

2026 Annual Action Plan

CITY OF ATLANTIC CITY – COMMUNITY DEVELOPMENT BLOCK
GRANT (CDBG) AND HOME INVESTMENT PARTNERSHIPS
(HOME) PROGRAMS

Department of Community and Economic Development/CDBG
CITY OF ATLANTIC CITY | 1301 BACHARACH BLVD, ATLANTIC CITY, NJ

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Executive Summary

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

1. Introduction

The City of Atlantic City, New Jersey, has prepared the 2026 Annual Action Plan in order to strategically implement federal programs that fund housing, community development, and economic development activities within the municipality. Through a collaborative planning process that involved a broad range of public and private agencies, the City has developed a single, consolidated planning and application document for the use of federal entitlement funds available through the Community Development Block Grant (CDBG) and the HOME Investment Partnerships (HOME) Programs. The City of Atlantic City will submit this Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD).

The 2026 Annual Action Plan for the City will serve the following functions:

A planning document that enables the City to view its HUD funding, not in isolation, but as one tool in a comprehensive strategy to address housing, community development, and economic development needs.

- An application for CDBG and HOME Program funds under HUD's formula grant.
- A strategy document to be followed in carrying out HUD programs.
- An action plan that provides a basis for assessing performance in carrying out use of CDBG and HOME Program funds.

Community Development Block Grant (CDBG) funds to address the needs outlined in this Strategic Plan are anticipated to be \$1,260,328.00 for FY 2026. HOME funds are estimated to be \$454,957.96 for FY 2026. The three overarching objectives, set by HUD, guiding the proposed activities are as follows:

- Providing Decent Housing
- Creating Suitable living Environments
- Creating Economic Opportunity

Outcomes show how programs and activities benefit a community or the people served. The three outcomes that will illustrate the benefits of each activity funded by the CDBG program are:

- Improved Availability/Accessibility
- Improved Affordability
- Improved Sustainability

2. Summarize the objectives and outcomes identified in the Plan

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

All future activities funded during the five year period covered by the Consolidated Plan (2025-2029) will support at least one objective and one outcome. The City will undertake the following activities to address its various housing and community development needs:

Housing Needs

1. Expand homeownership - develop new homeownership opportunities through new construction and substantial rehabilitation of blighted housing.
2. Preservation of housing - provide assistance to lower income homeowners to rehabilitate their homes to meet code standards.
3. Expand rental housing - provide assistance to developers to construct new rental housing or conversion of non-residential facilities into housing.
4. Support the actions of Atlantic City Housing Authority to improve Public Housing.
5. Support the actions of developers (non-profit and for-profit) seeking funds to develop housing to address the needs of families and persons with disabilities and the elderly.
6. Support the development of new permanent supportive housing for persons who need more than just an apartment to end the cycle of homelessness.

Community Development Needs

1. Undertake a street reconstruction program to provide safe and efficient transportation in the city and enhancing the streetscape through streetscape improvements, tree-planting, sidewalk improvements, and handicap accessibility.
2. Rehabilitate and develop city parks and other infrastructure as needed.
3. Provide funds for the rehabilitation of public facilities, particularly those operated by non-profits that provide services to low income residents and those located in historic structures and particularly those that allow for improvements to prevent flooding.
4. Support economic development activities that provide jobs and much needed services for the residents of the City.
5. Continue to provide support to the non-profit agencies that provide a safety net of services and programs that encourage economic self-sufficiency and education and support the homeless.

3. Evaluation of past performance

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

During the 2024 Program Year, the City expended a total of \$\$2,477,591.72 in CDBG funds, \$428,763.26 in CDBG CV funds, and \$370,222.68 in HOME funds (which includes funds allocated in previous fiscal years) to carry out or complete activities proposed in both the current and prior fiscal years. Of the \$2,477,591.72 in CDBG funding, the full amount was expended during the fiscal year, directly benefiting low-income and special needs households and supporting public facilities and public services that improved the quality of life for all residents.

An additional \$6,124.99 was expended from the HOME ARP grant, bringing the cumulative total to: \$24,137.49

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The City conducted two public meetings to solicit input into the preparation of the 2026 Action Plan. The meetings were advertised in The Press of Atlantic City and on the City of Atlantic City's website. The first public hearing was held at the City Council Chambers at City Hall on March 3, 2026. The second public hearing was held at the City Council Chambers at City Hall on May 19, 2026.

Copies of the FY 2026 Action Plan were distributed to various public locations for public review and comment. A summary of the Plan was published in The Press of Atlantic City on May 2, 2026 to alert interested persons as to the availability of the 2026 Annual Action Plan. A copy of the Plan was placed on the City's website and was available at City Hall. The public review period ran from May 2, 2026 to May 31, 2026. The City Council, by resolution approved the Plan for submission to HUD by May 20, 2026.

5. Summary of public comments

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

There were no citizen comments received during the review period. A summary of citizen participation is attached to this plan.

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

All comments were accepted.

7. Summary

The City of Atlantic City's Citizen Participation outreach was designed to encourage broad participation from the City's residents, including non-English speaking persons. Outreach to persons with disabilities

was made through contact with the local agencies that represent the needs of persons with disabilities. Information about opportunities to comment on the Annual Plan was provided to local agencies.

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

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

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

Agency Role	Name	Department/Agency
Lead Agency	Atlantic City, NJ	
CDBG Administrator	Atlantic City, NJ	Department of Planning and Development
HOME Administrator	Atlantic City, NJ	Department of Planning and Development

Table 1 – Responsible Agencies

Narrative (optional)

The 2026 Action Plan has been prepared by the Department of Planning in cooperation with the Division of Community & Economic Development, the Department of Finance and the City's Community Development consultant, Triad Associates, to meet application requirements for the following grants and programs:

- Community Development Block Grant Program (CDBG)
- HOME Investment Partnerships (HOME)

Consolidated Plan Public Contact Information

Lance T. Smith Sr., MSL, MPA
Assistant Director
Department of Community and Economic Development/CDBG
City of Atlantic City
1301 Bacharach Blvd – Suite 510
Desk: (609) 347-5330 Ext. 7285
Email: lsmith@acnj.gov

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

1. Introduction

The City of Atlantic City, New Jersey, has prepared a 2026 Annual Action Plan in order to strategically implement federal programs that fund housing, community development, and economic development activities within the municipality. Through a collaborative planning process that involved a broad range of public and private agencies, the City has developed a single, consolidated planning and application document for the use of federal entitlement funds available through the Community Development Block Grant (CDBG) and the HOME Investment Partnerships (HOME) Programs. The City of Atlantic City will submit this 2026 Action Plan to the U.S. Department of Housing and Urban Development (HUD).

As directed in 24 CFR 91.100 & 24 CFR 91.200(b)(3) the City will initiate and coordinate ongoing consultations with broadband internet service providers and emergency management agencies whose primary responsibilities include the management of flood prone areas, public land or water resources, and emergency management agencies and incorporate consultations into the identification of goals, priority needs and project planning.

Atlantic City internet providers with the greatest coverage locally include Xfinity Comcast and Verizon. Competition between Internet companies is decent in Atlantic City, and the average census block can access 3-4 Internet providers. Atlantic City's Internet infrastructure conforms with a common pattern in New Jersey cities and towns: strong coverage for bundled cable and DSL service, with the problem being that the majority of houses are stuck with one option for setting up either Internet service.

The City of Atlantic City Office of Public Safety and Office of Emergency Management and Emergency Services is responsible for coordinating responses to natural disasters, technological emergencies and severe weather emergencies in the City of Atlantic City. The office works closely with County, State and Federal Emergency Management Organizations. The Atlantic County Office of Emergency Preparedness is responsible for coordinating responses to natural disasters, technological emergencies and severe weather emergencies in Atlantic County. The office works closely with local municipal emergency management coordinators to ensure a rapid, well coordinated response to emergencies and to avoid unnecessary duplications of service.

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

The City conducted two public meetings to solicit input into the preparation of the Consolidated Plan and Action Plan. The meetings were advertised in The Press of Atlantic City and on the City of Atlantic City's website. The first public hearing was held at the City Council Chambers at City Hall on March 3, 2026. The second public hearing was held at the City Council Chambers at City Hall on May 19, 2026.

Copies of the FY 2026 Action Plan were distributed to various public locations for public review and comment. A summary of the CP was published in The Press of Atlantic City on May 2, 2026 to alert interested persons as to the availability of the Plan. A copy of the Plan was placed on the City's website and was available at City Hall.

The public review period ran from May 2, 2026 to May 31, 2026. The City Council, by resolution approved the Plan for submission to HUD by June 14, 2026.

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

Atlantic City is part of a collaborative which prepares a Continuum of Care (CoC) application. The CoC was formulated by the Atlantic County Social Service for the Homeless Committee (the Committee). Atlantic City assists in preparation and coordination of the application through its participation on the Committee.

Each year, a Point-in-Time count is made of the persons residing in shelter and transitional facilities and living unsheltered in the County.

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

The City of Atlantic City does not receive ESG funds.

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

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	ATLANTIC CITY
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation with City Directors to inform needs and priorities.
2	Agency/Group/Organization	ATLANTIC CITY HOUSING AUTHORITY & URBAN REDEVELOPMENT AGENCY
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City of Atlantic City collaborates with the PHA on an ongoing basis to inform the housing needs of the City.

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

The City's Citizen Participation Process was designed to be open and encouraging to all Agency Types. There were no Agency Types that were not consulted during the Consolidated Planning process.

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

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Atlantic County	The goals of the Strategic Plan are closely coordinated with the goals of the Atlantic County Continuum of Care and the Atlantic County 2025 Point-in-Time Count of the Homeless.
Comprehensive Economic Development Strategy	South Jersey Economic Development District	Community Development staff reviewed the CEDS during the preparation of the Consolidated Plan. Many of the priority projects listed in the CEDS are receiving funding or other assistance through this Consolidated Plan.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

Not applicable.

AP-12 Participation – 91.105, 91.200(c)

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

The City conducted two public meetings to solicit input into the preparation of the Consolidated Plan and Action Plan. The meetings were advertised in The Press of Atlantic City and on the City of Atlantic City's website. The first public hearing was held at the City Council Chambers at City Hall on March 3, 2026. The second public hearing was held at the City Council Chambers at City Hall on May 19, 2026.

Copies of the FY 2026 Action Plan were distributed to various public locations for public review and comment. A summary of the Plan was published in The Press of Atlantic City on May 2, 2026 to alert interested persons as to the availability of the Plan. A copy of the Plan was placed on the City's website and was available at City Hall.

The public review period ran from May 2, 2026 to May 31, 2026. The City Council, by resolution approved the Plan for submission to HUD by June 15, 2026.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Non-targeted/broad community	The City conducted two public meetings to solicit input into the preparation of the Action Plan. The meetings were advertised in The Press of Atlantic City and on the City's website. The public hearings were held at the City Council Chambers at City Hall on March 3, 2026 and May 19, 2026. A copy of the meeting sign in sheets are included in the Plan Appendix.	A summary of comments received is included in the Plan Appendix.	All comments were accepted.	

Table 4 – Citizen Participation Outreach

Expected Resources

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

Introduction

The City anticipates receiving approximately \$1,260,328.00 in CDBG Entitlement Funds for Program Year 2026 and \$454,957.96 in HOME Entitlement Funds for Program Year 2026.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	1,260,328.00	0.00	0.00	1,260,328.00	3,780,984.00	The expected amount available for the remainder of the Con Plan is estimated by multiplying the 2026 allocation by three (years remaining).

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	454,957.96	0.00	0.00	454,957.96	1,364,873.88	The expected amount available for the remainder of the Con Plan is estimated by multiplying the 2026 allocation by three (years remaining).

Table 5 - Expected Resources – Priority Table

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

The federal CDBG and HOME funds are intended to provide low- and moderate-income households with viable communities, including decent housing, a suitable living environment, and expanded economic opportunities. Eligible activities include community facilities and improvements, housing rehabilitation and preservation, affordable housing development activities, public services, economic development, planning, and administration. The City of Atlantic City will partner with other public agencies and nonprofit organizations, when feasible, to leverage resources and maximize outcomes in housing and community development.

The Match for the HOME Program will be met through a combination of cash from nonfederal sources and donated land and labor.

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

No publicly owned land or property located within the jurisdiction will be used to address the needs identified in the Plan.

Discussion

Not applicable.

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Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Public Services	2025	2029	Public Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	Citywide	Public Services	CDBG: \$189,049.20	Public service activities other than Low/Moderate Income Housing Benefit: 1000 Persons Assisted
2	Planning and Administration	2025	2029	Non-Housing Community Development	Citywide	Planning and Administration	CDBG: \$252,065.60 HOME: \$45,495.80	Other: 2 Other
3	Housing Rehabilitation	2025	2029	Affordable Housing	Citywide	Affordable Housing	CDBG: \$60,000.00	Homeowner Housing Rehabilitated: 15 Household Housing Unit
4	Demolition	2025	2029	Non-Housing Community Development	Citywide	Non-Housing Community Development	CDBG: \$100,000.00	Buildings Demolished: 3 Buildings

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Public Facility and Infrastructure Improvements	2025	2029	Non-Housing Community Development	Citywide	Non-Housing Community Development	CDBG: \$659,213.20	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 2000 Persons Assisted
6	Affordable Housing - Homeowner	2025	2029	Affordable Housing	Citywide	Affordable Housing	HOME: \$341,218.47	Homeowner Housing Added: 2 Household Housing Unit
7	Affordable Housing - Renter	2025	2029	Affordable Housing	Citywide	Affordable Housing	HOME: \$68,243.69	Rental units constructed: 1 Household Housing Unit

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Public Services
	Goal Description	
2	Goal Name	Planning and Administration
	Goal Description	
3	Goal Name	Housing Rehabilitation
	Goal Description	
4	Goal Name	Demolition
	Goal Description	
5	Goal Name	Public Facility and Infrastructure Improvements
	Goal Description	

6	Goal Name	Affordable Housing - Homeowner
	Goal Description	
7	Goal Name	Affordable Housing - Renter
	Goal Description	

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Projects

AP-35 Projects – 91.220(d)

Introduction

The City of Atlantic expects to receive approximately \$1,260,328.00 in CDBG funding and \$454,957.96 in HOME funding for program year 2026 and plans to execute the following projects.

Projects

#	Project Name
1	Public Services
2	Program Administration
3	Citywide Housing Rehabilitation – Project Delivery Only
4	Demolition
5	Public Facility/Park Project
6	Bangladesh Association of South Jersey
7	Chelsea Community Development
8	Birthing Center
9	Chicken Bone Beach Historical Foundation
10	Affordable Housing For Sale Project
11	CHDO

Table 7 - Project Information

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

The basis for allocating the funds was not geographic. The City, given the socio-economic status of a significant portion of its population, elected to fund activities that were deemed to have the greatest benefit to residents, and the most likely to expend the allocated resources in the shortest time period and of the city.

The system for establishing the priority for the selection of these projects in Atlantic City is predicated

upon the following criteria:

- Meeting the statutory requirements of the CDBG and HOME Programs
- Meeting the needs of low- and moderate-income residents
- Focusing on low- and moderate-income areas or neighborhoods
- Coordination and leveraging of resources
- Response to expressed needs
- Sustainability and/or long-term impact, and
- The ability to demonstrate measurable progress and success.

Consequently, the City's funds are invested in all of the low- and moderate-income census areas in Atlantic City and are not targeted to specific neighborhoods.

AP-38 Project Summary

Project Summary Information

N o.	Project	Goals Supported	Geographic Areas	Needs Addressed	Funding
1	Public Services	Public Services	Citywide - Local Target area	Public Services	CDBG : \$189,049.20
	Description	Funds will be used to support public agencies throughout the City of Atlantic City whose programs benefit low- and moderate-income populations.			
	Target Date for Completion	06/30/2027			
	Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	Approximately 1,000 low- and moderate-income persons will benefit from the proposed activities.			
	Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)	City of Atlantic City			

	Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	Funds will be used to support public agencies throughout the City of Atlantic City whose programs benefit low- and moderate-income populations.			
2	Program Administration	Planning and Administration	Citywide - Local Target area	Planning and Administration	CDBG : \$252,065.60 HOME : \$45,495.80
	Description	Administration of the CDBG and HOME Programs.			
	Target Date for Completion	06/30/2027			
	Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	Not applicable.			
	Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)	Not applicable.			
	Planned Activities (additional information for this	Administration of the CDBG and HOME Programs.			

	discussion may be available on the AP-36 Project Detail screen)				
	Citywide Housing Rehabilitation - Project Delivery Only	Housing Rehabilitation	Citywide - Local Target area	Affordable Housing	CDBG : \$60,000.00
	Description	\$60,000.00 of CDBG funding will go toward the implementation of the Citywide Housing Rehabilitation Loan Program. Funds are provided to low-income homeowners to undertake weatherization, emergency and code-related repairs. There is no cap on code enforcement type assistance provided. Funds are provided as 0% interest, forgivable deferred payment loans with terms of 5, 7, 10, or 15 years based on the amount provided. All lead-based paint issues are addressed. The program is operated on a first-come, first-served basis with a waiting list. All participants are income certified based on the Part 5 HUD definition of low-income at 80% of median income or below.			
3	Target Date for Completion	06/30/2027			
	Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	It is estimated that 15 low- to moderate-income families who are single-family homeowners will benefit.			
	Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)	Citywide			

	Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	\$60,000.00 of CDBG funding will go toward the implementation of the Citywide Housing Rehabilitation Loan Program. Funds are provided to low-income homeowners to undertake weatherization, emergency and code-related repairs. There is no cap on code enforcement type assistance provided. Funds are provided as 0% interest, forgivable deferred payment loans with terms of 5, 7, 10, or 15 years based on the amount provided. All lead-based paint issues are addressed. The program is operated on a first-come, first-served basis with a waiting list. All participants are income certified based on the Part 5 HUD definition of low-income at 80% of median income or below.			
4	Demolition	Demolition	Citywide - Local Target area	Non-Housing Community Development	CDBG : \$100,000.00
	Description	Demolition of Abandoned/Vacant Properties: It is estimated that three (3) units will be eligible under the Slum or Blighted Areas category as the clearance activities are in an area designed by the City as a slum or blighted area and the demolition will address one or more of the conditions which contributed to the deterioration of the area.			
	Target Date for Completion	06/30/2027			
	Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	It is estimated that three (3) housing units will be eligible for demolition.			
	Location Description (additional information for this	To be determined.			

	discussion may be available on the AP-36 Project Detail screen)				
	Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	It is estimated that three (3) housing units will be eligible for demolition.			
5	Public Facility/Park Project	Public Facility and Infrastructure Improvements	Citywide - Local Target area	Non-Housing Community Development	CDBG : \$344,213.20
	Description	Funds will be used for a municipal public facility, infrastructure, or park improvement that will be determined at a later date.			
	Target Date for Completion	06/30/2027			
	Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	To be determined.			
	Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)	To be determined.			

	Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	Funds will be used for a municipal public facility, infrastructure, or park improvement that will be determined at a later date.			
	Bangladesh Association of South Jersey	Public Facility and Infrastructure Improvements		Non-Housing Community Development	CDBG : \$25,000.00
	Description				
	Target Date for Completion	06/30/2027			
6	Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)				
	Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)				
	Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)				

7	Chelsea Community Development	Public Facility and Infrastructure Improvements	Citywide - Local Target area	Non-Housing Community Development	CDBG : \$20,000.00
	Description				
	Target Date for Completion	06/30/2027			
	Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)				
	Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)				
	Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)				
8	Birthing Center	Public Facility and Infrastructure Improvements	Citywide - Local Target area	Non-Housing Community Development	CDBG : \$260,000.00

	Description				
	Target Date for Completion	06/30/2027			
	Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)				
	Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)				
	Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)				
9	Chicken Bone Beach Historical Foundation	Public Facility and Infrastructure Improvements	Citywide - Local Target area	Non-Housing Community Development	CDBG : \$10,000.00
	Description				
	Target Date for Completion	06/30/2027			

	Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)				
	Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)				
	Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)				
10	Affordable Housing For Sale Project	Affordable Housing - Homeowner	Citywide - Local Target area	Affordable Housing	HOME : \$341,218.47
	Description	To be determined.			
	Target Date for Completion	06/30/2027			
	Estimate the number and type of families that will benefit from the proposed activities (additional information for this	To be determined.			

	discussion may be available on the AP-36 Project Detail screen)				
	Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)	To be determined.			
	Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	To be determined.			
11	CHDO	Affordable Housing - Renter	Citywide - Local Target area	Affordable Housing	HOME : \$68,243.69
	Description	Support to an Atlantic City CHDO for affordable housing development.			
	Target Date for Completion	06/30/2027			
	Estimate the number and type of families that will benefit from the proposed activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	To be determined.			

Location Description (additional information for this discussion may be available on the AP-36 Project Detail screen)	To be determined.
Planned Activities (additional information for this discussion may be available on the AP-36 Project Detail screen)	Support to an Atlantic City CHDO for affordable housing development.

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AP-50 Geographic Distribution – 91.220(f)

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

The City has established that CDBG funds will be used to address the needs on a city-wide basis with the beneficiary being an individual of low-to moderate income (limited-clientele benefit). However, activities that provide a benefit on an area basis do so in areas that are determined to have a low-to moderate income population of at least 51%.

Geographic Distribution

Target Area	Percentage of Funds
Citywide	100

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The basis for allocating the funds was not geographic. The City, given the socio-economic status of a significant portion of its population, elected to fund activities that were deemed to have the greatest benefit to residents, and the most likely to expend the allocated resources in the shortest time period and of the city. The system for establishing the priority for the selection of these projects in Atlantic City is predicated upon the following criteria:

- Meeting the statutory requirements of the CDBG and HOME Programs
- Meeting the needs of low- and moderate-income residents
- Focusing on low- and moderate-income areas or neighborhoods
- Coordination and leveraging of resources
- Response to expressed needs
- Sustainability and/or long-term impact, and
- The ability to demonstrate measurable progress and success

Discussion

In Program Year 2026, the City plans to provide CDBG funds to activities throughout the City and its

neighborhoods. Site-specific activities include:

- Bangladesh Association of South Jersey
- Chelsea Community Development
- Birthing Center
- Chicken Bone Beach Historical Foundation

Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

Atlantic City expects to focus its CDBG and HOME entitlement funds towards improving the quality of life in city neighborhoods for extremely low, very low, and low income households, and to preserve and increase the stock of affordable owner and renter housing units. The following objectives have been established:

1. **Expand** homeownership – develop new homeownership opportunities through first-time homebuyer assistance, new construction and substantial rehabilitation of blighted housing.
2. **Preserve** existing housing – provide assistance to lower income homeowners to rehabilitate their homes to meet code standards.
3. **Expand** rental housing – provide assistance to developers to construct new rental housing or conversion of non-residential facilities into housing, particularly in the upper floors of buildings in the Main Street area.
4. **Support** the actions of the Atlantic City Housing Authority to improve public housing.
5. **Support** the actions of developers (non-profit and for-profit) seeking funds to develop housing to address the needs of persons with disabilities and the elderly.
6. **Support** the development of new permanent supportive housing for persons who need more than just an apartment to end the cycle of homelessness.

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

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

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	4
Rehab of Existing Units	15
Acquisition of Existing Units	0
Total	19

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

Discussion

Affordable housing goals will be met through housing rehabilitation and housing development

programs.

AP-60 Public Housing – 91.220(h)

Introduction

The Atlantic City Housing Authority & Urban Redevelopment Agency (ACHA) owns and operates 1,606 dwelling units and administers 1,145 Section 8 Housing Choice Vouchers throughout Atlantic City.

According to ACHA's PHA Annual Plan for FY2024, the agency has identified a shortage of affordable housing for all eligible populations.

The Atlantic City Housing and Urban Redevelopment Agency (ACHA) Board of Commissioners consists of residents appointed by the Mayor (1), City Council Members (5), and the Governor through the NJ Dept. of Community Affairs (1). There are approximately 100 staff.

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

The Atlantic City Housing Authority will continue to seek funds to maintain properties in safe and sanitary conditions for their residents and continue to seek funds for programs to improve the quality of life of current residents.

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

The City of Atlantic City Housing Authority administers a First Time Homebuyer Program to encourage Public Housing Authority residents to transition to homeownership. In addition, the Housing Authority administers the Family Self Sufficiency Program to provide assistance to families in preparing financially for the transition.

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

The Housing Authority of Atlantic City is not designated by HUD as troubled.

Discussion

Not applicable.

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

Introduction

Atlantic County completed the development of a Plan to End Homelessness. The lead entity for the planning process was the United Way. The process was very participatory and included representation from business, social services, local and state government and interested citizens. Annually the Continuum of Care Committee prepares the COC application of funds to HUD. The CoC Committee is comprised of representatives from homeless shelters and most social services agencies in the County. In developing the CoC application for HUD funding, the Committee meets regularly throughout the year. To develop the CoC application, the Committee reviewed systems gaps, shared concerns, reviewed the statistical data that is collected annually, and recommended programs to fill the unmet needs.

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

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

There are many social service agencies in Atlantic City and Atlantic County that provide benefits to very low and low-income individuals and families in order to prevent homelessness. These organizations provide services to homeless or at-risk residents, including but not limited to counseling, case management, life skills training, financial literacy classes, and victim advocacy. These services help residents develop skills and knowledge to transition into permanent supportive housing or independent living and to gain steady employment. The ultimate goal of providing supportive services is self-sufficiency. The Atlantic County Ten-Year Plan to Prevent Homelessness outlines the following goals and strategies for reducing and ending homelessness: Strategy 1: Strengthen prevention services available in Atlantic County- Strengthening the prevention services in the County requires greater coordination of existing resources and increased collaboration among agencies providing prevention services. Strategy 2: Develop Single Point of Entry system to coordinate services -The Single Point of Entry system will require coordinated intake and assessment, information sharing, and where possible, the use of physical locations as an entry point into the system. The single point of entry system will be a combination of virtual system coordination as well as coordinated physical locations. Strategy 3: Strengthen coordination and collaboration between agencies providing prevention and homeless services - Improved coordination of services includes greater communication between agencies, a full knowledge of available resources and an effort to work collaboratively to develop comprehensive service packages for those seeking assistance. Strategy 4: Strengthen discharge planning and coordination of services prior to program exit - Based on local data, the three main institutions with the highest rate of discharges into homelessness are the child welfare system, the county jails and local hospital emergency rooms. Early identification and intervention are key in ending homelessness among those exiting institutions. Strategy 5: Expand Housing First Model in Atlantic County Housing First has proven effective in ending homelessness for long-term and chronically homeless individuals and families. It provides the

long-term supportive housing with specialized services necessary to stabilize households in permanent housing. This strategy relies on the coordination of rental assistance and community-based support services provided through a team approach. Strategy 6: Create Rapid Re-housing Model for Atlantic County - Rapid Rehousing has proven to be an effective strategy for households with low to moderate barriers. This type of housing has been geared towards those who have become homeless due to a disrupting life event with the expectation that with limited assistance they can regain stability and never enter the homeless system again. Rapid Rehousing models vary in the length of time financial assistance is provided and the level of services provided. Strategy 7: Expand the communication and collaboration regarding bed availability among boarding homes and residential care facilities with local service agencies - A significant portion of permanent housing opportunities are available through local boarding homes and residential care facilities.

Addressing the emergency shelter and transitional housing needs of homeless persons

It is difficult to accurately measure the number of persons "at-risk" of becoming homeless. It is impossible to gauge at anyone time the number of people who are threatened with eviction, unemployment, foreclosure, or termination of utilities. Families and individuals are at-risk of becoming homeless when they no longer have any cushion against the perils of life. Most commonly, a family is at risk when it lives paycheck-to-paycheck without any savings for sudden emergencies. An example of an individual at risk would be a person with a mental illness facing the threat of eviction because of improper behavior. If only one lost paycheck, a small rent increase, one stint of illness, a temporary layoff from work, or one "episode" can cause people to lose their housing, then they are considered "at-risk."

The CoC Point in Time committee conducts a number of Project Homeless Connect events throughout the year to engage homeless persons and persons threatened with homelessness. Numerous community agencies are on hand to provide both immediate and long-term assistance. The Veteran's Administration also provides outreach to homeless veterans in Atlantic County, both through the Atlantic City Rescue Mission and through the County veteran's coordinator. Additionally, communicating with the street homeless through outreach and the provision of accessible mental health and primary health services has been expanded. The Division on Mental Health Services funds partial care acute mental health services at the Rescue Mission. HHS funding was secured for a primary care clinic at the Rescue Mission. The Jewish Family Services and PATH Team and their collaborating partners, have expanded from one team to two teams of street outreach workers. Creating a link between the nurse Practitioners from the health clinic to the street outreach teams on a regular basis to bring primary care to unsheltered homeless has also been accomplished. The Rescue Mission provides housing placement services so that households can find housing in a timely manner.

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

individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Additionally, through funds from a private non-profit group, a drop-in center for severely and persistently mentally ill homeless women in Atlantic County was established. While this facility provides no housing, it functions as a drop-in center to engage clients who have been very resistant to utilizing mainstream mental health resources. Its current location is in the basement of a local church in Atlantic City. Shelter and transitional housing providers offer a variety of services to help persons who are homeless transition to permanent housing. During the stay in shelter, case managers work with the individuals and families to develop plans for stability and seek services in the community to address the barriers and difficulties. There is a Housing Locator Specialist at the Rescue Mission who cultivates permanent housing opportunities and assists shelter guests find suitable housing. Covenant House works with homeless youth and young adults to complete their education and aspire to career objectives, while gaining work experience during their stay in shelter. Chronic homeless persons are assisted through both Jewish Family Services (JFS) and Career Opportunities Development Inc. (COOI). Each provide resources to help persons with chronic mental illness find and sustain permanent housing. Atlantic Homeless Alliance (AHA) has been developed to assist individuals and families who are homeless or at risk of becoming homeless in Atlantic County. AHA staff develops a personalized support plan with the primary goal of addressing concerns and challenges relating to homelessness. Program staff has extensive knowledge of community resources and will refer and advocate for individuals to obtain services designed to help them. Atlantic Homeless Alliance is funded primarily through Federal Social Service Block Grant funds in coordination with the New Jersey Department of Human Services and the Casino Reinvestment Development Authority.

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

Beginning in 2005, the NJ Department of Community Affairs initiated a State-wide HMIS system. Atlantic City is a participant in this system. The system allows better tracking of the chronically homeless and the underlying issues. A Centralized Assessment Center is in the planning stages. This single point of entry system will be at the fulcrum of homeless and prevention services in the community and will assess all of those individuals who present as homeless. It will refer them to the most appropriate community resource, will track them and their service linkages in HMIS, will assess where case specific and broader systems breakdowns occur and will try to help the community to identify appropriate resources. The entity will also convene regularly scheduled meetings to process consumers where the providers are struggling to identify solutions. The CoC is also working with local institutions on discharge planning. The

Atlantic County prison has a model program for discharge planning for those incarcerated that have a mental illness. Community care is established before discharge along with housing. Discharge planning is also in place for persons leaving foster care and mental health institution where housing placements are also appropriately made. Discharge from health institutions and other systems of care are going to be addressed by the Discharge Planning committee which has been created to implement the 10-year Plan to End Homelessness.

Discussion

See above.

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

Introduction:

A barrier to affordable housing is a public policy or nongovernmental condition that constrains the development or rehabilitation of affordable housing, such as land use controls, property taxes, state prevailing wage requirements, environmental protection, cost of land, and availability of monetary resources. Barriers to affordable housing are distinguished from impediments to fair housing choice in the sense that barriers are lawful and impediments to fair housing choice are usually unlawful. There are a number of State and local regulations designed to promote the orderly development and maintenance of safe, decent and sanitary housing in the community. There are also impediments that affect the maintenance, production and renovation of quality rental housing and the promotion of new construction and renovation of owner-occupied units. Sometimes these regulations can act as barriers to affordable housing.

Public Policy Impacts on Affordable Housing

Lack of Available Land - Although the city encompasses about 11.5 square miles (7,360 acres), only 2,500 acres are developable. The remaining land includes environmentally sensitive wetlands, beaches, and waterways. Consequently, proposed developments must be in the existing urbanized area of the city. There are sizable tracts of vacant land throughout the city, but many of these parcels cannot be developed with housing due to environmental considerations (e.g. a former landfill site) or local zoning (e.g. resort service commercial districts).

Land Costs - Land costs associated with new housing development in Atlantic City are significantly higher than in nearby mainland municipalities because of limited developable land zoned for residential use, the resort base of the local economy, and the added costs associated with acquisition and demolition of existing structures in developed areas.

Construction Costs - Construction costs in Atlantic City are higher than in other off-shore locations for several reasons, most notably due to regulatory jurisdictional overlaps, labor costs, and environmental conditions. Moreover, the costs of construction have increased since the COVID-19 pandemic.

Property Taxes - Property Taxes impact housing affordability and can impact the choice that households make regarding where to live. Tax increases that may occur are burdensome to low-income homeowners and increases are usually passed on to renters through rent increases. Due primarily to school financing policies, New Jersey has the highest property tax rates in the U.S. Furthermore, older central communities like Atlantic City levy higher property taxes due to the high cost of maintaining old infrastructure coupled with lower overall property values relative to suburban communities.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning

ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

In the development of the 2025 to 2029 Consolidated Plan, the City evaluated significant public policies affecting affordable housing development and has determined that it has taken all necessary steps to ameliorate the negative effects of public policies that may have been a barrier to affordable housing. Moreover, the City is actively engaged with affordable housing developers concerning the siting of affordable housing and ensuring that the entitlement process runs smoothly from inception to completion.

Discussion:

See above.

AP-85 Other Actions – 91.220(k)

Introduction:

The City has developed the following actions planned to: address obstacles to meeting underserved needs, foster and maintain affordable housing, reduce lead-based paint hazards, reduce the number of poverty-level families, develop institutional structures, and enhance coordination between public and private housing and social service agencies.

Actions planned to address obstacles to meeting underserved needs

The City of Atlantic City petitions for federal funds through the Action Plan to assist the needs of residents that have traditionally been underserved through existing local social service programs. The activities funded via the Action Plan are carefully designed to provide appropriate and needed services, particularly to those that may not be eligible for assistance from other local sources, those that are geographically isolated by lack of transportation, and those that lack basic amenities in their neighborhoods. Such individuals include senior citizens, homebound frail elderly persons, physically and developmentally disabled persons, victims of domestic violence, and infants and youth. Funds provided through the Action Plan often make the difference between independent living, assisted living, and institutional arrangements.

Actions planned to foster and maintain affordable housing

The City will invest CDBG and HOME funds to preserve and maintain affordable housing through the City's Residential Rehabilitation Program that will provide up to 10 forgivable loans to low- and moderate-income homeowners of single-family housing. The City will also provide First-Time Homebuyers Downpayment Assistance to income-eligible first-time homebuyers.

Actions planned to reduce lead-based paint hazards

Atlantic City is a participant in the New Jersey Health Department's Lead Abatement initiative. When children are identified with an elevated blood lead level, the state makes funds available to the property owner to remediate the problem. The City's Health Department refers households with children with elevated blood lead levels to the Community Development Division to determine if the household is eligible to receive assistance through the housing rehabilitation program. In support of identifying and treating lead blood poisoning in children, New Jersey State law requires every physician, nurse practitioner, and health care facility to screen all children under six years of age who come to them for care. Parents have the right to refuse to have the test done for any reason. The City of Atlantic City includes funding of lead-based paint hazard reduction as part of its housing rehabilitation program serving to provide lead-based paint hazard abatement to its population with the greatest need. All households whose units are rehabilitated by the Housing Rehabilitation Program are given the notification regarding lead-based paint. Lead-based paint hazard reduction has been integrated into the

City's housing policies and programs as follows:

- Units rehabilitated comply with the lead-based paint hazards at 24 CFR Part 35
- The inspectors and the program supervisor have completed the course to become certified risk assessors and inspectors. They conduct risk assessments testing for lead contamination. If required, the containment of lead paint in all housing rehabilitation activities is completed. Contractors completing housing rehabilitation as part of City-funded housing initiatives are lead-based paint abatement certified.

Actions planned to reduce the number of poverty-level families

The implementation of CDBG and HOME activities meeting the goals established in the 2025 to 2029 Consolidated Plan and this Annual Action Plan will help to reduce the number of poverty level families by:

- Supporting activities that expand the supply of housing that is affordable to low and moderate income households;
- Supporting activities that preserve the supply of decent housing that is affordable to low and moderate income households;
- Supporting a continuum of housing and public service programs to prevent and eliminate homelessness;
- Supporting housing preservation programs that assure low income households have a safe, decent and appropriate place to live;
- Supporting public services for low and moderate income residents including those with special needs and those at risk of homelessness offered by nonprofit organizations receiving CDBG Public Service Capacity Building Grants;

In addition to these local efforts, mainstream state and federal resources also contribute to reducing the number of individuals and families in poverty. Federal programs such as the Earned Income Tax Credit and Head Start provide pathways out of poverty for families who are ready to pursue employment and educational opportunities. Additionally in NJ, the primary programs that assist families in poverty are the Food Stamps program and Medicare. Together, these programs provide individuals and families with employment assistance, subsidy for food, medical care, childcare and cash payments to meet basic needs such as housing, nutrition and transportation. Other services are available to assist persons suffering from substance abuse, domestic violence and mental illness.

Actions planned to develop institutional structure

The City of Atlantic City is governed by a nine-member City Council which, in conjunction with the Office of the Mayor, the Department of Planning and Development, and City residents, determines funding priorities for the formula grants the City receives. The City Council approves the Consolidated and Action

Plans and their respective submission to the Department of Housing and Urban Development. The City of Atlantic City, through its Housing Division, the network of housing subrecipients and Community Housing Development Organizations (CHDOs), are effectively organized to utilize all the funding received through the various state/federal programs.

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

Effective implementation of the FY 2026 Annual Action Plan involves a variety of agencies both in the Atlantic City community and throughout Atlantic County. Coordination and collaboration between agencies is important and essential to ensuring that the needs within the City are adequately addressed. The key agencies that are involved in the implementation of the Plan and additional resources that may be available to address identified needs are described in this section.

City of Atlantic City The City's Community Development Department will be responsible for the administration of the City's CDBG programs, including some of the local programs that assist LMI residents. In addition to the Community Development Department, several other City departments, including Public Works, Building Inspection, and the Police Department will continue to serve an integral role in meeting the Consolidated Plan objectives.

Atlantic City Housing Authority The Atlantic City Housing Authority is one of the primary owners and providers of affordable housing in the City. The Housing Authority administers the Section 8 Housing Choice Voucher Program. In addition, the Housing Authority also provides affordable housing to low-income families, elderly residents, and persons with disabilities in its various public housing communities and high rises.

Other Housing and Social Service Agencies The City will continue to partner with government-related and non-profit agencies in meeting the Consolidated Plan objectives.

Private Sector The private sector is also an important collaborator and partner in the services and programs associated with the City's Consolidated Plan. The private sector brings additional resources and expertise that can be used to supplement existing services of fill gaps in the system. Lending institutions, affordable housing developers, business and economic development organizations, and private service providers offer a variety of assistance to residents such as health care, small business assistance, home loan programs, and assisted housing, among others.

Discussion:

See above.

Program Specific Requirements

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

Introduction:

Projects planned with all CDBG and HOME funds expected to be available during the year are identified in the projects table in an earlier section of this plan. The executive summary includes the objectives and outcomes identified in the plan as well as an evaluation of past performance, and a summary of the citizen participation and consultation process.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	72.00%

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(l)(2)

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

as follows:

The following other forms of investment are not applicable:

1. Equity investments
2. Interest-bearing and non-interest-bearing loans or advances
3. Interest subsidies
4. Deferred payment loans
5. Grants
6. Loan Guarantees

As part of the Consolidated Plan process, the Department of Planning worked with many of the agencies involved with revitalization efforts. Details of housing and community development activities were received from the Housing Authority of the City of Atlantic City.

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

Per 24 CFR 92.150, Atlantic City has established recapture/resale guidelines for the operation of HOME-funded homeownership programs. These guidelines are to be adhered to for all homeownership programs administered by the City or any designee, including sub recipients and Community Housing Development Organizations (CHDOs).

The guidelines are based on 24 CFR 92.254 (a)(4)(ii), which stipulates the conditions for recapture of the HOME investment used to assist low-income families acquiring a home. Two factors that are important in developing the guidelines are the fair return to the buyer at time of sale as well as ensuring that the homeowner was not in a negative equity position.

Homebuyer/Recapture: Amount subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to purchase the dwelling unit. This includes any HOME assistance that reduced the purchase price from fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value of the property (i.e., the development subsidy).

Resale Provisions:

Activity Types - Resale provisions as outlined in 24 CFR Part 92.254(a)(5)(i)(A) and (B) shall be required or encouraged in the following cases: Resale provisions shall be required when the HOME subsidy is provided in the form of a development subsidy in which HOME funds are divided among each HOME-assisted unit and not provided as a direct subsidy to the homebuyer. Resale provisions shall be encouraged when the HOME subsidy is provided in the form of a direct subsidy to the homebuyer and a Community Land Trust or other similar entity maintains ownership of the HOME-

assisted property to ensure its continued affordability in perpetuity. Resale provisions shall be encouraged when the HOME subsidy is provided in the form of a direct subsidy to the homebuyer and it is determined that the property is located in a highly appreciating market for the purpose of maintaining the unit's affordability throughout the entire period of affordability.

Methods – The resale option ensures that the HOME-assisted unit remains affordable over the entire period of affordability. All HOME-assisted units “designated as affordable units” shall meet the following criteria: The new purchaser must be low-income, meeting the HOME Program definition, and occupy the property as the family's principle residence. The sales price must be “affordable” to the new purchaser. In this instance, affordability of the new purchaser is defined as the income-eligible household's maximum mortgage capacity as defined by a mortgage lender using generally-accepted underwriting criteria. Under no circumstances may the “affordable” sales price exceed 95% of the median purchase price for the area. Net proceeds from the sale must provide the original homebuyer, now the home seller, and a “fair return” on their investment (including any downpayment and capital improvement investment made by the owner since purchase). In general, the City shall consider “fair return” to be the maximum sales price.

Enforcement Mechanisms - Resale requirements shall be enforced through deed restriction, covenant, land use restriction agreement, or other similar mechanism filed with the Atlantic County Recorder of Deeds and the requirements within shall be triggered upon sale or transfer of the HOME-assisted property.

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

A. Activity Types - Recapture provisions as outlined in 24 CFR Part 92.254(a)(5)(ii)(A)(1) through (7) shall be enforced in cases where HOME funds are provided as a direct subsidy to the homebuyer as downpayment and/or purchase- price assistance.

B. Methods – The recapture option allows Atlantic City to recapture the entire HOME subsidy, subject to net proceeds, if the HOME recipient decides to sell the unit within the period of affordability at whatever price the market will bear. All HOME-assisted unit sales under the recapture option shall meet the following criteria:

- The homebuyer may sell the property to any willing buyer.
- The sale of the property during the period of affordability triggers repayment of the direct HOME subsidy, subject to net proceeds, to Atlantic City that the buyer received when he/she originally purchased the home.

C. Enforcement Mechanisms - Recapture provisions shall be enforced through a mortgage, note and Recapture Agreement filed with the Atlantic County Recorder of Deeds, and the requirements

within shall be triggered upon sale or transfer of the HOME-assisted property.

D. Amount of Repayment – Atlantic City requires that when the recapture requirement is triggered by a sale (whether voluntary or involuntary), it will recapture the Home investment up to the total net proceeds remaining after the sale as modified by program specific choices under 24 CFR Part 92.254(a)(5)(ii)(A)(1) through (4). Net proceeds are the sales price minus the superior loan repayment (other than HOME funds) and any closing costs. The specific method of recapture as capped by net proceeds may be one of the four choices outlined in 24 CFR Part 92.254(a)(5)(ii)(A)(1) through (4). These options include:

- Recapture the entire amount- Atlantic City may recapture the entire amount of the HOME investment from the homeowner, with total collections capped by net proceeds;
- Reduction during the affordability period- Atlantic City may elect to reduce the HOME investment amount to be recaptured on a pro rata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period;
- Shared Net Proceeds- When the net proceeds (i.e., the sales price minus loan repayment, other than HOME funds, and closing costs) are insufficient to repay the direct HOME subsidy and the homebuyer's investment, the net proceeds shall be shared according to the following formula.

Recapture of the HOME funds is based on the ratio of the HOME subsidy to the sum of the homeowner's investment (including downpayment and any capital improvement investment made by the owner since purchase), plus the HOME subsidy:

$$\text{HOME Subsidy} \times \text{Net Proceeds} = \text{HOME Recapture HOME Subsidy} + \text{Homeowner Investment}$$

Owner investment returned first- Atlantic City may permit the homebuyer to recover the homebuyer's entire investment (downpayment and capital improvements made by the owner since purchase) before recapturing the HOME investment.

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

HOME funds will not be used to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds.

5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with

special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).

Not applicable.

6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).

Not applicable.

7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

Not applicable.

See above.

