



# City of Appleton

100 North Appleton Street  
Appleton, WI 54911-4799  
[www.appleton.org](http://www.appleton.org)

## Meeting Agenda - Final-revised Community & Economic Development Committee

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Wednesday, May 23, 2018

4:30 PM

Council Chambers, 6th Floor

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1. Call meeting to order
2. Roll call of membership
3. Approval of minutes from previous meeting

[18-0736](#) CEDC Minutes from 5-9-18

**Attachments:** [CEDC Minutes 5-9-18.pdf](#)

### 4. Public Hearings/Apearances

### 5. Action Items

[18-0737](#) Request to approve the REVISED 2018-2019PY Community Development Block Grant (CDBG) funding as specified in the attached community partner allocation recommendations

**Attachments:** [Alloc Recs Memo to CEDC Final Award 05-09-2018.pdf](#)

[Alloc Recs Memo to CEDC 11-8-17.pdf](#)

[REVISED--2018 CDBG Summary of Recommendations.pdf](#)

[REVISED--2018 CDBG Simple Summary of Recommendations.pdf](#)

[HUD Notice to postpone AFFH.pdf](#)

[18-0789](#) The Community and Economic Development Committee will go into closed session according to State Statute §19.85(1)(e) for the purpose of discussion of real estate negotiations regarding the former K-Mart site and reconvene into open session

### 6. Information Items

7. Adjournment

*Notice is hereby given that a quorum of the Common Council may be present during this meeting, although no Council action will be taken.*

*Any questions about items on this meeting are to be directed to Karen Harkness, Director, Community and Economic Development Department at 920-832-6468.*

*Reasonable Accommodations for Persons with Disabilities will be made upon Request and if Feasible.*



# City of Appleton

100 North Appleton Street  
Appleton, WI 54911-4799  
[www.appleton.org](http://www.appleton.org)

## Meeting Minutes - Final Community & Economic Development Committee

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Wednesday, May 9, 2018

4:30 PM

Council Chambers, 6th Floor

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1. Call meeting to order

**Meeting called to order at 4:30 p.m.**

2. Roll call of membership

**Present:** 5 - Coenen, Reed, Alderperson Baker, Alderperson Dvorachek and Alderperson Plank

*Others present:*

*Jeanne Roberts, LWV, Appleton*

*Grace Rippl, Xavier High School*

*Patrick Rippl*

*Danni Zhen, Xavier High School*

*Xi Nan, Xavier High School*

3. Approval of minutes from previous meeting

[18-0549](#)

CEDC Minutes from 3-14-18

**Attachments:** [CEDC Minutes 3-14-18.pdf](#)

**Alderperson Baker moved, seconded by Alderperson Dvorachek, that the Minutes be approved. Roll Call. Motion carried by the following vote:**

**Aye:** 5 - Coenen, Reed, Alderperson Baker, Alderperson Dvorachek and Alderperson Plank

4. Public Hearings/Appearances

5. Action Items

[18-0670](#)

The City of Appleton exercise its right to repurchase Lots 1, 2 and 3 of Plat 4 in the Northeast Industrial Park per the Declaration of Covenants and Restrictions, Section 11 and increase the purchase price by the cost of the wetland delineation

**Attachments:**    [Farrell Investments\\_Repurchase Memo\\_5-1-18.pdf](#)  
[Farrell Letter Offer to Repurchase 4-26-18.pdf](#)  
[Farrell Covenants-Deed Restrictions.pdf](#)  
[NEBP Map 5-3-2018.pdf](#)

**Aldersperson Baker moved, seconded by Reed, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:**

**Aye:** 5 - Coenen, Reed, Aldersperson Baker, Aldersperson Dvorachek and Aldersperson Plank

[18-0551](#)

Organizational Matters:

1. Elect a Vice-Chair
2. Set Meeting Date and Time
3. Designate a Contact Person

*Matt Reed was elected as Vice-Chair. The Community and Economic Development Committee will meet at 4:30 p.m. on Wednesdays the week following Council, and Director Karen Harkness will be the contact person.*

**Aldersperson Plank nominated Matt Reed to be the Vice-Chair. No other nominations were received. By unanimous consent, Matt Reed was elected as the Vice-Chair. Roll Call. Motion carried by the following vote:**

**Aye:** 5 - Coenen, Reed, Aldersperson Baker, Aldersperson Dvorachek and Aldersperson Plank

## **6. Information Items**

[18-0671](#)

The Community and Economic Development Committee may go into closed session according to State Statute §19.85(1)(e) for the purpose of discussing real estate negotiations regarding the potential repurchase of Lots 1, 2 and 3 of Plat 4 in the Northeast Industrial Park and then reconvene into open session

**The Committee did not go into closed session.**

[18-0550](#)

2018 Sustainability Annual Update

**Attachments:**    [2018 Sustainability Report Memo.pdf](#)  
[Resolution #21-R-17.pdf](#)  
[Creating A Sustainable City of Appleton \(Master 2018\).pdf](#)  
[GTLC 2017 Report Appleton \(MASTER\).pdf](#)  
[GTLC Sustainability Strategies Scoresheet 2017 \(Master\).pdf](#)  
[2018 Sustainability Summit.pdf](#)

**This Presentation was presented.**

[18-0649](#)

Information received from Fox Cities Economic Development Professionals meeting

**Attachments:**    [Supply Chain Marketplace Talent Attraction Small Bus Export.pdf](#)

**This Presentation was presented.**

[18-0672](#)

Release of Deed Restrictions for the property located at 2220 W. Everett Street in the Southwest Industrial Park based on the statutory time limits

**Attachments:**    [Deed Restrictions 2220 W Everett SWIP.pdf](#)  
[Southwest Industrial Park Map.pdf](#)  
[MemoFromAttyOffice RestrictiveCovenants 5-9-18.pdf](#)

**This Presentation was presented and discussed.**

[18-0583](#)

State of Downtown Development Summit on May 15, 2018

**Attachments:**    [Appleton State of Dtn Summit 2018-Invite FINAL.pdf](#)

**This Presentation was presented.**

[18-0584](#)

Neighborhood Program Spring Meeting on May 17, 2018

**Attachments:**    [NeighborhoodProgramSpringMeeting2018 Flyer.pdf](#)

**This Presentation was presented.**

## 7. Adjournment

**Aldersperson Dvorachek moved, seconded by Aldersperson Plank, that the meeting be adjourned at 4:56 p.m. Roll Call. Motion carried by the following vote:**

**Aye:** 5 - Coenen, Reed, Aldersperson Baker, Aldersperson Dvorachek and Aldersperson Plank



# MEMORANDUM

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“...meeting community needs...enhancing quality of life.”

TO: Community and Economic Development Committee  
FROM: Nikki Gerhard, Community Development Specialist  
DATE: May 23, 2018  
RE: Final Award Recommendations for 2018 Community Development Block Grant Funding

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The City of Appleton CDBG HUD award is \$593,953 for the 2018 fiscal year. This is \$58,953 higher than the anticipated award of \$535,000.

The 2018 awards approved in November 2017 by the Common Council totaled \$535,000 (City programs and sub recipients combined).

The CDBG Advisory Board was asked to consider a staff recommendation for the \$58,953 (below) or make their own recommendation for this funding. By majority vote, the Committee recommends the approval of the staff recommendations.

These recommendations will be considered by CEDC on May 23<sup>rd</sup> and Common Council on June 6<sup>th</sup>.

**Staff recommends allocating the \$58,953 as follows:**

***1. Award \$4,421.47 to Harbor House Public Service Costs for Final Award of \$19,421.47.***

Harbor House requested \$27,500 through the community partner application process. Due to the lower projected award, and fully funding the Appleton Police Department's public service project, the remaining available balance to allocate to public service activities limited the original award.

***2. Award \$4,421.48 to LEAVEN, Inc Public Service Costs for Final Award of \$17,823.77.***

LEAVEN, Inc requested \$25,000 through the community partner application process. Due to the lower projected award, and fully funding the Appleton Police Department's public service project, the remaining available balance to allocate to public service activities limited the original award.

***3. Award \$25,110.05 to CDBG Program Administration Costs for Final Award of \$49,432.05.***

The CDBG Program Administration could use the additional CDBG funds remaining to supplement day-to-day administrative expenses, as well as supplement the budget for training and conferences. As funding continues to be limited, HUD continues to expand learning opportunities geared towards efficiency and effectiveness of CDBG administration.

Keeping staff abreast of these opportunities and programmatic efficiencies is necessary to continue the great work being done in the City of Appleton.

***4. Award \$10,000 to Housing Partnership of the Fox Cities' Housing Rehabilitation Costs for Final Award of \$25,000.***

While Housing Partnership originally requested only \$15,000, they have since expressed interest in additional dollars to offset costs associated with rehabilitating their affordable housing stock. The agency recently experienced several unforeseen funding variations that, without these dollars, would otherwise prevent them from making the necessary upgrades/modifications.

***5. Award \$15,000 to Appleton Housing Authority Costs for Final Award of \$75,000.***

The Appleton Housing Authority breaks down their CDBG allocation into four budget line items: homebuyer assistance, homeowner rehabilitation, activity delivery costs, and homebuyer counseling. The additional \$15,000 would supplement the homeowner rehabilitation portion of the contract.

In early 2017, the Department of Housing and Urban Development released the Assessment of Fair Housing (AFH) mandate, which required action in collaboration with the 2020-2025 Consolidated Plan. As such, staff recommended a \$40,471.24 CDBG award be allocated toward this effort. On January 2, 2018, HUD issued a notice delaying this mandate, requiring completion of the AFH no sooner than the 2025-2030 Consolidated Plan submission, however, an Analysis of Impediments must be developed and submitted in collaboration with the City of Appleton's 2020-2025 Consolidated Plan. Staff recommends that the allocation remain at \$40,471.24 to offset all costs associated with completing this Analysis.

The following attachments are provided for additional information for this action item.

**Attached Documents:**

- 1.) November 8, 2017, Memo from Community Development Specialist to CEDC  
RE: Recommendations for 2018 CDBG Funding
- 2.) Revised Award Recommendations for the 2018 CDBG Program Year
- 3.) Executive Summary of Award Recommendations for 2018 CDBG Program Year
- 4.) HUD Notice Extending Deadline for Submission of Assessment of Fair Housing

If you have any questions, please contact me at 832-6469 or [nikki.gerhard@appleton.org](mailto:nikki.gerhard@appleton.org). Thank you!



# MEMORANDUM

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“...meeting community needs...enhancing quality of life.”

TO: Community and Economic Development Committee  
FROM: Nikki Gerhard, Community Development Specialist  
DATE: November 08, 2017  
RE: Recommendations for 2018 Community Development Block Grant Funding

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**Background.** The estimated 2018 CDBG award listed in the 2018 City budget was \$535,000. This amount was estimated based on past award amounts. Staff determined the allocations for the Homeowner Rehabilitation Loan Program, Neighborhood Services Program, Appleton Housing Authority and administrative costs. The remaining amount was designated for department projects and community partners through a competitive application process.

**Application Information.** CDBG applications from City Departments were due to the Community and Economic Development Department on August 31, 2017. Two applications were submitted; one was recently approved for the full request. CDBG applications from community partners for the 2018 program year were due to the Community and Economic Development Department on September 29, 2017. Ten applications were submitted. Upon receipt, the applications were thoroughly reviewed by the Community and Economic Development Specialist for eligibility under HUD program regulations and it was determined that all were eligible.

After awards were allocated for City programs, administration, and the City Department project, the amount available to allocate to the community partner applicants was \$193,152.29. Only 15% of a grantee's allocation may be used for public service activities, per HUD regulations. In this instance, only a maximum of \$80,250 could be allocated towards the public service applications. Because the funded City Department project fell under the public service category, the remaining balance allowable to community partner applicants was \$28,402.29. The total amount requested by applicants whose activities fell under the public service category was \$110,000; while the total amount requested by applicants whose activities did not fall under the public service category was \$234,157.

**Application Review.** The CDBG Advisory Board met on November 1, 2017. (See attachment for information regarding Board membership.) Members were asked to review the applications and decide upon allocation amounts prior to the meeting. The allocation amounts made by each board member were compiled and discussed at the meeting. Allocation recommendations were agreed upon pursuant to this discussion.

**Allocation Approval.** The funding allocation recommendations for the Homeowner Rehabilitation Loan Program, Neighborhood Services Program, Appleton Housing Authority and administrative costs, as determined by staff, and the allocation recommendations from the CDBG Advisory Board for community partners are presented in the attached table for CEDC approval.

If you have any questions, please contact me at 832-6469 or [nikki.gerhard@appleton.org](mailto:nikki.gerhard@appleton.org). Thank you!



**AWARD RECOMMENDATIONS  
for the 2018 CDBG Program Year**

CITY PROGRAMS/ADMINISTRATION	PROJECT ACTIVITY	PROJECTED OUTPUT	FUNDS WILL BE USED TO...	AMOUNT PREVIOUSLY APPROVED	CDBG ADVISORY BOARD \$ REC
City of Appleton Homeowner Rehabilitation Loan Program	housing	24 homes rehabilitated	rehabilitate 24 homes for low or moderate income homeowners	\$ 115,000	\$ 115,000
City of Appleton Neighborhood Grant Program	neighborhood revitalization	TBD	award grants to the participating eligible registered neighborhoods for CDBG eligible activities that improve neighborhoods	\$ 40,000	\$ 40,000
Fair Housing Services	administration	NA	provide fair housing services as program administration costs per HUD regulations/complete Analysis of Impediments in conjunction with 2020-2025 Consolidated Plan	\$ 65,471.24	\$ 65,471.24
Appleton Housing Authority	housing	TBD	assist first-time homebuyers with downpayments and rehabilitation, provide homebuyer counseling	\$ 60,000	\$ <b>75,000</b>
Appleton Police Department	public service	30 at-risk youth served	engage youth in meaningful, team-based community service projects	\$ 51,847.71	\$ 51,847.71
CDBG Program Administration	administration	NA	fund costs associated with administering the CDBG Program for the Finance and Community and Economic Development Departments	\$ 24,322.00	\$ <b>49,432.05</b>

\$ 356,641 **\$ 396,751.00**

NON-PUBLIC SERVICE	PROJECT ACTIVITY	PROJECTED OUTPUT	FUNDS WILL BE USED TO...	AMOUNT PREVIOUSLY APPROVED	CDBG ADVISORY BOARD \$ REC
Housing Partnership of the Fox Cities	housing	Rehabilitation of 2 agency-owned units	rehabilitate 2 agency-owned rental program units that serve extremely-low and low-income participants	\$ 15,000.00	\$ <b>25,000.00</b>
The Mooring Programs, Inc	residential public facility	6 residential public facility units rehabilitated	rehabilitate 6 units that serve as primary residential treatment services to individuals with substance abuse disorders	\$ 60,000.00	\$ 85,800.00
Rebuilding Together Fox Valley	housing	Roof repair/replacement on 2 homes	rehabilitate 2 roofs for identified homeowners in community	\$ 19,156.76	\$ 19,156.76
St. Bernadette Parish/Thompson Center	public facility	electrical modifications	provide necessary electrical power from existing distribution panel located on first floor to the second floor (location of Thompson Center)	\$ 30,000.00	\$ 30,000.00

\$ 124,156.76 **\$ 159,956.76**

PUBLIC SERVICE	PROJECT ACTIVITY	PROJECTED OUTPUT	FUNDS WILL BE USED TO...	AMOUNT PREVIOUSLY APPROVED	CDBG ADVISORY BOARD \$ REC
Harbor House	public service	300 persons served	support counseling/advocacy staff persons that work with women and children affected by domestic violence	\$ 15,000.00	\$ <b>19,421.47</b>
LEAVEN	public service	103 households served	provide rental assistance to those at risk of homelessness through the Emergency Assistance Program	\$ 13,402.29	\$ <b>17,823.77</b>

\$28,402.29 **\$37,245.24**

	BUDGETED	ACTUAL
City Programs/Appleton Housing Authority/Administration	\$290,000.00	\$ <b>344,903.29</b>
Appleton Police Department	\$51,847.71	\$ <b>51,847.71</b>
CDBG Advisory Board Recommendations	\$193,152.29	\$ <b>197,202.00</b>
	<b>\$535,000.00</b>	<b>\$ 593,953.00</b>

## AWARD RECOMMENDATIONS FOR 2018 CDBG PROGRAM YEAR

	Previously Approved	<b>Revised</b>
<b>City Programs/Appleton Housing Authority/Administration</b>		
City of Appleton Homeowner Rehabilitation Loan Program	\$ 115,000.00	<b>115,000.00</b>
City of Appleton Neighborhood Services Program	\$ 40,000.00	<b>40,000.00</b>
Fair Housing Services/ Analysis of Impediments	\$ 65,471.24	<b>65,471.24</b>
Appleton Housing Authority	\$ 60,000.00	<b>75,000.00</b>
CDBG Program Administration Costs	\$ 24,322.00	<b>49,432.05</b>
Appleton Police Department	\$ 51,847.71	<b>51,847.71</b>
<b>Non-Public Service</b>		
The Mooring Programs, Inc	\$ 85,800.00	<b>85,800.00</b>
Housing Partnership of the Fox Cities	\$ 15,000.00	<b>25,000.00</b>
Rebuilding Together Fox Valley	\$ 19,156.76	<b>19,156.76</b>
St Bernadette/Thompson Center	\$ 30,000.00	<b>30,000.00</b>
<b>Public Service</b>		
Harbor House	\$ 15,000.00	<b>19,421.47</b>
LEAVEN	\$ 13,402.00	<b>17,823.77</b>
TOTAL	\$ 535,000.00	<b>593,953.00</b>



## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5173-N-15]

### **Affirmatively Furthering Fair Housing: Extension of Deadline for Submission of Assessment of Fair Housing for Consolidated Plan Participants**

**AGENCY:** Office of the Assistant Secretary for Fair Housing and Equal Opportunity, HUD.

**ACTION:** Notice.

**SUMMARY:** This notice advises that HUD is extending the deadline for submission of an Assessment of Fair Housing (AFH) by local government consolidated plan program participants to their next AFH submission date that falls after October 31, 2020. Such program participants will not be required to submit an AFH using the current Office of Management and Budget (OMB)-approved version of the Assessment of Fair Housing Tool for Local Governments (OMB Control No: 2529-0054), but must continue to comply with existing obligations to affirmatively further fair housing. Local government program participants that have already submitted an AFH that has been accepted by HUD must continue to execute the goals of that AFH.

**DATES:** Applicability Date: **[Insert date of publication in the Federal Register].**

Comment Due Date: **[Insert date 60 days from date of publication in the Federal Register].**

**ADDRESSES:** Interested persons are invited to submit comments responsive to this notice to the Office of General Counsel, Regulations Division, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410-0001. All submissions should refer to the above docket number and title. Submission of public comments may be carried out by hard copy or electronic submission.

1. Submission of Hard Copy Comments. Comments may be submitted by mail or hand delivery.

Each commenter submitting hard copy comments, by mail or hand delivery, should submit

comments to the address above, addressed to the attention of the Regulations Division. Due to security measures at all federal agencies, submission of comments by mail often results in delayed delivery. To ensure timely receipt of comments, HUD recommends that any comments submitted by mail be submitted at least 2 weeks in advance of the public comment deadline. All hard copy comments received by mail or hand delivery are a part of the public record and will be posted to <http://www.regulations.gov> without change.

2. Electronic Submission of Comments. Interested persons may submit comments electronically through the Federal eRulemaking Portal at <http://www.regulations.gov>. HUD strongly encourages commenters to submit comments electronically. Electronic submission of comments allows the commenter maximum time to prepare and submit a comment, ensures timely receipt by HUD, and enables HUD to make comments immediately available to the public. Comments submitted electronically through the <http://www.regulations.gov> website can be viewed by other commenters and interested members of the public. Commenters should follow instructions provided on that site to submit comments electronically.

No Facsimile Comments. Facsimile (fax) comments are not acceptable.

Public Inspection of Comments. All comments submitted to HUD regarding this notice will be available, without charge, for public inspection and copying between 8 a.m. and 5 p.m., Eastern Time, weekdays at the above address. Due to security measures at the HUD Headquarters building, an advance appointment to review the public comments must be scheduled by calling the Regulations Division at 202-708-3055 (this is not a toll-free number). Individuals with speech or hearing impairments may access this number through TTY by calling the Federal Relay Service at 800-877-8339 (this is a toll-free number). Copies of all comments submitted are available for inspection and downloading at <http://www.regulations.gov>.

**FOR FURTHER INFORMATION CONTACT:** Krista Mills, Deputy Assistant Secretary, Office of Policy, Legislative Initiatives, and Outreach, Office Fair Housing and Equal Opportunity, Department of Housing and Urban Development, 451 7th Street, SW, Room 5246, Washington, D.C. 20410; telephone number 202-402-6577. Individuals with hearing or speech impediments may access this number via TTY by calling the toll-free Federal Relay Service during working hours at 1-800-877-8339.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

On July 16, 2015, at 80 FR 42357, HUD published in the Federal Register its Affirmatively Furthering Fair Housing (AFFH) final rule. The AFFH final rule provides HUD program participants with a new approach for planning for fair housing outcomes that will assist them in meeting their statutory obligation to affirmatively further fair housing as required by the Fair Housing Act, 42 U.S.C. 3608. To assist HUD program participants in meeting this obligation, the AFFH rule provides that program participants must conduct an Assessment of Fair Housing (AFH) using an “Assessment Tool.” HUD’s AFFH regulations provide for a staggered AFH submission deadline for its program participants. (See 24 CFR 5.160.)

On October 24, 2016, at 81 FR 73129, HUD published a notice extending the deadline for submission of an AFH for local government consolidated plan participants that received in Fiscal Year (FY) 2015, or receive in a subsequent fiscal year, a CDBG grant of \$500,000 or less, or in the case of a HOME consortium, whose members collectively received a CDBG grant of \$500,000 or less, from the program year that begins on or after January 1, 2018, to the program year that begins on or after January 1, 2019 for which a new consolidated plan is due. By notice published in the Federal Register on January 13, 2017, at 82 FR 4388, HUD announced the

renewal of approval of the Assessment Tool for use by local governments that receive Community Development Block Grants (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grants (ESG), or Housing Opportunities for Persons With AIDS (HOPWA) formula funding from HUD when conducting and submitting their own AFH, and in some joint and regional collaborations, as explained in that notice. This Assessment Tool is referred to as the Assessment of Fair Housing Tool for Local Governments.

This notice extends the deadline for submission of an Assessment of Fair Housing (AFH) to all local government consolidated plan program participants until their next AFH submission deadline that falls after October 31, 2020. (See 24 CFR 5.160(a) for information about how to calculate a program participant's AFH submission deadline.) The AFFH rule requires that program participants have no less than 9 months after the publication of the OMB-approved assessment tool to submit their AFH. Therefore, the Department selected the October 31, 2020 date in anticipation that it will complete the Paperwork Reduction Act requirements and receive OMB approval to renew the Assessment of Fair Housing Tool for Local Governments by January 31, 2020. Local government program participants will not be required to submit an AFH using the current OMB-approved version of the Assessment of Fair Housing Tool for Local Governments (OMB Control No: 2529-0054), but must continue to comply with existing statutory obligations to affirmatively further fair housing. (See 42 U.S.C. 3608.) Local government program participants who qualified for an extension under the October 24, 2016 notice are also covered by this notice, extending their deadline for submission of an AFH to their next AFH submission deadline (See 24 CFR 5.160(a).) that falls after October 31, 2020.

Based on the initial AFH reviews, HUD believes that program participants need additional time and technical assistance to adjust to the new AFFH process and complete AFH

submissions that can be accepted by HUD. HUD's decision is informed by the review of AFH submissions received. Based on the first 49 AFH initial submissions that received a determination of accept, non-accept, or deemed accepted from HUD, the Department found that many program participants are striving to meet the requirements of the AFFH rule. In 2017, the Department conducted an evaluation of these submissions and found that more than a third (35%) were initially non-accepted.

HUD's analysis identified several reasons that merit a delay of AFH submission deadlines, including program participants' need for additional technical assistance. HUD determined that many program participants struggled to meet the regulatory requirements of the AFFH rule, such as developing goals that could be reasonably expected to result in meaningful actions to overcome the effects of contributing factors and related fair housing issues. Further, program participants struggled to develop metrics and milestones that would measure their progress as they affirmatively furthering fair housing. HUD determined that program participants' frequent misunderstanding of how to set clear goals, metrics, and milestones that addressed their identified contributing factors and related fair housing issues often resulted in non-accepted AFHs. HUD believes that additional technical assistance may result in program participants better understanding their obligations under the AFFH rule. HUD also believes that by enhancing its technical assistance that resources expended by program participants will be reduced because they are more likely to submit an initial AFH that can be accepted by HUD.

Additionally, HUD determined that significant staff resources are required when deciding that an AFH will not be accepted because it is inconsistent with fair housing or civil rights requirements or substantially incomplete, or both. (See 24 CFR 5.162 (a)(2)(b).) HUD believes that it can reduce the resources expended by program participants by examining and revising its

technical assistance content and methods of delivery so that program participants' AFHs are more likely to meet the regulatory requirements on first submission.

In order to reduce burden for program participants in conducting AFHs that meet the regulatory requirements, HUD, in the AFFH rule, encourages program participants to share resources and to address fair housing issues from a broader perspective by collaborating and submitting a single AFH. Nonetheless, HUD believes that some joint and regional collaborations that were non-accepted on their first submission may have benefited from technical assistance early in the process. For example, the largest regional AFH submitted to HUD consisted of 19 program participants. In its review of the AFH, HUD determined that each of the 19 program participants met the regulatory standards for nonacceptance. HUD believes that improving technical assistance for collaborative AFHs will enable collaborations to more efficiently use their resources to address fair housing issues that cross jurisdictional boundaries.

Based on the initial AFH reviews, HUD believes that local government program participants need additional time and technical assistance from HUD to adjust to the new AFFH process and complete acceptable AFH submissions. HUD also believes it can use this time to improve its Data and Mapping Tool (AFFH-T) and the User Interface (AFFH-UI). The extension period allows HUD to further refine its materials to provide additional guidance to program participants. Finally, this extension allows HUD staff to devote additional time to providing program participants, and program participants in an AFH collaboration, with technical assistance on the legal objective to affirmatively further fair housing.

Consolidated plan program participants must continue to comply with existing, ongoing obligations to affirmatively further fair housing. Until a consolidated plan program participant is required to submit an AFH, it will continue to provide the AFFH Consolidated plan certification



in accordance with the requirements that existed prior to August 17, 2015. See 24 CFR 5.160(a)(3). The requirements obligated a program participant to certify that it will affirmatively further fair housing, which means that it will conduct an analysis of impediments (AI) 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 the analysis and actions.

For Consolidated plan program participants that are starting a new 3-5-year Consolidated plan cycle that begins before their due date for an AFH, the AI should continue to be updated in accordance with the HUD, Fair Housing Planning Guide (1996), available at <https://www.hud.gov/sites/documents/FHPG.PDF> until those consolidated plan program participants submit an AFH after October 31, 2020. HUD encourages consolidated plan program participants to use the data and mapping tool and the AFH Assessment Tool as resources for program participants that are updating their AIs. HUD encourages program participants to collaborate to develop a regional AI, as regional collaborations provide an opportunity for program participants to share resources and address fair housing issues that cross jurisdictional boundaries.<sup>1</sup>

Program participants that have already submitted an AFH which has been accepted by HUD must continue to execute the goals of that accepted AFH and are not required to conduct a separate AI. Program participants that are covered by this notice and that may have already

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<sup>1</sup> Please refer to HUD's 2017 interim guidance for additional information on collaboration, specifically the Q&A captioned: "How can States Collaborate with Local Governments or PHAs?". The guidance is available at: <https://www.hudexchange.info/resources/documents/Interim-Guidance-for-Program-Participants-on-Status-of-Assessment-Tools-and-Submission-Options.pdf>. This guidance is generally applicable to all types of program participants.

begun work on an AFH may continue to do so, as the AFFH rule may provide program participants with a useful framework for complying with their AFFH obligation.

HUD will discontinue the review of AFHs currently under review and will not render an accept, deemed accepted, or non-accept determination. Program participants that received a non-accept decision from HUD on their AFH submission and are preparing to re-submit an AFH are also covered by this notice and should not submit their revised AFHs. HUD encourages these program participants to use the information contained in their draft AFHs to conduct the required AI analysis. Finally, program participants prepared to submit their first AFH are covered by this notice and should not submit an AFH to HUD. Program participants that have not received an accept or non-accept determination from HUD, or that have received a non-accept but will no longer be required to resubmit their AFH, are still required to prepare an AI, as described above in this notice.

HUD is issuing this notice for applicability immediately upon publication. Program participants must continue to affirmatively further fair housing as required by the Fair Housing Act. 42 U.S.C. 3608.

Although HUD is issuing this notice for applicability immediately upon publication, it also invites public comment for a period of 60-days on the extension. HUD will consider all the comments in its ongoing process of reviewing the Assessment of Fair Housing Tool for Local Governments.

Dated: January 2, 2018

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Anna Maria Farías, Assistant Secretary for Fair Housing  
and Equal Opportunity

[FR Doc. 2018-00106 Filed: 1/4/2018 8:45 am; Publication Date: 1/5/2018]