

HUD Entitlement Grants

City of Roanoke, Virginia
FY2016 – 2017 Annual Plan



Overview

The City of Roanoke anticipates receiving approximately \$2.0 million in new funds annually from the U.S. Department of Housing and Urban Development (HUD) in three grants: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) and Emergency Solutions Grant (ESG). Roanoke is an entitlement community under these HUD programs. This means that HUD funds are allocated to the City every year using a formula based on population, income levels, and other factors. The amount that the City receives then depends on how much Congress appropriates for the entire nation.

CDBG

CDBG funds have been allocated to the City since 1975 and can be used for activities ranging from housing to economic development and from job training to infrastructure projects. For the 2016-2017 program year, the City will receive \$1,529,060 in new CDBG funds, a reduction of \$7,112 from the 2015 allocation. However, with carry-over and program income, the City estimates that a total of \$2,029,060 in CDBG funds will be available. CDBG funds are primarily intended to benefit low- and moderate-income persons and areas, though a limited amount can also be used for reducing slums and blight in economically distressed areas. The amount of funds that can be used for administration, planning and human services is also limited by regulation at 20%; however the 2016 Annual Plan has proposed administrative costs at 15.8% of total entitlement.

HOME

The HOME program is exclusively for housing to benefit those of low or moderate income, including rehabilitation, new construction, homeownership assistance and improvements to rental housing. The City has been receiving HOME funds since 1992. For the 2016-2017 program year, the City is expected to receive \$448,902 in new HOME funds. This represents an increase of \$33,350 from prior year allocations. Including carry-over and program income, the City estimates that a total of \$623,902 in HOME funds will be available. HOME funds require a 12.5% match, which is met with volunteer labor from Habitat for Humanity projects funded with HOME dollars. At least 15% of each annual HOME grant must be invested in qualifying projects conducted by Community Housing Development Organizations (“CHDOs”). Currently Habitat for Humanity is the only CHDO serving the city.

ESG

The emphasis for use of Emergency Solutions Grant funds has shifted from providing for activities that assist homeless individuals and families to early intervention and prevention of homelessness. HUD has issued new rules for the distribution of these funds by entitlement communities, which are being assessed by city staff and the Roanoke Valley Council of Community Services. Total funding in FY 2016-2017 is expected to be \$138,286.

Available Funding:

The total funding anticipated for Fiscal Year 2016-2017 from CDBG, HOME and ESG sources is \$2,791,248, but relies heavily on prior year uncommitted or available funds of \$675,000. The estimated amount by category is as follows:

<u>Category</u>	<u>Description</u>	<u>Available Funding</u>
CDBG	2016-2017 Entitlement Grant	\$1,529,060
	2015-2016 Carry-Over	500,000
	Subtotal - CDBG Funds Available	\$2,029,060
HOME	2016-2017 Entitlement Grant	\$448,902
	2015-2016 Carry-over	175,000
	Subtotal - HOME Funds Available	\$623,902
ESG:	2016-2017 ESG Entitlement Grant	\$138,286
Total 2016-2017 CDBG, HOME and ESG Funds Available		\$2,791,248

Allocation of Resources:

The City's 2016-2017 Annual Update outlines the use of approximately \$2.8 million in CDBG, HOME and ESG, including carry-over and anticipated program income. These funds will support an array of housing, homeless prevention, public services, and neighborhood and economic development activities, and planning and administrative costs associated with these activities.

- Economic Development - No CDBG funding is proposed for projects in the economic development category for FY 16-17.
- Homeless Services -- \$131,372 for homeless prevention and rapid re-housing through Emergency Solutions Grants for programs benefiting the homeless or those at-risk of becoming homeless.
- Housing Development -- \$1,750,600 for new construction and housing rehabilitation for homeownership, down payment and closing costs assistance, and the rehabilitation of owner- and renter-occupied homes.
- Human Services -- \$193,045 for services such as social services, academic enrichment, and other youth and family programs to benefit low to moderate income families.

- Neighborhood Development – \$430,000 which includes \$30,000 for grants to eight (8) neighborhood organizations for training and organizational development and small community improvement projects not otherwise categorized \$150,000 to fund a portion of City code inspectors to serve conservation and rehabilitation low-mod neighborhoods, and \$250,000 for engineering to develop a neighborhood transformation plan.
- Planning and Administration -- \$286,231 for staffing and operating costs incurred by the City to administer the CDBG, HOME and ESG funds.

Distribution of Housing Funds:

For 2016-2017, the City estimates it's CDBG and HOME housing funds will be allocated as follows:

- \$658,600 for activities encouraging and facilitating the repair, maintenance, improvement or re-use of existing owner-occupied or rental housing.
- \$1,092,000, for activities encouraging and facilitating new homeownership.

Project Locations:

While some of the projects in the 2016-17 Annual Plan affect areas throughout the City of Roanoke, the City will be in the second year of targeting of HUD resources to projects serving the Melrose-Orange Target Area. Total funds earmarked for the West End and Melrose-Orange Target Areas are \$1,589,000, which meets the City's policy on Use of HUD Funds by channeling 56.9% of total funds into the targeted area.

Lead Agencies:

The HUD Community Resources Division of the City's Department of Planning, Building and Development is the lead organization for developing and administering the Consolidated Plan and the Annual Updates. Numerous City offices and departments and other public, nonprofit and community organizations conduct projects funded in whole or in part with CDBG or HOME funds. The specific projects, agencies and funding recommended for the 2016-2017 period are given in the following section.

2016-2017 Projects Submitted, Agencies and Recommended Funding:

ECONOMIC DEVELOPMENT

- Growing Goodwill Gardens (Goodwill Industries of the Valley) Funds to be used to develop a shelter to support existing community garden operated on land owned by Goodwill Industries of the Valley for purpose of a point of sale for locally grown fruits and vegetables. (Recommended: \$0.)

HOMELESS SERVICES

- Emergency Sheltering & Rapid Rehousing (Family Promise of Greater Roanoke) Funds will provide for emergency shelter to families with children. Family Promise will also collaborate with the Community Housing Resource Center to rapidly re-house low barrier families and provide continued case management once they are re-housed. (Recommended: \$29,500 ESG)
- Emergency Sheltering & Homelessness Prevention (Roanoke Valley Trouble ARCH) Funds will provide for emergency shelter assistance for operating expenses (i.e. utilities and insurance) to support direct services. TRUST will also utilize homeless prevention assistance to fund its full-time housing stability coordinator who manages services for Trust House residents who transition to permanent housing. (Recommended: \$38,029 ESG)
- Homeless Prevention and Rapid Rehousing (Council of Community Services) Funds will provide for rapid rehousing and one-time rental assistance as well as coordinate homelessness prevention services to households most at-risk of homelessness to increase housing stability. (Recommended \$63,843 ESG).

HOUSING DEVELOPMENT

- Demolition (City of Roanoke Dept. of Planning, Bldg. and Dev.) Funds to demolish vacant condemned structures in an advanced state of deterioration. (Recommended \$25,000 CDBG.)
- Down Payment Assistance Program (City of Roanoke Dept. of Planning, Bldg. and Dev.) Funds for staffing and operating costs and project funds to provide 5-year forgivable, 0% interest loans of up to \$8,000 for down payment and closing costs to assist low/mod-income families to buy homes in the City. Despite success and meeting target goals, proposed funding to be cut due to allocated HUD funds to other priorities. (Recommended: \$100,000 CDBG)
- Emergency Home Repair Program (Total Action for Progress) Limited and emergency repairs and weatherization services to low/mod-income owner-occupied single-family homes. Program requests to target 12 owner-occupied homes for emergency repairs, with 10 of these homes also receiving weatherization services. (Recommended: \$103,411 CDBG.)
- Empowering Individuals with Disabilities (Blue Ridge Independent Living Center) Install special needs home improvements such as ramps and grab bars for 25 extremely low to low income homeowners with disabilities to meet independent living needs. (Recommended: \$108,189 CDBG.)
- Target Area New Homeownership - New Construction/Rehabilitation (Habitat for Humanity) Acquire and renovate a minimum of 5 existing vacant houses for single-family homeownership as well as construction of 3 new single family homes in Melrose-Orange target area. (Recommended: \$381,574 CDBG and \$585,426 HOME)

- Target Area Owner-Occupied Limited Rehab (Renovation Alliance) Basic rehabilitation services utilizing volunteer labor to address “safe, warm and dry” homeowner needs for low-income persons. Proposed goal of 17 homes in Melrose-Orange target area. (Recommended \$85,000 CDBG.)
- Target Area Limited Housing Rehabilitation (Total Action for Progress) Limited rehabilitation services to 12 owner-occupied single family homes in Melrose-Orange target areas. (Recommended \$0)
- Target Area(s) Owner-Occupied Major Rehab (Total Action for Progress) Major rehabilitation to 4 owner-occupied housing units in Melrose-Orange Target Area. Major rehabilitation is targeted for rehabilitation in excess of \$15,000 to address health, safety and welfare needs of residents. (Recommended: \$287,000 CDBG.)
- Summer Youth Rehabilitation (Renovation Alliance) This program entails limited rehabilitation and repairs to about 20 homes citywide primarily utilizing over 400 youth volunteers from faith-based programs for low income, elderly, and disabled homeowners. RTR reviews and selects homes to be included in the program, determine eligibility, work scopes, any environmental testing and historic reviews, and required permits. (Recommended: \$75,000 CDBG).

HUMAN SERVICES

- Academic Summer Camp for RRHA Residents (Apple Ridge Farm, Inc.) Funding will provide for youth services and camp staffing and operations for the Apple Ridge Farm to target residents of RRHA public housing. (Recommended: \$30,000 CDBG.)
- African American Studies in Contemporary Issues (Total Action for Progress) Funds to administer and monitor this program which targets freshman African American male students at William Fleming High School who are at risk of not completing high school. (Recommended: \$0 CDBG.)
- CHIP Enrollment Expansion Program (Child Health Investment Partnership) This program is intended to identify and engage low to moderate income families to provide assessment and medically necessary programs in an otherwise medically underserved areas of the city. (Recommended \$34,500)
- Community Based Prevention Services (Department of Social Services) Funds for 1 staff position and out-stationing costs to increase the accessibility and use of child abuse and neglect prevention services and reduce the necessity of foster care placements. (Recommended: \$51,545 CDBG.)
- Family Advocates Program (Children’s Trust) Funding to provide support services to the non-offending caregivers in cases of alleged child abuse, resulting in the greater protection and support for the alleged child victim. (Recommended \$27,000 CDBG.)
- Housing Stabilization for Families in Need (Council of Community Services). CDBG funds to partially replace Homelessness Prevention and Rapid Re-Housing Program previously funded with ARRA grants. The program will use the CDBG funds to leverage additional resources to assist with homeless prevention and re-housing activities. (Recommended \$50,000 CDBG.)

- Life Skills Training Program (Brain Injury Services of SW Virginia) Funds to provide daily independent living skills training to individuals living with brain injury due to accident, birth defect or stroke. (Recommended \$0)
- West End Blend (Transitional Options for Women) Program intended to operate coffee shop and thrift store to address the needs of women who return to the community after incarceration and do not have children in their care. (Recommended \$0).

NEIGHBORHOOD DEVELOPMENT

- Phase I Planning for Choice Neighborhood Transformation Plan (Roanoke Redevelopment and Housing Authority) Funds to engage engineering and architectural firms for designing infrastructure and implementation of Phase I of the Melrose-Rugby/Shenandoah West Transformation Plan. (Recommended \$250,000 CDBG)
- Code Enforcement (City of Roanoke Dept. of Planning, Bldg. and Dev.) Funds a portion of staff and other operating costs for City enforcement of the building maintenance and other codes in low-to-moderate income neighborhoods. (Recommended: \$150,000 CDBG.)
- Neighborhood Development Grant Program (Dept. of Planning, Bldg. and Dev.) Provides for grants of up to \$25,000 to neighborhood organizations in predominantly low-mod-income neighborhoods for eligible projects such as housing, crime prevention and public facilities and infrastructure projects. Activities related to training and capacity development of eligible neighborhood associations will be paid from HUD planning and administrative accounts. (Recommended: \$26,500. Applications were received from the following organizations:
 - Gainesboro SW Community Organization – Victorian street lamp. (Recommended \$4,800 CDBG)
 - Gainesboro SW Community Organization – History Walk phase 2. (Recommended \$5,300 CDBG)
 - Mountain View Neighborhood Association – Big Belly Solar Compactor (Recommended \$4,814 CDBG)
 - Old Southwest Inc. – Street Sign Toppers (Recommended \$1,200 CDBG)
 - Riverdale Farm Neighborhood Association – Gateway Signage (Recommended \$2,000 CDBG)
 - SE Action Forum – Dale Ave Mural (Recommended \$6,100 CDBG)
 - Other CDBG Eligible Neighborhoods – Training and Development (\$5,786 CDBG)

ADMINISTRATION/PLANNING

- HUD Administrative Funds (Dept. of Planning, Bldg. and Dev.) Staffing and other operating costs associated with the general administration of the City's CDBG, HOME and ESG programs. Limits for each program are 20% for CDBG, 10% for HOME and 7.5% for ESG. (Recommended: \$240,841 CDBG; \$38,476 HOME; \$6,914 ESG.)

2016-2017 HUD Funding Recommendations

Funding by Category:	Economic Development	\$0
	Homeless Services	\$131,372
	Housing Development	\$1,750,600
	Human Development	\$193,045
	Neighborhood Development	\$430,000
	Planning and Administrative Costs	<u>\$286,231</u>
	Total	\$2,791,248

Breakout – 2016-2017 Funding for Melrose-Orange Target Areas Revitalization Initiative: **\$1,589,000**

Project Name	Agency	Current	Requested	Recommended
Academic Summer Camp	Apple Ridge Farm, Inc	\$0	\$30,000	\$30,000
African American Studies in Contemporary Issues	TAP	\$10,000	\$10,000	\$0
CHIP Enrollment Expansion Project	Child Health Investment Partnership	\$0	\$34,500	\$34,500
Code Enforcement	Dept. of Planning, Bldg. & Dev.	\$150,000	\$150,000	\$150,000
Community Based Prevention Services	Dept. of Social Services	\$104,800	\$109,594	\$51,545
Demolition	Dept. of Planning, Bldg. & Dev.	\$50,000	\$75,000	\$25,000
Down Payment Assistance	Dept. of Planning, Bldg. & Dev.	\$85,000	\$100,000	\$100,000
Emergency Home Repair	TAP	\$60,000	\$103,411	\$103,411
Empowering Individuals with Disabilities	Blue Ridge Independent Living Center	\$100,000	\$108,189	\$108,189
Family Advocates Program	Children's Trust	\$27,608	\$27,000	\$27,000
Growing Goodwill Gardens	Goodwill Industries of the Valley	\$0	\$25,000	\$0
Homeless Services and Prevention	Council of Community Services	\$67,571	\$73,471	\$63,843
Homeless Services and Prevention	Family Promise of Roanoke Valley	\$26,500	\$31,500	\$29,500
Homeless Services and Prevention	ARCH	\$35,000	\$40,029	\$38,029
Housing Stabilization for Families in Need	Council of Community Service	\$44,000	\$50,000	\$50,000
HUD Admin Funds	Dept. of Planning, Bldg. & Dev.	\$326,998	\$286,231	\$286,231
Life Skills Training	Brain Injury Services of SWVA	\$0	\$15,000	\$0
Neighborhood Development Grant Program	Neighborhood Services	\$26,500	\$40,000	\$30,000
Phase I Choice Neighborhood Transformation Planning	Roanoke Redevelopment and Housing Authority	\$0	\$450,000	\$250,000
Summer Youth Housing Rehabilitation	Renovation Alliance	\$70,000	\$75,000	\$75,000
Target Area Limited Rehabilitation	TAP	\$0	\$103,411	\$0
Target Area Limited Rehabilitation	Renovation Alliance	\$85,000	\$85,000	\$85,000
Target Area New Homeownership	Habitat For Humanity	\$585,518	\$967,000	\$967,000
Target Area Owner-Occupied Major Rehabilitation	TAP	\$0	\$457,175	\$287,000
West End Blend	Transitional Options for Women	\$0	\$22,000	\$0



FY2017 ADOPTED BUDGET

