develop action items for FFY 2012, given that the resources for a comprehensive fair housing outreach and education effort are not currently available.

Administratively, the Commission is committed to continue to administer and market its program and policies in an affirmative manner. Specific steps have been taken to solicit minority participation as clients and vendors in the HOME Program. For example, the agency that administers the HOME Down Payment program is required to conduct targeted outreach to potential clients. The Consortium continues to be successful in its minority outreach as **during this reporting period 23.1% (6 of 26) of the households receiving assistance were minorities; for the 2010-2011 program years, 20.8% (11 of 53) of the households receiving assistance were minorities. These figures exceed the Cape's 8.6% minority population total from the 2010 Census.**

9. Continuum of Care: Cape and Islands Regional Network To Address Homelessness

For years human service providers and housing agencies have worked to define the continuum of care strategy for this region. In 1997 several of these organizations formed the Cape Cod Coordinating Council for the Homeless. The Council's main objectives were to convene public meetings, share information, create a community strategy to end homelessness and coordinate this community's response to the McKinney-Vento SuperNOFA application. To reflect a new emphasis on the national goal of ending chronic homelessness, the Council in 2004 decided to change its name to the Leadership Council To End Homelessness. In addition, the Council engaged in a broad community effort in 2005 to develop the region's Ten Year Plan To End Homelessness. As a result of the process of securing state prevention and case management services noted below, the Continuum in 2009 adopted a new name: Cape and Islands Regional Network To End Homelessness. In January 2012 the Network updated the 2005 Plan to make it consistent both with local priorities and also with the 2010 Federal Strategic Plan to Prevent and End Homelessness. In addition, it again changed its name to Cape Cod and Islands Regional Network to Address Homelessness.

The region's continuum of care strategy to address homelessness rests on three goals: increase access to safe, stable, accessible and affordable housing; improve the health and stability of individuals and families that are experiencing homelessness or that are at risk of homelessness; and improve the economic security of these individuals and families. Several strategies have been identified by the Regional Network to achieve these goals. These involve increased

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community education about the impact of homelessness; advocacy for policies and funding for affordable housing and best practices; and facilitation of collaboration to optimize available resources and develop new ones.

The Consortium strongly supports this effort and the strategy adopted by the Regional Network. Staff and members of the HOME Advisory Council have taken an active part in the development of the Cape's Continuum of Care strategy. The Consortium certified that the programs included in this reporting period's McKinney SuperNOFA application were consistent with the goals and priorities of our Consolidated Plan. **The Regional Network's fall 2011 application was successful in securing \$1,475,058 in funding for renewals of various ongoing homelessness efforts and programs, and an additional \$45,849 to assist in the creation of four new leased housing units by Duffy Health Center.**

The region has been a leader in the state in developing homelessness prevention programs and resources. Through the collaborative and creative work of members of the Regional Network, the Cape has seen its annual point in time homeless counts decrease from 1,071 in 2005 to 445 in 2012. The Consortium intends to continue its active involvement in various Regional Network committees and to lend its moral, technical and financial assistance to the Cape's Continuum of Care strategy.

SECTION IV. SELF EVALUATION

The Consortium's HOME Program continues to function in an effective and productive manner as HOME funds are being directed to address the goals and objectives contained in its Consolidated Plan- especially the priority need for affordable rental housing. The HUD universal deed rider ruling in 2009 however has significantly hampered the Consortium's ability to support homeownership and to effectively respond to the broad range of affordable housing needs in the region. This program year the Consortium was allocated \$664,528; we expended \$477,285; and we made commitments of over \$405,000 toward program activities.

While FFY 2011 was a productive year for rental units completed (163) and for projects under construction (4 projects totaling 210 units), the Consortium approved just two rental housing development funding requests that resulted in \$300,000 of conditional commitments. This reduced number of commitments was in large fact due to the number of projects in the pipeline waiting DHCD funding and that DHCD only accepted repeat applications in the February 2012 funding round. Four projects secured DHCD funding from the February round, and we expect all of those projects to close and commence construction prior to the end of 2012. For the first time in Consortium history, we did not make any commitments from the 15% CHDO development set-aside. Historically however, through 6/30/12, the Consortium has committed 29.75% of its funds to CHDO development projects- well in excess of the 15% HOME requirement.

As described in Section II, the Consortium had a difficult time in achieving its annual goals in 2011 as it met or exceeded its goals on just six (6) of fifteen (15) measures. The Consortium met 5 of its 6 rental targets and 1 of 2 of its homeless/special needs targets; however, it met none of its 7 ownership objectives. The Consortium's biggest challenge to meeting the variety of affordable housing needs identified in the Consolidated Plan was the HUD 2009 ruling that HOME funds cannot be used in conjunction with the Massachusetts universal deed rider- the deed rider DHCD requires for nearly all homeownership projects. Absent any progress in having a HOME-compliant resale deed rider approved combined with our 43% funding reduction, the Consortium in May 2012 submitted a Substantial Amendment to our Consolidated Plan to significantly scale back our annual goals for homeownership activities. While the region's priority affordable housing need continues to be rental housing and while the Consortium allocates the majority of its funds toward that need, affordable ownership opportunities are another priority housing need and the HUD ruling has fundamentally significantly limited the Consortium's ability to meet that need. It has been very frustrating for Consortium members and staff to not be able to use HOME funds to more fully address both the rental and homeownership needs in the region.

The Cape's single family home market (81% of the region's housing stock) declined somewhat in 2011 after its first increase in 2010 after four years of declines in median sales prices. The median sales price decreased by just over 3% (from \$325,000 to \$315,000). Overall, median single family home prices are about 17% below the 2005 peak of \$379,900. In large part because of historically low interest rates, the Cape's homeownership gap disappeared in 2011 for the first time since 1998, i.e. the family household at the region's 2011 median income could afford to purchase the 2011 median priced single family home.

As occurred nationally, the region witnessed a significant increase in foreclosure deeds in 2010 but has seen the pace slow in 2011 and during the first six months of 2012.

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Year	2008	2009	2010	2011	2012- Jan- June
Foreclosure Deeds	599	481	736	488	224

The expectation is that the high foreclosure rate will continue at least through the upcoming program year, and the foreclosure crisis has resulted in seven foreclosures to date on HOME-assisted units and households. In addition, the Consortium along with Town, DHCD, and CHAPA staff have been working to resolve default and notice to foreclose issues with some of the affordable unit owners at the Village at Marstons Mills- a condo on leased land project that was completed in 2005. The Consortium has also received a number of legal notices from condo associations to recover unpaid condo fees from HOME-assisted owners, and this is clearly an indication that some homeowners are struggling. With the continuing recession, it would not be unexpected in the coming year to see an increase in foreclosure filings on HOME-assisted units. The Consortium's lending policies combined with the homebuyer counseling and foreclosure prevention infrastructure that has been built in the County through the Housing Assistance Corporation has been primarily responsible for the very low default and foreclosure rate in HOME-assisted units to date (7 foreclosures on approximately 800 loans).

The Consortium has maintained its commitment to making the important links among affordable housing, the Cape's fragile environment and the area's economic health. We inform the public of the critical links between affordable housing and the long term economic health and diversity of the region. Through such reports as the 2005 Nexus Study, we call attention to the relationship between the area's wage levels and the cost of owning or renting a home on Cape Cod, and advocate for policies that will result in opportunities for low income households to continue to live on the Cape. Finally, the Consortium continued its public education efforts through a workshop on "The Next Chapter of 40B"- the state's affordable housing law.

Barnstable County HOME Consortium

Affirmative Marketing
CAPER
Narrative

The Cape's minority population (8.6%) is much lower than that of the state of Massachusetts. Nevertheless the Consortium has consistently carried out a genuine effort to inform and invite the Cape's minority population to avail themselves of benefits offered through the HOME Program.

The Consortium in accordance with 24 CFR 92.351 (b) has adopted the following procedures to ensure fair and affirmative marketing of HOME assisted housing containing five (5) or more housing units. The Consortium and its contracted agencies have:

1. Informed the public, owners and potential tenants about the existence of fair housing laws and the Consortium's policies;
2. Notified towns, public and non-profit agencies and organizations that serve and/or represent minorities and women of the availability of HOME assisted housing;
3. Utilized local media, electronic and print, to market and promote, on the widest scale possible, the availability of HOME funds;
4. Appeared before local boards, tenant groups, non-profits, social service agencies and others to inform and market the Consortium's HOME program to women and minorities.

During this reporting period 23.1% (6 of 26) of the households receiving assistance were minorities; for the 2010-2011 program years, 20.8% (11 of 53) of the households receiving assistance were minorities. These figures exceed the Cape's 8.6% minority population total from the 2010 Census.

Barnstable County HOME Consortium

Minority Outreach
CAPER
Narrative

The Consortium has established a statement of policy and procedures to meet the requirements for establishing and overseeing a minority and women business outreach program and affirmative marketing under 24 CFR 92.350 and 92.351 respectively; consistent with HUD responsibilities under Executive Orders 11625 and 12432 (concerning Minority Business Enterprise-MBE) and 12138 (concerning Women Business Enterprise-WBE). The Consortium has made all efforts to encourage the use of minority business and women business enterprises in connection with HOME funded activities. These will be in conformance with 24 CFR 85.36 (e).

As with the Cape's minority population, the number of MBE's and WBE's is smaller relative to other communities of comparable size and population. Nevertheless the Consortium made a genuine effort to give MBE's and WBE's a fair opportunity to participate in the HOME Program. To achieve this goal the following activities were carried out:

1. Utilized the State Office of Minority and Women Business Assistance Directory (SOMBA) to ensure the inclusion of MBEs and WBEs in activities of the HOME Program;
2. Used local media, electronic and print, to market and promote contract and business opportunities for MBEs and WBEs;
3. Developed solicitation and procurement procedures that facilitate opportunities for MBEs and WBEs to participate as vendors and suppliers of goods and services;
4. Maintained a centralized record with statistical data on the use and participation of MBEs and WBEs as contractors/subcontractors in HOME assisted program contracted activities.

The two rental projects that completed construction this program year submitted MBE/WBE information. The data indicates that \$1,360,366 of the total \$9,620,311 in construction contracts went to MBE/WBE companies- 14.1%.

CHAS ANNUAL PERFORMANCE REPORT Table 1

U.S. Dept of HUD

**Households and Persons Assisted with Housing
Comprehensive Housing Affordability Strategy (CHAS)**

Office of CPD

BARNSTABLE COUNTY HOME CONSORTIUM

FFY 2011

Income Groups Assisted w/HOME	Renters					Owners				Total
	Elderly 1 & 2 member household	Small (2-4) Related	Large (5 or more) Related	All other households	Total Renters	Existing Home-owners	1 st time home-buyer w/children	1 st time home Buyer- Others	Total Home Owners	Total: Rent & Own
Extremely Low-Income (0-30% MFI)	3	4	0	0	7	0	0	0	0	7
Very Low-Income (31-50% MFI)	3	3	1	0	7	0	0	0	0	7
Moderate Income (51- 80% of MFI)	8	0	0	0	8	0	4	0	4	12
Total	14	7	1	0	22	0	4	0	4	26

Racial/Ethnic Composition of Households and Persons in HOME-Assisted Housing Units:

<u>Ethnicity</u>	
Hispanic	0
<u>Non-Hispanic</u>	<u>26</u>
Total	26

<u>Race</u>	
White	20
Black	3
Native Am	0
Asian & Pacific	1
Islander	
<u>Other</u>	<u>2</u>
Total	26

HQS PROPERTY INSPECTIONS- 2011

HQS INSPECTION PROJECT	2011 SCHEDULED HQS	REC. REPORT	PASS/FAIL
704 Main Street (DHCD)			
Northside (DHCD)			
Osprey Lane (DHCD)			
Dennis Commons (DHCD)			
Lake Street (DHCD)			
Pocasset Assisted Living (DHCD)			
Eastham Duplexes (DHCD)			
Fairwinds (DHCD)	received	1/13/2012	passed
Gifford Street (annual)	received	1/13/2012	passed
Pine Oaks (annual)	received	3/19/2012	passed
Kimber Woods (annual)	received Spectrum report	1/24/2012	passed
Canal Bluffs (annual)	received Spectrum report	12/29/2011	passed
Foundations/HAC	received	7/2/2012	failed
Ashley Drive/BHA	received	12/29/2010	passed
Edgerton/FHA	received	1/13/2012	passed
Lombard Farms/MB Mang./HAC	received Spectrum report	1/24/2012	passed
May Institute	received	4/26/2012	passed
916-920 Main St./S. Harwich/HECH	received	12/22/2011	passed

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MONITORING REPORT

17 due for Monitoring visit		Total	# of	Proj.	2011			
PROJECT	Mont. Due	# units	HOME	Based	Rents/ Incomes Complete	Mont. Appoint.	Mont. exit ltr.	Complete
27 Nelson Ave/CDP		2	2	0	yes			
27A Conwell St/CHR		5	5	0	yes			
32 Conwell St/CHR	DHCD	18	11	2	yes			
40A Nelson/CHR		6	4	3	yes			
704 Main St./FHA/DHCD	DHCD	58	11	8	yes			yes
Ashley Drive/BHA	Due	1	1	1	yes	3/22/2012	4/26/2012	yes
Assisted Living/DHCD	DHCD	84	11	0	yes			
Aunt Sarahs/BHA		12	10	10	yes			
Bridgeport/FHA		8	5	5	yes			
Brush Hill Residences/YHA		2	1	2	yes			
Camp Street/HECH	Due	6	4	0	yes	3/30/2012	7/2/2012	yes
Canal Bluffs/POAH	Due annual	28	11	3	yes	Spectrum 7/12/11	12/29/2011	yes
Canal House/CDP-SRO		8	6	6	yes			
CHIPs /BHA-SRO	Due	10	4	4	yes	3/22/2012	4/26/2012	yes
Dennis Commons/DHCD	DHCD	32	11	0	yes			
Eastham Duplexes/OHA/DHCD	DHCD	8	8	0	yes			
Edgerton Drive/FHA		24	6	6	yes			
Fairwinds/FHA/DHCD	DHCD	20	10	9	yes			
Flynn House/FHA-SRO		7	7	7	yes			
Foley House/PHA/DHCD-SRO	DHCD	10	10	10	yes			
Foundations/HAC	Due	12	6	0	yes	3/22/2012		
Gifford Street/FHA	Due annual	28	8	8	yes	3/22/2012	4/24/2012	yes
Gull Cottages/885 State High./CDP		5	5	1	yes			
Harry Kemp/CDP		4	4	4	yes			
HECH-Main 916-920	Due	10	4	1	yes	3/30/2012	7/2/2012	yes
HECH Duplexes	Due	10	10	0	yes	3/30/2012	7/2/2012	yes
Helens Way/CDP	Initial 2010	2	1	0	yes			
Kimber Woods/MB/Spectrum	Due-Spec.	28	11	7	yes	7/12/2011	1/24/2012	yes
Lake Street/DHCD	DHCD	47	11	0	yes			
Little Home/836 Rt. 28/CDP		8	8	0	yes			
Lombard Farms/MB/Spectrum	Due-Spec.	12	8	8	yes	7/12/2011	1/24/2012	yes
May Institute	Due	4	4	0	yes	3/29/2012	4/2/2012	yes
Northside/DHCD	DHCD	46	11	0	yes			
Osprey Lane/DHCD	DHCD	36	11	0	yes	DHCD-7/19/11	9/26/2011	yes

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Pine Oaks III	Due annual	65	13	13	yes	4/6/2012	4/17/2012	yes
Puritan Road/Paul Carreiro		1	1	1	not rented			
Shore Road/CDP		2	2	0	yes			
Sisson Road/HECH	Due	13	4	4	yes	3/30/2012	7/2/2012	yes
Southside/HAC	Due	14	5	0	yes	3/22/2012		
Telegraph/Owner	Due	7	5	0	yes	2/16/2012	6/5/2012	yes
Thankful Chase/CDP	Initial 2010	12	11	5	yes			
Wellfleet Apartments/Fred Bell/CDP/DHCD	DHCD	12	11	11	yes			
Wells Court/MB	Due	24	24	24 (202)	yes	4/6/2012	4/24/2012	yes
Winter Street/BHA	Due	9	9	4	yes	3/8/2012	4/26/2012	yes

MATCH REPORT

