

Strategic Plan  
(2012-2014 Version 1)

Department of Housing and Community Development (165)  
Agency Plan

Mission Statement

The Department of Housing and Community Development (DHCD) works in partnership to make Virginia's communities safe, affordable, and prosperous places in which to live, work and do business.

Vision Statement

To build better communities through collaboration, communication and innovation.

Values

**Customer Prioritization:** Give priority to projects that have the strongest and most direct link to meeting the needs of low- and moderate-income customers where DHCD provides gap financing

**Maximize Collaboration:** Maximize collaborations within the agency and foster partnership opportunities with other federal, state and local agencies, governments and communities.

**Diversity:** Value both a diverse community and workforce.

**Employee Recognition:** Recognize our employees as our most important resource, and provide incentives and rewards to employees who consistently develop and apply new knowledge, skills and abilities.

**Professional Development:** Promote professional growth for our staff members and partners through training and education opportunities that will increase our ability to better serve Virginia's communities.

**Professionalism:** Provide services in a manner that embodies responsiveness, friendliness, delivery on commitment, timeliness, reliability and professionalism.

**Optimize Technology:** Optimize the use of technology to enhance the effectiveness and efficiency of the agency to accomplish its mission.

**Value Input:** Value input and responses from communities and customers when designing and evaluating programs and services.

**Customer Service:** Strive to provide a high level of customer service and satisfaction for both internal and external customers.

Information Technology

**Current Operational IT Investments**

The Virginia Department of Housing and Community Development (DHCD) is continuing to develop a **Centralized Application Management System (CAMS)** that provides easier access to DHCD services, improve the efficiency and effectiveness of agency operations, reduce process redundancy and improve the ability to respond to citizens in a timely and meaningful manner. The CAMS streamlines data collection and provides real-time reporting on housing, community and economic development projects throughout the Commonwealth.

Essentially, the system will or currently does:

- Provide a centralized database of all DHCD customers, contacts, related organizations, and projects.
- Allow DHCD to receive grant applications and funding requests from clients and customers.
- Allow DHCD to manage grants and funding to all DHCD funding recipients.
- Allow DHCD to track all activities related to a DHCD grant or project.
- Provide a streamlined, automated application process from DHCD customers to DHCD to HUD or the appropriate federal funding agency.
- Produce instantaneous reports and maps of DHCD related customers, organizations, funding, projects and activities in all locales throughout Virginia.

**Weatherization Assistance Program (WAP) Online Weatherization Program Management Software**

DHCD currently utilizes the WAP Online System developed and implemented by Hancock Energy Software. This weatherization program management software provides a centralized, web-based system that manages, collects and stores data online. This system is currently being used in nine states and more than 200 local agencies.

WAP Online is a web-based system that provides real-time monitoring and gives instant access to house, measure, job, production, and energy savings information. It allows DHCD to electronically generate and track invoices through the payment process. Importantly, this system improves employee efficiency and streamlines the weatherization reporting requirements by the U.S. Department of Energy (DOE), U.S. Office of Management and Budget (OMB) and the American Recovery and Reinvestment Act (ARRA) reporting.

DHCD entered into the contract with Hancock Energy Software in March 2011. DHCD purchased the software license, the online maintenance service and the end-user helpdesk service. Also, DHCD purchased several additional technology related services from Hancock including; data conversion, hosting services, and onsite training for employees. DHCD will incur on-going expenses for maintenance and support, hosting and end user help desk services.

**Factors Impacting the Current Agency IT**

Currently, DHCD maintains several separate databases that contain similar, and often duplicative information on DHCD related customers, projects, activities and funding. These separate databases exist because various units at DHCD have to maintain unique information related to its particular projects and state and federal reporting requirements. Data collection, compilation and maintenance happen independently across the Divisions.

The current grant application process at DHCD is primarily a paper-based system that requires DHCD staff to manually receive, review and enter pertinent grant information into these separate databases. DHCD customers are often frustrated with the lack of an electronic, automated grant submission process. Presently, the customers have to submit information to DHCD via US Mail, couriers or overnight services which increase costs for them to do business with DHCD.

The state and federal reporting requirements for DHCD are becoming increasingly more complex and require increased data compilation by DHCD staff. It requires more staff time to meet new requirements from federal granting agencies, the U.S. Department of Housing and Urban Development (HUD), the Department of Health and Human Services (HHS), and the Department of Energy (DOE). Complying with these reporting requirements currently requires DHCD staff to manually review and analyze data from often several different databases at DHCD. It is increasingly more difficult, time consuming and inefficient for agency staff to continue to rely on the old manual system of review and reporting.

**Proposed IT Solutions**

DHCD is working with Impact Makers, Inc, a subcontractor to Computer Aid, Inc, to plan the new Centralized Application Management System (CAMS). CAMS will improve customer service, increase agency efficiency and increase agency effectiveness in accomplishing its mission. CAMS includes the following components: (1) customer relations management system; (2) a web-based grants applications management system. CAMS would result in significant cost savings and enhance efficiency by moving DHCD to an automated system for many types of transactions that are currently completed manually.

CAMS provides a centralized database that allows employees across the four divisions of DHCD (Administration, Housing, Community Development, Building & Fire Regulation) to be interconnected and operate more efficiently. Currently, these divisions primarily use separate and non-linked databases to compile information and produce reports. The system will streamline processes related to data entry and processing, information compilation and report production. The system allows more efficient input and feedback from DHCD customers and citizens which enhances DHCD's ability to identify issues and respond to our clients. Importantly, the system utilizes a web based architecture that allows information, grants, forms, reports and data to be submitted and distributed via the Internet. Would-be grantees complete grant applications on-line and submit the application directly into the DHCD database for analysis and evaluation. This significantly reduces and, in many cases, totally eliminates the need to manually re-enter critical information received from citizens.

Overall, by implementing the new Centralized Application Management System, DHCD has and will continue to:

- Significantly enhance customer service for DHCD customers, contacts, related organizations, state and federal elected officials and citizens.
- Significantly reduce the time required to complete paperwork related activities which, in turn, will: (a) give DHCD staff more time to provide technical assistance with current customers; (b) potentially increase the number of customers and communities served in underutilized areas; and (c) allow staff more time to develop new ideas, approaches and solutions to the Commonwealth's economic development, housing and building issues.
- Significantly improve DHCD's ability to produce up-to-the-minute and accurate reports and information.
- Improve agency-wide efficiency and reduce agency-wide costs by: (a) reducing redundancy, (b) eliminating the need to manually re-enter customer, grant and funding data, (c) increasing data sharing across divisions, (d) increasing collaborations across divisions on DHCD related projects.

**Financial Overview**

DHCD's funding comes from federal funds (49.65%), the state's general fund ( 45.30%), and special funds along with other nongeneral funds ( 5.05%).

| Budget Component | 2013 GF           | 2013 NGF          | 2014 GF           | 2014 NGF          |
|------------------|-------------------|-------------------|-------------------|-------------------|
| Base             | 46,896,153        | 81,844,840        | 46,896,153        | 81,844,840        |
| Changes to Base  | 2,336,156         | -22,397,227       | 2,477,830         | -23,897,227       |
| <b>Total</b>     | <b>49,232,309</b> | <b>59,447,613</b> | <b>49,373,983</b> | <b>57,947,613</b> |

**Agency Goals**

- Revitalize communities through the strategic investment of resources

*Goal Summary and Alignment*

Virginia has to continue to implement activities to help make distressed communities more competitive in a rapidly changing global economy. Community development and revitalization covers a broad spectrum of efforts designed to enhance the development of Virginia's most distressed communities and serve low-income residents. Community economic development efforts range from infrastructure support for industrial locations, to downtown revitalization to entrepreneurship. DHCD-administered state incentives are used to encourage businesses to target new jobs and investment in designated distressed areas.

*Long Term Goal*

Be a national leader in the preservation and enhancement of our economy.

*Societal Indicator:* Employment Growth

- Increase the availability and affordability of safe and accessible housing throughout the Commonwealth.

*Goal Summary and Alignment*

This goal seeks to address the need for comprehensive housing assistance services to the low- and very-low income citizens, as well as the elderly, individuals with mental and physical disabilities and Acquired Immune Deficiency Syndrome (AIDS). DHCD programs create affordable housing for ownership and rental, provide funds for down payment and closing costs, and preserve the housing that serves these populations.

*Long Term Goal*

Be a national leader in the preservation and enhancement of our economy.

*Societal Indicator:* Poverty

Inspire and support Virginians toward healthy lives and strong and resilient families.

*Societal Indicator: Poverty*

- Increase the ability of communities to implement innovative and creative responses to community defined needs.

*Goal Summary and Alignment*

This goal addresses the need to develop the capacity within communities to enable them to develop innovative and appropriate housing, community and economic development initiatives.

*Long Term Goal*

Be a national leader in the preservation and enhancement of our economy.

*Societal Indicator: Poverty*

Protect, conserve and wisely develop our natural, historical and cultural resources.

*Societal Indicator: Poverty*

- Enhance the health and safety of the built environment in a cost effective manner.

*Goal Summary and Alignment*

Virginia is one of a limited number of states with a uniform set of building codes applicable statewide. The State Building Code Office (SBCO) focuses on the development, promulgation, interpretation, and application of building regulations applicable to conventional buildings and structures. The SBCO also concentrates on industrialized, modular, and manufactured structures to ensure a quality and safe product and installation in accordance with the regulations. Emphasizing uniformity in regulatory requirements, compliance, and enforcement reduces building construction and maintenance costs while ensuring an appropriate level of health and safety in the built environment.

*Long Term Goal*

Be a national leader in the preservation and enhancement of our economy.

*Societal Indicator: Business Climate*

Protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds.

*Societal Indicator: Business Climate*

- Support policy development and research related to significant economic development, inter-governmental relations, community development and housing issues.

*Goal Summary and Alignment*

State support of regional approaches helps provide better program service delivery and results in more coordinated outcomes. Coordinated regional planning leads to more efficient deployment of limited state and federal financing resources. Regional entities can also provide assistance in linking individual local efforts to maximize results and minimize costs. This goal addresses the need for policies, research and activities that enhance affordable and accessible housing, community and economic development and environmental safety.

*Long Term Goal*

Be a national leader in the preservation and enhancement of our economy.

*Societal Indicator: Business Climate*

Be recognized as the best-managed state in the nation.

*Societal Indicator: Business Climate*

Protect, conserve and wisely develop our natural, historical and cultural resources.

*Societal Indicator: Business Climate*

- Use strategic management and model business practices to effectively and efficiently accomplish its mission and deliver services.

*Goal Summary and Alignment*

This goal informs and guides DHCD's vision to be a well managed agency in fulfilling its mission in an effective and efficient manner.

*Long Term Goal*

Be a national leader in the preservation and enhancement of our economy.

*Societal Indicator: Government Operations*

Be recognized as the best-managed state in the nation.

*Societal Indicator: Government Operations*

Programs and Service Areas for Agency

- 45801: Housing Assistance
- 45804: Homeless Assistance
- 45805: Financial Assistance for Housing Services
- 53301: Community Development and Revitalization
- 53303: Financial Assistance for Regional Cooperation
- 53305: Financial Assistance for Community Development
- 53410: Financial Assistance for Economic Development
- 56202: State Building Code Administration
- 599: Administrative and Support Services
- 70101: Intergovernmental Relations

Customers

| Pre-Defined Customer Group | User Specified Customer Group | Customers Served Annually | Potential Annual Customers | Projected Trend in # of Customers |
|----------------------------|-------------------------------|---------------------------|----------------------------|-----------------------------------|
|----------------------------|-------------------------------|---------------------------|----------------------------|-----------------------------------|

Key Risk Factors

Products and Services

Trends

**Rankings & Customer Trends**

| Trend Name             | Trend Area |
|------------------------|------------|
| Number of Customers    | Increase   |
| Distressed Communities | Increase   |
| Funding Support        | Decrease   |

Performance Highlights: Service Performance & Productivity Initiatives

Management Discussion & Analysis

**Future Direction, Expectations, and Priorities**

**45801: Housing Assistance**

**Description**

The Department of Housing and Community Development (DHCD) administers programs through this service area that seek to provide safe, accessible, and decent housing opportunities. These funds are provided to local governments and nonprofit organizations that serve low-income individuals and households with incomes falling below 80 percent of area median income (AMI), including the elderly and disabled.

The 2012 General Assembly appropriated \$7 million in funding for the second year of the current biennium to establish a new Virginia Housing Trust Fund. DHCD is working collaboratively with Virginia Housing Development Authority (VHDA), the Virginia Housing Coalition and the Virginia Coalition to End Homelessness to gather input regarding the program design of this newly-created trust fund. DHCD, in conjunction with VHDA, will submit a program plan for the trust fund to the Senate Finance and House Appropriations Committees by November 1, 2012. The plan, required in budget language, will outline the priority uses for the Trust Fund's resources. Given the wide range of affordable housing needs in the Commonwealth, the most critical needs will need to be identified and prioritized in the plan.

Funds in this service area are used for grants and loans to increase production of single and multi-family housing targeted at households at or below 80 percent AMI, to remove health and safety hazards, to improve affordability and habitability through energy-efficiency, heating, and plumbing improvements, and to address accessibility needs.

Additionally, this service area addresses the back log of substandard housing in Virginia's rural areas through housing rehabilitation services. One in every seven housing units in the most rural Virginia counties is over 65 years old compared to less than one in ten in the state as a whole. Even when indoor plumbing may exist, older housing is more likely to require rehabilitation, including improvements to major building components and systems, to meet current health and safety standards. Funds will be provided to local and regional organizations for housing rehabilitation. Substandard housing units will be brought up to DHCD's Housing Quality Standard ensuring a decent, safe and sanitary living environment. Program beneficiaries will have household incomes of 80 percent or less of the area median income.

**Mission Alignment and Authority**

This service area directly aligns with DHCD's mission of working in partnership to make Virginia's communities safe and affordable places in which to live. In addition, an improved housing stock enhances the economic viability of a community.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

Continued levels of high unemployment across the Commonwealth have increased the number of low-income families in need of housing assistance. Loss of employment and income has resulted in once middle-class families becoming low-income. As the number of low-income families continues to rise, the demand for affordable housing will increase.

*Current Customer Base*

| Pre-Defined Customer Group | User Specified Customer Group  | Customers Served Annually | Potential Annual Customers | Projected Trend in # of Customers |
|----------------------------|--|---------------------------|----------------------------|-----------------------------------|
| Low-Income                 | Individuals and families at 130% of poverty (Households)                                       | 3,081                     | 848,108                    | Increase                          |
| Low-Income                 | Low-income disabled individuals and families requiring accessibility improvements (Households) | 100                       | 200,000                    | Increase                          |
| Low-Income                 | Low-income elderly individuals living in housing units that need repairs (Housing Units)       | 800                       | 454,338                    | Increase                          |
| Low-Income                 | Low-income households living in units without complete indoor plumbing                         | 175                       | 13,499                     | Decrease                          |

**Partners for this Service Area**

| Partner                                | Description |
|--|-------------|
| Virginia Housing Development Authority |             |
| Virginia Coalition to End Homelessness |             |

**Products and Services**

**Factors Impacting the Products and/or Services**

The products and services in this service area include preservation and production of affordable housing using a variety of programs and funding sources. As the number of low-income persons continues to increase the need for affordable housing grows. Families are unable to provide necessary improvements to homes which make preservation activities very important. While Virginia has not been as impacted by foreclosures as other states, thousands of citizens have lost their homes. This means that they now need affordable rental housing, which is in very short supply. The department anticipates an increased need for affordable rental housing. Additionally, there will be an increased need for permanent supportive housing as Virginia shifts its approach to address chronic homelessness. The state is making efforts to move persons with disabilities from institutions to community-based services. This increases the need for special needs housing that is affordable, accessible and available. The department anticipates a continued significant demand for housing support services for specific populations including those with special needs, veterans, disabled, elderly, re-entering prisoners, and those impacted by the on-going foreclosure crisis.

**Anticipated Changes to the Products and/or Services**

The department plans to put an increased priority on permanent supportive and special needs housing. These are in particularly short demand and serve very high need

populations. Funding from the U. S. Department of Housing and Urban Development HOME Investment Partnership Program has been significantly reduced. This has adversely affected the amount of funds available for the production and preservation of affordable housing.

DHCD will continue to work collaboratively with VHDA, the Virginia Housing Coalition and the Virginia Coalition to End Homelessness to gather input regarding the program design of the newly-created Virginia Housing Trust Fund. The 2012 General Assembly appropriated \$7 million in funding for the second year of the current biennium to establish a new trust fund. DHCD, in conjunction with VHDA, will submit a program plan for the trust fund to the Senate Finance and House Appropriations Committees by November 1, 2012. The plan, required in budget language, will outline the priority uses for the trust fund's resources. Given the wide range of affordable housing needs in the Commonwealth, the most critical needs will need to be identified and prioritized in the plan.

**Listing of Products and / or Services**

- Funding through grants and loans
- Grants administration for Housing and Urban Development, Department of Energy, Department of Health and Human Services, state and special fund sources (Commonwealth Priority Housing Fund and Virginia Housing Partnership Fund) used for development of affordable multi-family and single family housing development and rehabilitation for low-income and special needs populations including the elderly, the disabled and the previously homeless, homeownership assistance for first-time homebuyers and the disabled, indoor plumbing and housing rehabilitation, health and safety hazards in housing units and repair and rehabilitation of substandard units, using the Weatherization Assistance Program, Emergency Home Repair Program, Indoor Plumbing Rehabilitation Program, and State tax refund donations to the Virginia Housing Program
- Customer service and training through annual training, technical assistance visits, and monitoring visits
- Operating Support for community-based housing organizations

Financial Overview

| Budget Component | 2013 GF        | 2013 NGF          | 2014 GF          | 2014 NGF          |
|------------------|----------------|-------------------|------------------|-------------------|
| Base             | 571,055        | 25,486,876        | 571,055          | 25,486,876        |
| Changes to Base  | 0              | -8,484,709        | 7,000,000        | -8,484,709        |
| <b>Total</b>     | <b>571,055</b> | <b>17,002,167</b> | <b>7,571,055</b> | <b>17,002,167</b> |

Objectives for this Service Area

*Objectives for this Service Area*

**Objective**

Improve the quality and increase the affordability of housing options for low-income households, including the elderly and disabled

*Description*

*Objective Strategies*

No Strategies for this Objective

*Alignment to Agency Goals*

No Agency Goals for this Objective

*Measures*

- Number of households provided with new or improved affordable housing

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

This measure is calculated on the number of substandard housing units occupied by low-income individuals and families that are repaired, rehabilitated and/or receive energy-efficiency improvements. Information will be gathered through periodic reports to the Department of Housing and Community Development (DHCD) from nonprofit organizations and local governments that provide the direct services. The number of households served at the end of each fiscal year will be compared to the preceding year.

**45804: Homeless Assistance**

**Description**

This service area administers the Commonwealth's programs seeking to end homelessness in Virginia in partnership with local governments and nonprofit organizations who serve the homeless, those at imminent risk of homelessness and persons with Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome (HIV/AIDS).

Funds are used for homeless assistance and prevention. This includes operating support for emergency shelters, support services, and assistance such as deposits and temporary rental assistance to help move persons experiencing homelessness into permanent housing. Funds are also used to help divert people from becoming homeless by providing support services and temporary rental assistance.

**Mission Alignment and Authority**

By providing safety through shelters, homeless prevention programs, rapid re-housing and the creation of permanent supportive housing, this service area supports DHCD's mission of working in partnership with local service providers in providing low-income and homeless individuals and families safe and affordable places to live.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

The demand for homeless assistance has increased as a result of economic challenges. More people have become homeless putting more stress on limited service resources. As the number of people needing homeless services and assistance has increased, it has become more difficult for non-profit service providers to meet these needs. Funding continues to lag behind needs. It is more difficult for non-profits to maintain financial viability during the economic slump. All of this means that as the demand for the department's assistance increases, funding adequacy and viable local partners are shrinking. This presents challenges to reducing levels of homelessness in Virginia.

*Current Customer Base*

| Pre-Defined Customer Group | User Specified Customer Group                               | Customers Served Annually | Potential Annual Customers | Projected Trend in # of Customers |
|----------------------------|---|---------------------------|----------------------------|-----------------------------------|
| Low-Income                 | Homeless individuals and families (Households)              | 28,125                    | 45,125                     | Increase                          |
| Low-Income                 | Low-income individuals and families at risk of homelessness | 8,226                     | 187,354                    | Increase                          |

**Partners for this Service Area**

| Partner                                      | Description |
|--|-------------|
| <i>No partners currently entered in plan</i> |             |

**Products and Services**

**Factors Impacting the Products and/or Services**

An on-going lack of affordable housing makes it difficult to re-house homeless families. With limited and insufficient supplies of affordable housing homelessness cannot be reduced. High unemployment limits homeless families' abilities to successful transition to permanent housing. The Virginia Tech Center for Housing Research found a deficit of over 92,000 housing units for households with an income below 30 percent of the median family income in 2000. On-going economic problems have contributed to this problem.

**Anticipated Changes to the Products and/or Services**

The American Recovery and Reinvestment Act of 2009 provided the department \$11.4 million for the Homeless Prevention and Rapid Re-housing Program (HPRP). These funds were fully expended in FY 2012. State funds are provided for the Homeless Prevention Program which assists with temporary rental assistance support services.. The demand for these limited resources will increase since the Homeless Prevention and Rapid Re-housing Program is no longer available.

The department has restructured its homeless assistance programs in keeping with current research, best practices and the Homeless Outcomes Policy Report. The department transitioned to a competitive process that puts an increased focus on homeless prevention and rapid re-housing rather than relying primarily on an emergency response approach to homelessness. This is consistent with the approach required in federal homeless assistance programs. Research has demonstrated that rapid re-housing is a most cost effective way of addressing homelessness. It has also been demonstrated to be a more effective strategy for support service delivery. In order to make the most effective use of limited resources, the department has moved to supporting a range of homeless services rather than just emergency shelter services.

**Listing of Products and / or Services**

- Development of grant applications for funding from federal and non-federal sources
- Grants administration for Emergency Solutions Grant (ESG)
- Housing Opportunities for Persons with AIDS (HOPWA)
- Housing Solutions Grant for operations(HSG)
- Homelessness Prevention Program (HPP)
- Child Services Coordinator Grant (CSCG)
- Child Care for Homeless Children (CCHCP)
- Customer service and training through training, technical assistance visits and monitoring visits
- Support and coordination for local Continuum of Care and other planning processes that result in increased collaboration and coordination in the delivery of

services to homeless individuals and families

- Implementation of the actions steps outlined in the Homeless Outcomes Report

Financial Overview

| Budget Component | 2013 GF           | 2013 NGF         | 2014 GF           | 2014 NGF         |
|------------------|-------------------|------------------|-------------------|------------------|
| Base             | 11,787,173        | 6,403,717        | 11,787,173        | 6,403,717        |
| Changes to Base  | 1,500,000         | 0                | 0                 | 0                |
| <b>Total</b>     | <b>13,287,173</b> | <b>6,403,717</b> | <b>11,787,173</b> | <b>6,403,717</b> |

Objectives for this Service Area

Objectives for this Service Area

**Objective**

Increase housing to homeless individuals and those at risk of becoming homeless.

*Description*

DHCD works in collaboration with communities throughout the Commonwealth as part of its comprehensive approach to meeting the housing needs of: (a) the homeless; (b) those at risk of becoming homeless; (c) special needs populations; (d) individuals with Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome (HIV/AIDS) and (e) those that could not otherwise afford decent housing. Each year, more than 30,000 persons are served by programs that prevent homelessness, shelter those who are homeless, move the homeless into permanent housing, offer supportive services to those with special needs including victims of domestic violence and assist low-income citizens in accessing decent, safe and affordable housing.

*Objective Strategies*

No Strategies for this Objective

*Alignment to Agency Goals*

No Agency Goals for this Objective

*Measures*

- Number of homeless households securing permanent housing

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Service providers submit quarterly and annual reports indicating the status of households that leave their programs.

- Number of households averting homelessness

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Quarterly and annual reports filed by grantees provide the number of households assisted and the number of households maintaining housing and averting homelessness.

**45805: Financial Assistance for Housing Services**

**Description**

This service area provides funds to local governments that partner with DHCD to administer the Commonwealth's programs seeking to provide safe, accessible and decent housing opportunities through local governments and nonprofit organizations who serve low-income individuals and households with incomes falling below 80 percent of area median income (AMI), including the elderly and disabled. The primary goals of this service area are the same as found in Service Area Plans 45801 and 45804.

**Mission Alignment and Authority**

This service area directly aligns with DHCD's mission of working in partnership to make Virginia's communities safe and affordable places in which to live. In addition, an improved housing stock enhances the economic viability of a community.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

This service area focuses on delivering housing services to low-income citizens through partnerships with local governments. The number of low-income citizens Virginia has increased as a result of loss of income from the on-going economic slump. High rates of unemployment have contributed to this increase. Local governments face challenges as local revenues have dropped sharply over the past few years. This has made it more difficult for local governments to provide basic services to their residents. These challenges have made it hard for local governments to find the staff and financial resources to devote to affordable housing efforts. The need for affordable housing continues to increase, but the ability to address it has diminished.

*Current Customer Base*

| Pre-Defined Customer Group               | User Specified Customer Group | Customers Served Annually | Potential Annual Customers | Projected Trend in # of Customers |
|--|-------------------------------|---------------------------|----------------------------|-----------------------------------|
| Local or Regional Government Authorities | Local Governments             | 13                        | 324                        | Stable                            |

**Partners for this Service Area**

| Partner                   | Description |
|---------------------------|-------------|
| Community Action Programs |             |

**Products and Services**

**Factors Impacting the Products and/or Services**

The number of subsidized housing units is threatened as low-income housing tax credits expire on thousands of multi-family units across Virginia. There is a need to re-capitalize these developments in order to extend their useful lives and continue to make them affordable for low-income citizens.

Federal funding cuts to the HOME Investment Partnership Program have reduced the amount of federal funding Virginia receives for affordable housing by 41 percent. This is the only funding available for affordable housing production. This reduction will mean that fewer new affordable housing units will be developed in Virginia.

**Anticipated Changes to the Products and/or Services**

The demand for services is anticipated to increase due to the aging population. It is unlikely that the current funding levels will be adequate to meet the increased demand.

- As the cost of materials rises, some program activities may become limited due to caps on the amount of funds, particularly federal funds that may be used in a housing unit.
- The recent decrease in federal support for Community Action Programs, one of DHCD's partners, is expected to have an effect on the number of staff available to provide direct services. This may result in fewer housing units receiving assistance.
- As housing units age, they need repairs, often due to deferred maintenance as the occupants are unable to afford the necessary repairs and upkeep. It is anticipated that demand for services will increase as these homes reach critical condition. It is unlikely that the current funding levels will be adequate to meet the increased demand.
- The demand for affordable housing units will strain the available resources. The department anticipates putting a priority on developing units used for permanent supportive housing for chronically homeless persons and special needs housing for persons with disabilities. These priorities are consistent with the recommendations in the Homeless Outcomes Policy Report released in November 2010.

**Listing of Products and / or Services**

Funding through grants and loans

**Financial Overview**

| Budget Component | 2013 GF       | 2013 NGF         | 2014 GF       | 2014 NGF         |
|------------------|---------------|------------------|---------------|------------------|
| Base             | 84,568        | 4,200,432        | 84,568        | 4,200,432        |
| Changes to Base  | 0             | 0                | 0             | 0                |
| <b>Total</b>     | <b>84,568</b> | <b>4,200,432</b> | <b>84,568</b> | <b>4,200,432</b> |

Objectives for this Service Area

*Objectives for this Service Area*

**Objective**

Improve the quality of housing units occupied by low-income households, including the elderly and disabled, through funding to local governments.

*Description*

DHCD works closely with local governments and nonprofit partners to undertake rehabilitation of dilapidated housing in the Commonwealth.

*Objective Strategies*

No Strategies for this Objective

*Alignment to Agency Goals*

No Agency Goals for this Objective

*Measures*

- Number of local governments assisted with housing activities.

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

This measure is calculated based on the number of local governments receiving assistance targeted towards housing needs and issues. Information will be gathered from both quarterly and annual reports made by local governments to the Department of Housing & Community Development (DHCD) and from fiscal records on financial transactions.

**53301: Community Development and Revitalization**

**Description**

This service area encompasses work programs that are designed to support and enhance local community development and economic and physical revitalization efforts. It is a combination of grants, technical assistance, design assistance, market development and branding, and training initiatives that the Community Development Division provides to local partners to carry out revitalization and development activities in distressed areas of Virginia's communities and urban neighborhoods. Activities are targeted to distressed communities where needs are greatest. Training and technical assistance are targeted toward helping clients understand the resources available through this activity and learning how to effectively apply them to their own local situations. Specific programmatic efforts include placed-based and economic development capacity building technical assistance including the new Building Collaborative Communities program, Community Development Block Grant (CDBG) Program administration, Appalachian Regional Commission (ARC) Program administration, the Industrial Revitalization Fund, the Virginia Enterprise Initiative, regional water and wastewater construction programs, the Virginia Main Street program, the Virginia Individual Development Accounts Program, and the Neighborhood Stabilization Program. Resources are also dedicated to support asset-based development initiatives, such as the Southwest Virginia Cultural Heritage initiatives that includes; Crooked Road, Heartwood, Southern Virginia's Creative Economies, TransTech, and Fields of Gold. Support is also provided to the Center for Rural Virginia to help further their mission of fostering rural community leadership and promoting the attributes of rural Virginia.

**Mission Alignment and Authority**

This service area increases the capacity of local and regional entities to work in effective partnerships with DHCD. It also provides resources that directly affect the prosperity and viability of Virginia's most distressed communities.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

New programs such as the Industrial Revitalization Fund and Building Collaborative Communities will create new partnership opportunities. Intensive revitalization and capacity building technical assistance and resources will be provided to two to four new designated Virginia Main Street communities Projected to remain level at 160 local government customers and 75 nonprofit partners by 2016. While there has been some introduction of new state funding, federal funding remains unstable and some state support has decreased. Should resources be cut or eliminated, the number of partners will decrease.

*Current Customer Base*

| Pre-Defined Customer Group               | User Specified Customer Group   | Customers Served Annually | Potential Annual Customers | Projected Trend in # of Customers |
|--|---------------------------------|---------------------------|----------------------------|-----------------------------------|
| Local or Regional Government Authorities | Local Governments               | 160                       | 324                        | Stable                            |
| Non-Profit Agency (Boards/Foundations),  | Nonprofit Organizations         | 75                        | 75                         | Stable                            |
| Local or Regional Government Authorities | Technical Assistance Recipients | 8,000                     | 8,400                      | Stable                            |

**Partners for this Service Area**

| Partner                                   | Description |
|---|-------------|
| Virginia Economic Development Partnership |             |
| Virginia Tourism Corporation              |             |
| Appalachian Regional Commission           |             |

**Products and Services**

**Factors Impacting the Products and/or Services**

Reductions in funding levels and ability to attract and retain quality staff will impact the number of partners and communities which can be served.

**Anticipated Changes to the Products and/or Services**

As the importance and significance of the cultural heritage initiatives increase, the Commonwealth must expand its support and commitment to these efforts. New state funded initiatives, including the Building Collaborative Communities and Industrial Revitalization Fund, along with the increased base budget for the Main Street program and a focus on helping communities and regions build entrepreneurial economies will continue to create new opportunities to spur economic development, particularly in distressed areas of the Commonwealth. The HOME program, a major source of funding for Indoor Plumbing Rehabilitation (IPR), has been cut by 48 percent over the last two years, while CDBG funding has been cut by almost 25 percent over that same time.

**Listing of Products and / or Services**

- Community Development Block Grant (CDBG), Industrial Revitalization Fund (IRF) and Appalachian Regional Commission (ARC) program administration and technical assistance to support project development and implementation
- Capacity building technical assistance, training and services to nonprofit organizations, with an emphasis on building capacity for regional collaborations.
- Downtown revitalization development and technical assistance, real estate packaging assistance; training and design and economic restructuring services
- Seed grants for operational support to nonprofit and community organizations
- Training and matching funds for individual development account savers to use for homeownership, self-employment and education
- Support for innovations in microfinance and local entrepreneurial development strategies
- Collaborative support for regional community economic development strategies and entrepreneurship,
- Grants to nonprofit organizations to support the cultural economy in Southwest Funds to support the Southwest Virginia Cultural Heritage Foundation in starting

and operating the Southwest Virginia Artisans Center

- Project administration to construction of water and wastewater systems
- Funding through the Neighborhood Stabilization Program to improve conditions of neighborhoods impacted by the foreclosure crisis.
- Grants and technical assistance that play a critical role in the economic delivery strategy to support and address sundry economic challenges such as job losses from industry downsizing or plant closings
- Continued oversight of the Southern Rivers program, designed to improve the water quality in non-Chesapeake Bay watersheds; this program will reach completion soon.
- Increased emphasis on improving communication and partnerships with other state and federal partners.
- Support to the Virginia Center for Rural Development

Financial Overview

| Budget Component | 2013 GF          | 2013 NGF         | 2014 GF          | 2014 NGF         |
|------------------|------------------|------------------|------------------|------------------|
| Base             | 6,028,856        | 1,950,742        | 6,028,856        | 1,950,742        |
| Changes to Base  | -1,448,070       | 0                | -448,070         | 0                |
| <b>Total</b>     | <b>4,580,786</b> | <b>1,950,742</b> | <b>5,580,786</b> | <b>1,950,742</b> |

Objectives for this Service Area

Objectives for this Service Area

**Objective**

Promote greater prosperity for distressed communities and citizens.

*Description*

*Objective Strategies*

No Strategies for this Objective

*Alignment to Agency Goals*

No Agency Goals for this Objective

*Measures*

- Number of new jobs created through community development activities.

Measure Class **Other Agency** Measure Type **Outcome** Preferred Trend **Increase** Frequency **Annually**

Data Source and Calculation

Annual reports from local governments and regional partners and grant recipients for the following programs: Community Development Block Grants (CDBG), Appalachian Regional Commission (ARC), Virginia Enterprise Initiative (VEI) and the Main Street Program.

- Amount of new private investment in distressed communities through community development activities.

Measure Class **Other Agency** Measure Type **Outcome** Preferred Trend **Increase** Frequency **Annually**

Data Source and Calculation

Reports from local governments, regional partners, and grant recipients for the following programs. Community Development Block Grants (CDBG), Appalachian Regional Commission (ARC), Virginia Enterprise Initiative (VEI), and the Virginia Main Street Program.

**Objective**

Reduce economic disparity between Virginia's communities

*Description*

The decline in traditional economic sectors as well as increased international competition has left many regions of the state behind economically. Many urban and rural communities face severe economic distress as they have fallen behind the rapid pace of economic change prevailing in much of the state. While the statewide unemployment rate is one of the lowest in the nation, certain distressed areas have much higher rates than the state average. DHCD has given increased emphasis in its community development programs to providing financial and technical support while working with its partners to assist these localities.

*Objective Strategies*

No Strategies for this Objective

*Alignment to Agency Goals*

No Agency Goals for this Objective

*Measures*

- Dollar Cost of Jobs Created

Measure Class **Productivity** Preferred Trend **Decrease** Frequency **Annually**

Data Source and Calculation

The Department of Housing & Community Developments's (DHCD) cost including the grant amount associated with awarding economic development grants

divided by the number of jobs created by the localities and businesses utilizing the grants. DHCD's costs include the administrative costs for staff supporting the grant programs and the actual amount of the grant expended on projects that generate job development. The programs include Community Development Block Grants (CDBG), the Appalachian Regional Commission (ARC), the Virginia Main Street Program, Virginia Enterprise Initiative (VEI) and the Enterprise Zone (EZ) Program.

**53303: Financial Assistance for Regional Cooperation**

**Description**

The primary purpose of this service area is to encourage and facilitate local government cooperation in addressing on a regional basis problems of greater than local significance. Cooperative efforts are intended to assist local governments in meeting their own problems by enhancing their ability to recognize and analyze regional opportunities and take account of regional influences in planning and implementing their public policies and services. Planning District Commissions (PDCs) are charged with assisting localities in meeting these goals. There are 21 PDCs. Benefits include greater effectiveness in conducting local government functions and the PDCs provide a wide range of assistance to local governments including funding applications, grants management, economic development coordination and management assistance. Also included are resources to support planning and design activities for water and wastewater systems and support for the Appalachian Regional Commission.

**Mission Alignment and Authority**

This service area directly aligns with DHCD's mission to make Virginia communities safe, affordable and prosperous places in which to live, work and do business.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

Structural changes to individual Planning District Commissions

*Current Customer Base*

| Pre-Defined Customer Group | User Specified Customer Group | Customers Served Annually | Potential Annual Customers | Projected Trend in # of Customers |
|----------------------------|-------------------------------|---------------------------|----------------------------|-----------------------------------|
| Organization               | Planning Districts            | 21                        | 21                         | Stable                            |

**Partners for this Service Area**

| Partner                                      | Description |
|--|-------------|
| <i>No partners currently entered in plan</i> |             |

**Products and Services**

**Factors Impacting the Products and/or Services**

Structural changes to individual Planning District Commissions.

**Anticipated Changes to the Products and/or Services**

Between October 2007 and May 2010, state general fund support to the Planning District Commissions (PDCs) was reduced a total of six (6) times (from \$90,000 to \$66,062 for most PDCs). The final budget bill approved by the 2011 General Assembly increased state funding to the PDCs by 15 percent (from \$66,062 to \$75,971 for most PDCs) and the budget bill approved by the 2012 General Assembly in Special Session maintained that level of annual funding over the biennium. It is important to note that any reduction in funding in the future would negatively impact PDCs' ability to provide services to their member local governments and could result in the loss of matching federal funds.

**Listing of Products and / or Services**

- Distribution of state funding
- Technical assistance and training
- Coordination of agency programs
- Review of and adjustments to the boundaries of planning districts after each decennial census
- Biennial report on Planning District Commissions to the Governor and the General Assembly

**Financial Overview**

| Budget Component | 2013 GF          | 2013 NGF | 2014 GF          | 2014 NGF |
|------------------|------------------|----------|------------------|----------|
| Base             | 2,456,006        | 0        | 2,456,006        | 0        |
| Changes to Base  | -351,930         | 0        | -351,930         | 0        |
| <b>Total</b>     | <b>2,104,076</b> | <b>0</b> | <b>2,104,076</b> | <b>0</b> |

**Objectives for this Service Area**

*Objectives for this Service Area*

**Objective**

Provide technical and financial support to 21 regional Planning District Commissions (PDCs) to help identify and address critical community development needs.

*Description*

DHCD works with the 21 Planning District Commissions (PDCs) that are charged with assisting localities to promote economic development. Benefits include greater effectiveness in conducting local government functions and the PDCs provide a wide range of assistance to local governments including funding applications, grants management, economic development coordination and management assistance.

*Objective Strategies*

- Continue to maintain working partnerships with all PDCs and assist them in providing technical assistance to communities designed to help them access and effectively use agency resources to meet their critical needs.
- Distribute annual appropriations to all PDCs and monitor their progress in preparing and implementing regional community development strategies and initiatives as outlined under the Regional Cooperation Act.
- Distribute funding to Planning District 14 for regional economic development efforts.
- Distribute funding to Planning Districts 1,2 and 3 that support the planning efforts of regional infrastructure projects.
- Provide adequate staffing to implement the Appalachian Regional Commission (ARC) program.

*Alignment to Agency Goals*

No Agency Goals for this Objective

*Measures*

- Percentage of payments disbursed to Planning District Commissions in a timely and accurate manner.

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

The first quarterly payment is made upon receipt of the annual reports, which are due to the Department of Housing & Community Development (DHCD) on September 1. Subsequent quarterly payments will be made on or about October, January and April of each year.

**53305: Financial Assistance for Community Development**

**Description**

This service area encompasses work programs that are designed to support and enhance local community development and revitalization efforts primarily through financial assistance. It includes both state and federal funding resources. Wide ranges of activities are funded, including infrastructure development, economic development support, downtown revitalization, neighborhood improvements, housing rehabilitation, economic self sufficiency, asset building and community service facilities. Activities are targeted to distressed communities where needs are greatest. These tools will include financial resources available through the Community Development Division. Specific programmatic efforts include the Southwest Virginia Infrastructure Construction Fund, the Virginia Enterprise Initiative, the Indoor Plumbing / Rehabilitation Program, the Virginia Water Project, Community Development Block Grant (CDBG) Program and the Appalachian Regional Commission (ARC) Program.

The Lynchburg Regional Research and Development Center known as CAER has used state funding and growing private sector support from local industries to create a successful distributive research effort that has greatly enhanced industrial competitiveness despite the absence of a research university presence. The focus in Lynchburg is on the nuclear and wireless communication sectors. FY'13 is the last year of state funding.

The Fort Monroe Authority is a public body created as a result of decisions made by the federal Base Realignment and Closure Commission, Fort Monroe ceased to be an army base in 2011, and at that time most of the site reverted to the Commonwealth. Among other duties, the Authority oversees the preservation, conservation, protection, and maintenance of the Commonwealth's real property interests at Fort Monroe and the renewal of Fort Monroe as a vibrant and thriving community.

**Mission Alignment and Authority**

This service area provides resources to help develop safe living environments that are provided with basic infrastructure and services to meet the needs of citizens in distressed areas.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

Projected to increase to 175 local governments by 2016 due to new programs such as the Building Collaborative Communities and Industrial Revitalization Fund

*Current Customer Base*

| Pre-Defined Customer Group               | User Specified Customer Group   | Customers Served Annually | Potential Annual Customers | Projected Trend in # of Customers |
|--|---------------------------------|---------------------------|----------------------------|-----------------------------------|
| Local or Regional Government Authorities | Local governments               | 160                       | 248,324                    | Stable                            |
| Local or Regional Government Authorities | Technical assistance recipients | 8,000                     | 8,400                      | Increase                          |

**Partners for this Service Area**

| Partner                               | Description |
|---------------------------------------|-------------|
| No partners currently entered in plan |             |

**Products and Services**

**Factors Impacting the Products and/or Services**

Reductions in funding levels will impact the number of partners and communities which can be served.

**Anticipated Changes to the Products and/or Services**

Potential budget cuts would impact the delivery of services. The Indoor Plumbing Rehabilitation (IPR) program has received incremental reductions and could see further future cuts. The CDBG program received a nearly \$4 million reduction in FY2011.

**Listing of Products and / or Services**

- Technical assistance on grant implementation
- Grants to units of local government
- Grants to nonprofit organizations
- Grants to Planning District Commissions on behalf of local and regional projects
- CDBG and ARC program administration and technical assistance to support project development and implementation
- Implementation and technical assistance for the IPR program; addressing the neediest households in the Commonwealth, those without complete bathrooms or kitchen facilities.
- Grants to local and regional service providers and lenders for business training and self-employment loans for low-income citizens to become economically self-sufficient
- Grants and technical assistance to facilitate improvements and connections to water and wastewater systems

**Financial Overview**

| Budget Component | 2013 GF           | 2013 NGF          | 2014 GF          | 2014 NGF          |
|------------------|-------------------|-------------------|------------------|-------------------|
| Base             | 7,184,137         | 41,007,732        | 7,184,137        | 41,007,732        |
| Changes to Base  | 4,162,141         | -13,950,462       | -2,201,833       | -15,450,462       |
| <b>Total</b>     | <b>11,346,278</b> | <b>27,057,270</b> | <b>4,982,304</b> | <b>25,557,270</b> |

Objectives for this Service Area

Objectives for this Service Area

**Objective**

Provide targeted funding for infrastructure that will provide new or enhanced water and wastewater treatment for citizens in distressed communities.

*Description*

Community infrastructure is critical to the health and safety of Virginia's communities. DHCD exerts tremendous effort to partner local, state, and federal organizations to address the needs of Virginia households that do not have access to clean and safe drinking water or which do not have the proper infrastructure to safely dispose of wastewater. DHCD also has worked closely with localities to conduct extensive research into communities which are lacking this infrastructure to identify the extent of need, develop potential solutions to those needs, and prioritize construction projects to address those identified needs.

*Objective Strategies*

No Strategies for this Objective

*Alignment to Agency Goals*

No Agency Goals for this Objective

*Measures*

- Number of households provided with new or improved water/wastewater treatment

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Reports from grant recipients for the Community Development Block Grants (CDBG) which have been reduced by 25 % over 2 years, Southwest Virginia Water & Wastewater Grant Program, the Souther Rivers Grant program utilizing the Water Quality Improvement Grants which will be expended in FY 2013. Other funds are being reduced such as the Appalachian Regional Commission (ARC) and HOME federal funds. The results are expected to decrease due to these reductions in funding.

- Number of local governments assisted with community development activities.

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Reports from grant recipients from the following programs: Community Development Block Grants (CDBG), Neighborhood Stabilization Program (NSP), Appalachian Regional Commission (ARC), Indoor Plumbing & Rehabilitation Program (IPR), and the Southern Rivers Grant program. Future targets are based on the trend for the reduction of both federal and state funding, particularly CDBG (25% reduction over 2 years) and the HOME program (a 48% reduction). The Southern Rivers program will expire in early FY 2013.

**Objective**

Provide targeted funding for new and improved housing stock for low- and moderate-income citizens now living in substandard housing through funding to local governments.

*Description*

Lower income homeowners have a limited ability to maintain and improve their existing housing. In the low income rental market, rents are often insufficient for landlords to cover the cost of improvements to rental units. Unscrupulous landlords may also take advantage of lower income families by renting to those who cannot afford a standard rental unit and then pocketing the profits. Substandard housing is prevalent in many Virginia cities. Significant numbers of housing units were constructed in many major Virginia cities prior to the adoption of the Virginia Uniform Statewide Building Code in the early 1970s. Eventually, many of these units will require substantial rehabilitation.

*Objective Strategies*

No Strategies for this Objective

*Alignment to Agency Goals*

No Agency Goals for this Objective

*Measures*

- Number of housing units where complete indoor plumbing was provided

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Track the number of units from completion reports from local governments and non-profits. Both the federal and state funding has been reduced, therefore fewer units will be completed between FY 2013 & 2016. The FY 2013 target has been reduced below the FY 2012 results due to actual reductions in funding. The FY 2016 target will be lower than the FY 2013 due to additional anticipated reductions in funding. Dramatic reductions in resources to support this activity have significantly decreased the number of units which can be completed annually. The HOME program has been reduced by 48 percent over the last two years ( FY 2011 & 2012), state provided financial support has gradually decreased, and other possible sources, such as Community



**53410: Financial Assistance for Economic Development**

**Description**

This service area includes assistance targeted to businesses and investors in order to encourage new job creation and investment targeted to distressed areas of the Commonwealth. Activities are targeted to distressed communities where needs are greatest. Assistance is provided in the form of grants and tax credits. Specific programmatic efforts include the Enterprise Zone Program.

**Mission Alignment and Authority**

This service area directly supports DHCD's mission to make Virginia's communities prosperous places in which to live, work and do business.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

More of the enterprise zone communities may be classified as "distressed" communities. This may be a result of the economy as well the expiration of zones with lower community-wide distress such as Chesterfield and Alexandria. Although not barred from enterprise zone designations, the statute requires that at least 50 percent of the designation decision be based on community-wide distress.

*Current Customer Base*

| Pre-Defined Customer Group               | User Specified Customer Group | Customers Served Annually | Potential Annual Customers | Projected Trend in # of Customers |
|--|-------------------------------|---------------------------|----------------------------|-----------------------------------|
| Employer/ Business Owner                 | Designated Enterprise Zones   | 57                        | 57                         | Stable                            |
| Local or Regional Government Authorities | Distressed communities        | 27                        | 27                         | Stable                            |

**Partners for this Service Area**

| Partner                                      | Description |
|--|-------------|
| <i>No partners currently entered in plan</i> |             |

**Products and Services**

**Factors Impacting the Products and/or Services**

- Funding availability at the state level
- Legislative changes impacting the structure of these programs
- Local capacity to help make businesses aware of these program resources
- Continued slow economic growth may continue to impact businesses' ability and willingness to create new jobs and investment regardless of public sector financial inducements

**Anticipated Changes to the Products and/or Services**

No anticipated changes to products or services. However, there should be a continued decrease in the usage of the General Income Tax Credit (GITC). All grandfathered GITC companies should finish their 10-year incentive period by FY 2014. Investment Tax Credit allows for carried forward of unused tax liability so at this point there is no prediction when those will end other than the FY 2019 tax credit sunset.

**Listing of Products and / or Services**

- Grants to businesses creating new jobs in distressed areas
- Grants to investors making real property improvements in distressed areas
- Tax credits to businesses creating jobs in distressed areas
- Tax credits to investors creating jobs and making real property improvements in distressed areas

**Financial Overview**

| Budget Component | 2013 GF           | 2013 NGF | 2014 GF           | 2014 NGF |
|------------------|-------------------|----------|-------------------|----------|
| Base             | 15,923,354        | 0        | 15,923,354        | 0        |
| Changes to Base  | -1,500,000        | 0        | -1,500,000        | 0        |
| <b>Total</b>     | <b>14,423,354</b> | <b>0</b> | <b>14,423,354</b> | <b>0</b> |

**Objectives for this Service Area**

*Objectives for this Service Area*

**Objective**

Provide incentives to businesses to stimulate new job creation and private investment in distressed areas.

*Description*

DHCD community economic development efforts range from infrastructure support for industrial locations, to downtown revitalization to entrepreneurship. DHCD-administered state incentives are used to encourage businesses to target new jobs and investment in designated distressed areas.

*Objective Strategies*

No Strategies for this Objective

*Alignment to Agency Goals*

No Agency Goals for this Objective

*Measures*

- Number of new jobs created as a result of enterprise zone incentives.

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Number of jobs reported on Enterprise Zone job creation grant applications. NOTE: Payments occur in June of the corresponding fiscal year. For example, payments for taxable year 2012 jobs reported will occur in fiscal year 2013.

- Amount of new private investment in distressed communities as a result of enterprise zone incentives.

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Amount of new private investment as reported on the Enterprise Zone Real Property Investment Grant applications. NOTE: Payments occur in June of the corresponding fiscal year. For example, payments for taxable year 2012 private investments will occur in fiscal year 2013.

**56202: State Building Code Administration**

**Description**

This service area, through the State Building Codes Office (SBCO) focuses on the development, promulgation, interpretation, and application of building regulations applicable to conventional buildings and structures, as well as to manufactured homes and industrialized or modular buildings.

The SBCO administers the Virginia Uniform Statewide Building Code (USBC), Virginia Statewide Fire Prevention Code (SFPC), and related regulations. The SBCO emphasizes a comprehensive systems approach, incorporating code development and assistance, compliance and enforcement, interpretation and application, and training and certification by working collaboratively with a diversity of client, constituent, and stakeholder organizations, representing consumers and manufacturers, manufactured housing and industrialized/modular building industries, building owners and property managers, design professionals and general contractors, professional organizations and trade associations, local governments and state agencies. Virginia is also a national leader in the participation and development of the national model codes, with the state regulatory amendments adopted by the Board of Housing and Community Development (BHCD) often piloting the content and intent of the International Code Council (ICC) national model code revisions.

The SBCO supports the State Building Code Technical Review Board (TRB), a quasi-judicial body, in the deliberation and determination of appeal cases brought forth from the local governmental levels arising from the application and enforcement of the USBC, SFPC, and certain other building-related regulations.

The Jack A. Proctor Virginia Building Code Academy (JPVBCA), provides highly recognized administrative, core, introductory, advanced, technical, specialized, code update, and continuing education training programs concerning the content, intent, interpretation, application, compliance, and enforcement of the Virginia Uniform Statewide Building Code (USBC), Virginia Statewide Fire Prevention Code (SFPC), and other related building and fire codes and regulations adopted by the Board. To uniformly enforce the state building and fire codes and regulations, Virginia mandates certification which requires education and examination of its code enforcement professionals to ensure a high level of knowledge, competency, and professionalism. The funding of programs for training of code enforcement professionals is presently supported by a statewide surcharge of 2% levied on all permits issued by local building departments.

The SBCO administers and enforces manufactured housing safety regulations, the licensing program, and Transaction Recovery Fund, through regulations adopted by the Manufactured Housing Board (MHB). The SBCO acts as the state administrative agency for the designated enforcement of federal safety standards and addresses associated complaints. Relative to the industrialized building safety regulations, the SBCO also administers the seals program, issuing compliance seals for industrialized buildings meeting minimum safety standards. The SBCO periodically conducts inspections of the fabrication facilities of industrialized buildings, modular units, and manufactured housing.

**Mission Alignment and Authority**

The development, promulgation, and uniform enforcement of standardized regulations that achieve an appropriate level of safety at a reasonable level of cost for construction and maintenance provides communities with safe, healthy, and affordable buildings and structures.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

The number of code enforcement personnel fluctuates based upon the construction industry conditions relative to the current economic trends, resulting in an increased new customer base seeking initial certification or a repeat customer base seeking combination or multiple certification that will require staff resources to provide administrative and technical assistance as well as training and certification services.

An increased production and use of manufactured homes and industrialized buildings or modular units, and their increased area and complexity, will likely result in an increased number of customers in those industries as well and a possible increase in requests for customer assistance and consumer complaints.

*Current Customer Base*

| Pre-Defined Customer Group               | User Specified Customer Group                            | Customers Served Annually | Potential Annual Customers | Projected Trend in # of Customers |
|--|--|---------------------------|----------------------------|-----------------------------------|
| Local or Regional Government Authorities | Building and Fire Jurisdictions                          | 324                       | 324                        | Stable                            |
| Local Government Employee                | Code Enforcement Professionals holding BHCD Certificates | 4,000                     | 5,250                      | Increase                          |
| Local or Regional Government Authorities | Compliance Assurance Agencies                            | 31                        | 35                         | Stable                            |
| Contract Employee                        | Independent Third-Party Inspection Agents                | 635                       | 655                        | Increase                          |
| Employer/ Business Owner                 | Industrialized Building Manufacturers                    | 132                       | 145                        | Stable                            |
| Organization                             | Major Trade Associations/Organizations                   | 4                         | 4                          | Stable                            |
| Employer/ Business Owner                 | Manufactured Home Brokers                                | 5                         | 8                          | Stable                            |
| Employer/ Business Owner                 | Manufactured Home Manufacturers                          | 25                        | 40                         | Stable                            |
| Employer/ Business Owner                 | Manufactured Home Retailers                              | 175                       | 190                        | Stable                            |

**Partners for this Service Area**

| Partner  | Description  |
|--|--|
| U.S. Department of Housing and Urban Development (HUD) | Within this service area, the Department has a Cooperative Agreement with HUD, designating the Department as a State Administrative Agency in the HUD manufactured housing program. The Department partners with HUD |

|  |   |
|--|---|
| Virginia Community College Workforce Alliance (CWA)                    | Within this service area, DHCD partnered with CCWA, a governmental alliance, for development of energy conservation code training programs of the JPVBCA  |
| Virginia Department of Human Resources (DHRM)                          | Within this service area, DHCD partnered with DHRM to support the establishment and utilization of training programs of the JPVBCA via a dedicated internet domain of the statewide learning management system, the Virginia Knowledge Center.  |
| Virginia Department of Mines, Mineral and Energy (DMME)                | Within this service area, DHCD partnered with DMME to administer a state ARRA contract with DHCD, to develop and deliver energy conservation code training and certification programs to local governmental code enforcement professionals and interested industry representatives and to assess energy code compliance levels statewide. |
| Virginia Department of Professional and Occupational Regulation (DPOR) | Within this service area, DHCD partnered with DPOR for approval of DHCD instructors and DHCD technical and code update training programs to satisfy DPOR qualifications for instructor proficiency and requirements for continuing education credits.   |

## Products and Services

### Factors Impacting the Products and/or Services

- General construction industry conditions based upon current economy trends.
- Number of code enforcement personnel, i.e. building, fire, and property maintenance officials, technical assistants, and independent third-party inspection agents requiring products, services, and assistance.
- Development and subsequent implementation of technical, advanced, specialized, and regional training curriculum, courses, and programs.
- Development and incorporation of delivery formats and incorporation of technology and alternate media.
- Implementation of continuing education program for code enforcement personnel and professional development opportunities.
- Continued participation of DHCD staff in the development of the new regulatory provisions and subsequent editions of the International Code Council (ICC) national model building codes.
- Future retirements and departure of key supervisory personnel and senior technical staff and the attraction of their replacements with highly qualified persons having code industry knowledge and skills, necessitating a review of the compensation structure.

### Anticipated Changes to the Products and/or Services

- Number of code enforcement personnel, i.e. building, fire, and property maintenance officials, technical assistants, and independent third-party inspection agents requiring products and services.
- Training programs and course offerings implemented by the JPVBCA in parallel with Gubernatorial initiatives, emphasizing energy, and water conservation, structural integrity of buildings and accessibility.
- Evaluation of education and examination requirements for existing certifications to ensure knowledge, competency, and professionalism commensurate with present code provisions and current industry standards.
- Development and implementation of one additional certification category relative to the energy conservation code, having optional certifications for commercial and residential building inspection and plans review.
- Enhanced training technology, delivery, and media delivery formats implemented by the JPVBCA.
- Technical and administrative assistance by the SBCO relative to future editions of the ICC national model codes and the Virginia Codes.
- Development and facilitation of training by SBCO JPVBCA instructors associated with the adoption and introduction of the 2012 ICC national model codes.
- Enhancement of electronic on-line registration and application systems and expansion of electronic databases for technical and training assistance.
- Electronic publication to and communication with all clients through the DHCD website and other related links.
- Future retirements and departure of key supervisory personnel and senior technical staff and the attraction of their replacements with highly qualified persons and an associated review of the compensation structure.

### Listing of Products and / or Services

- Uniform Statewide Building Code (USBC). The Department works with the Board of Housing and Community Development (the Board or BHCD) and state and national trade and model code groups to promulgate the USBC and its related codes and regulations. Staff provides technical and administrative assistance regarding the codes to state agencies, design professionals, the construction industry, building owners and managers, and others seeking assistance and information. The State Building Code Technical Review Board provides recommendations to the Board on amendments to the codes and regulations. Other statutory and ad hoc committees provide advice and assistance to the Board and staff on the promulgation and administration of the USBC, Amusement Device Regulations, Certification Standards, and related codes and regulations.
- Industrialized Building Safety Regulations. The Department works with the Board and other involved parties to promulgate and carry out administration of the regulations for industrialized or modular buildings. Industrialized buildings certified under this program are accepted in all jurisdictions as meeting the same code requirements as the USBC. Based on reviews of their qualifications and personnel, approved Compliance Assurance Agencies conduct plan reviews and inspections to certify that industrialized or modular buildings are in compliance with Virginia codes.
- Manufactured Housing Programs. The programs regulating manufactured housing include investigating and handling manufactured home consumer complaints and other duties as the State Administrative Agency (SAA) under the terms of a Cooperative Agreement with the Department of Housing and Urban Development (HUD) and issuing licenses to manufactured housing manufacturers, brokers, dealers and sales persons and carrying out other administrative activities of the Manufactured Housing Licensing and Transaction Recovery Fund Regulations promulgated by the Manufactured Housing Board.
- Training and Certification Programs. The programs within training and certification include the operation of Jack A. Proctor Virginia Building Code Academy (JPVBCA), developing and providing administrative, core, introductory, advanced, technical, specialized, code update, and continuing education courses mandated for local governmental code enforcement personnel appointed or delegated to enforce the building and fire regulations and subsequently seeking applicable certification; developing and conducting mandatory periodic statewide code update training and bi-annual continuing education for local

governmental code enforcement personnel and independent third-party inspectors; processing and issuing the certifications of local governmental code enforcement personnel.

- Building Code Academy Advisory Committee (BCAAC). Staff provides administrative and programmatic support to the committee.
- Amusement Device Technical Advisory Committee (ADTAC). Staff provides administrative and programmatic support to the committee.
- The Virginia Manufactured Housing Board (MHB). The SBCO staff supports the Manufactured Housing Board responsible for the protection of the industry and consumers of manufactured homes and the hearing of manufactured housing complaints and licensure issues.
- The State Building Code Technical Review Board (TRB). The staff supports the Technical Review Board in its quasi-judicial capacity and administrative operations responsible for the deliberation upon and determination of appeal cases regarding the application and enforcement of the codes brought forth from the local governmental levels, the issuance of technical opinions and interpretations resulting from formal inquiries, and the recommendation to the BHCD of amendments to the codes and regulations.

Financial Overview

| Budget Component | 2013 GF        | 2013 NGF         | 2014 GF        | 2014 NGF         |
|------------------|----------------|------------------|----------------|------------------|
| Base             | 483,706        | 2,289,828        | 483,706        | 2,289,828        |
| Changes to Base  | 0              | 0                | 0              | 0                |
| <b>Total</b>     | <b>483,706</b> | <b>2,289,828</b> | <b>483,706</b> | <b>2,289,828</b> |

Objectives for this Service Area

Objectives for this Service Area

**Objective**

Ensure uniformity in the interpretation, application, and enforcement of the state building and fire regulations.

*Description*

Maintaining uniformity in the application of the building code across the Commonwealth is a key commerce and trade issue. Safe buildings and communities result from strategic partnerships between citizens, architects, builders, code officials, and trades people.

*Objective Strategies*

- Ensure the availability of adequate funding to operate the certification program and to provide mandated training, advanced and specialized training, periodic maintenance training and continuing education programs to meet the needs and demands of the code enforcement professionals.
- Evaluate the effectiveness of the Jack A. Proctor Virginia Building Code Academy (JPVBCA) by ensuring a sufficient number of appropriately and competently trained and certified code enforcement professionals to adequately enforce the building and fire codes and regulations for a safe-built environment.
- Review the need to increase the levy percentage allowable per law for the permit surcharge and ensure adequate funding is available to meet the needs for mandated training, periodic maintenance training, and continuing education activities in the present and future for the code enforcement professionals; as well as collaborative education of private sector clients.

*Alignment to Agency Goals*

No Agency Goals for this Objective

*Measures*

- Number of code enforcement personnel and independent third-party inspection agents certified annually

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Track the number of certifications issued to code enforcement personnel and independent third-party inspection agents by category (Building Officials, Fire Officials, Property Maintenance Officials, Uniform Statewide Building Code (USBC) Technical Assistance, Statewide Fire Prevention Code (SFPC) Technical Assistance, and independent third-party inspection agents) within the fiscal year. Certification is triggered by the need for plan review and site inspections based on construction permits. With the continued slow recovery of the construction industry the need for reviews and site inspections remains lower than prior to the economy downturn; therefore with the reduction in needed inspections has resulted in a decrease of overall certification needs with fewer staff applying for certifications. This is reflected in the 2013 & 2016 targets.

- Number of code enforcement personnel and independent third-party inspection agents trained annually through the Jack A. Proctor Virginia Building Code Academy and related specialized programs

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Track the numbers of code enforcement personnel and independent third-party inspection agents and other private sector clients trained each year thru the Jack A. Proctor Virginia Building Code Academy and related specialized programs. Rationale for anticipated lower target number of individuals trained in FY 2013: Due to the overall downturn of the economy and slow recovery there is a continued decrease in overall certification applications resulting in a decline in certification training attendance than previous years. Additionally triennial mandated code change training required for all certificate holders is not due during FY13 resulting in significantly fewer code enforcement personnel receiving training.

**Objective**

Administer the Virginia Manufactured Housing Safety Regulations in an efficient manner

*Description*

Efficient administration of the Virginia Manufacture Housing Safety Regulations encourages consistency in the interpretation and application of the regulations by local governmental enforcement agencies. DHCD promulgates the fire prevention and property maintenance codes enforced optionally at the local governmental level, enabling the assessment of the current conditions and levels of hazard present in existing buildings and structures. These codes strive to strike a reasonable balance between building affordability and safety.

*Objective Strategies*

- Provide education and training to the industry and consumers regarding the complaint and dispute resolution processes.
- Review and monitor files monthly to ensure compliance with state and federal regulations.
- Review complaints for common problems for trend analysis

*Alignment to Agency Goals*

*No Agency Goals for this Objective*

*Measures*

- Percentage of manufactured home consumer complaints closed within 180 days of referral to the manufacturer.

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

Complaints are submitted in writing, date-stamped, referred to all appropriate parties, entered on a complaint log and the response and correspondence are maintained in files and followed up until all requirements of state and federal regulations are met. The complaint file is then closed.

**599: Administrative and Support Services**

**Description**

The purpose of this service area is to provide overall direction and support of all services and programs provided by the other service areas within the agency by: providing a high quality of administrative services and technical support to all agency employees; providing analytical resources needed for the development, implementation and evaluation of agency and administration policies for housing and community development through legislative, regulatory, and administrative processes; providing administrative services and support over all the agency's services related to fiscal operations and financial management, federal grant draws and payments, the reconciliation of agency records to the Department of Account's records, and procurement; providing human resource functions including implementation of policies and directives, recruitment, selection, benefits, classification and compensation, and various other employee programs; providing public relations programs and website functions; and providing computer and information processing activities including the local area network in conjunction with Virginia Information Technology Agency/Northrop Grumman (VITA/NG), database development and support for the entire agency located in Richmond and five field offices. All agency administrative functions are directed by this service area.

**Mission Alignment and Authority**

This service area provides direction and support services to the other service areas so that they can work effectively and efficiently with their customers to fulfill the agency's mission.

**Customers for this Service Area**

*Anticipated Changes to Customers Base*

We are not anticipating any significant changes to the customer base in this service area. However, DHCD is implementing a Comprehensive Automated Management System (CAMS) that will improve and enhance our delivery of services to internal and external customers.

*Current Customer Base*

| Pre-Defined Customer Group | User Specified Customer Group  | Customers Served Annually | Potential Annual Customers | Projected Trend in # of Customers |
|----------------------------|--|---------------------------|----------------------------|-----------------------------------|
| Employer/ Business Owner   | All employees in the other Divisions of the agency, vendors, central agencies, job applicants, confe | 43,000                    | 60,000                     | Stable                            |

**Partners for this Service Area**

| Partner   | Description |
|---|-------------|
| All central agencies of the Commonwealth that DHCD works with in fulfilling administrative functions. |             |

**Products and Services**

**Factors Impacting the Products and/or Services**

The most significant factor impacting our products and services would be the Comprehensive Automated Management System (CAMS) that is currently being developed at DHCD. This automated system is designed to improve and enhance the delivery of services to all customers. This system will provide for better coordination and collaboration within the agency. Additionally, it will allow DHCD to better communicate with our external customers and receive electronic applications for our various programs and services.

**Anticipated Changes to the Products and/or Services**

We do not anticipate any changes to the products or services. We will continue to emphasize and maintain excellence in customer service. However, we do anticipate a change in how the customer service and products will be delivered. DHCD is implementing a Comprehensive Automated Management System that will improve and enhance the delivery of services to internal and external customers. This system will provide for better coordination and collaboration within the agency. Importantly, it will allow DHCD to better communicate with our external customers and receive electronic applications for our various programs and services.

**Listing of Products and / or Services**

- Overall policy direction, strategic management and accountability of all services and programs provided by the agency:
- Preparation of all budget documents
- Financial resources management and reporting
- Cash management including federal draw downs
- Legislative tracking and reporting
- Policy research and development
- Strategic planning
- Continuity of Operations Planning (COOP)
- Human resource programs management and reporting
- Employee recognition program
- Data base development and management
- Agency website functions
- Public relations programs
- Disaster recovery coordination
- Property and lease management

| Budget Component | 2013 GF          | 2013 NGF       | 2014 GF          | 2014 NGF       |
|------------------|------------------|----------------|------------------|----------------|
| Base             | 2,025,265        | 505,513        | 2,025,265        | 505,513        |
| Changes to Base  | 0                | 0              | 0                | 0              |
| <b>Total</b>     | <b>2,025,265</b> | <b>505,513</b> | <b>2,025,265</b> | <b>505,513</b> |

Objectives for this Service Area

Objectives for this Service Area

**Objective**

Ensure that resources are used efficiently and programs are managed effectively, and in a manner consistent with applicable state and federal requirements.

*Description*

DHCD seeks to use strategic management and model business practices to effectively and efficiently accomplish its mission and deliver services.

*Objective Strategies*

No Strategies for this Objective

*Alignment to Agency Goals*

No Agency Goals for this Objective

*Measures*

- Agency Preparedness Assessment Score

Measure Class  Measure Type  Preferred Trend  Frequency

Data Source and Calculation

The assessment score is from the Virginia Department of Emergency Management (VDEM). The score is based on an evaluation of the Agency Preparedness Assessment which is an all-hazards assessment tool that measures agencies' compliance with requirements and best practices. The assessment has components including Physical Security, Continuity of Operations, Information Security, Vital Records, Fire Safety, Human Resources, Risk Management and Internal Controls, and the National Incident Management System.

**70101: Intergovernmental Relations**

**Description**

The Commission on Local Government's activities are focused in six principal areas: (a) reviews and assists the resolution of proposed boundary change and governmental transition issues as well as inter-local agreements that settle such actions; (b) analyzes and reports on the comparative fiscal condition of Virginia's counties and cities; (c) examines proposed state legislation for its fiscal impact on the Commonwealth's local governments; (d) reviews, oversees the assessment of and catalogs all state and federal mandates imposed on Virginia localities; and (e) collects data and publishes an annual report on local government utilization of cash proffers; and (f) provides staff support to the Governor's Task Force for Local Government Mandate Review, which is currently authorized to operate through June 2014.

**Mission Alignment and Authority**

The activities of the Commission on Local Government can have a positive impact on the agency's mission to make Virginia's communities prosperous places in which to live, work, and do business. For example, the analysis of annexation and related inter-local issues can result in municipalities increasing their resources and land for development, which can facilitate the economic growth of their area in general.

**Customers for this Service Area**

**Anticipated Changes to Customers Base**

The Commission will maintain its current customer base and actively provide services to the Governor's administration, General Assembly members, local governments, public interest organizations, citizens and other stakeholders.

**Current Customer Base**

| Pre-Defined Customer Group               | User Specified Customer Group   | Customers Served Annually | Potential Annual Customers | Projected Trend in # of Customers |
|--|---|---------------------------|----------------------------|-----------------------------------|
| General Assembly                         | General Assembly Members  | 140                       | 140                        | Stable                            |
| Governor                                 | Governor's Administration   | 25                        | 40                         | Stable                            |
| Local or Regional Government Authorities | Local Government  | 175                       | 324                        | Stable                            |
| Consumer                                 | Public Interest Groups and Citizens given information about: boundary change and local governmental | 50,000                    | 100,000                    | Stable                            |
| State Agency(s),                         | Three-Judge Courts  | 6                         | 45                         | Stable                            |

**Partners for this Service Area**

| Partner                               | Description |
|---------------------------------------|-------------|
| No partners currently entered in plan |             |

**Products and Services**

**Factors Impacting the Products and/or Services**

The inter-local issues which are reviewed by the Commission are volatile and politically sensitive and disaffection with Commission findings and recommendations could lead to hostile political reactions.

- Successful legislation sponsored by Senator Newman in 2011 added Section 15.2-2903(8), Code of Virginia to direct the Commission to assist a five-member task force appointed by the Governor to review state mandates imposed on localities and to recommend temporary suspension or permanent repeal of such mandates, or other appropriate action. This provision expires on July 1, 2014.
- While it has become increasingly difficult (1) to recruit cities, counties and towns to analyze proposed legislation as to its fiscal impact on local governments and (2) for agencies to secure localities' input in the fiscal impact analysis of mandates under assessment, the heightened focus on unfunded mandates brought about by the Governor's Commission on Government Restructuring and Reform and continuing with the Mandates Task Force has encouraged more localities to participate in the processes and to provide more in-depth fiscal analysis both during the legislative process and during the assessment periods for individual mandates under review.

**Anticipated Changes to the Products and/or Services**

The inter-local issues which are reviewed by the Commission are volatile and politically sensitive and disaffection with Commission findings and recommendations could lead to hostile political reactions.

- Successful legislation sponsored by Senator Newman in 2011 added Section 15.2-2903(8), Code of Virginia to direct the Commission to assist a five-member task force appointed by the Governor to review state mandates imposed on localities and to recommend temporary suspension or permanent repeal of such mandates, or other appropriate action. This provision expires on July 1, 2014.
- While it has become increasingly difficult (1) to recruit cities and counties to analyze proposed legislation as to its fiscal impact on local governments and (2) for agencies to secure localities' input in the fiscal impact analysis of mandates under assessment, the heightened focus on unfunded mandates brought about by the Governor's Commission on Government Restructuring and Reform and the task force may encourage more localities to participate in the processes and to provide more in-depth fiscal analysis both during the legislative process and during the assessment periods for individual mandates under review.

**Listing of Products and / or Services**

- Advisory reports on local boundary change and governmental transition issues and agreements (annexation, consolidation, transition, etc.) for localities and the courts
- Annual report analyzing the comparative revenue capacity, revenue effort, and fiscal stress of counties and cities
- Fiscal impact estimates on proposed legislation mandating additional net expenditures or the net reduction of revenues by localities
- Annual report on local government revenues and expenditures resulting from the acceptance of cash proffers
- Technical assistance to localities, citizens and state agencies regarding local governmental boundary change and transition issues as well as alternative approaches to inter-local concerns in general
- Identification and development of mediation resources for use by localities in the resolution of inter-local issues
- Oral presentations, information and reference materials to public interest groups and the general public regarding inter-local and state-local issues within the scope of the agency's responsibilities
- Research and preparation of an annual report on county – municipal boundary change actions in Virginia
- Annual catalog of state and federal mandates imposed on Virginia localities
- Oversight of the executive agency assessment of state and federal mandates on localities
- Staff support to the Governor's Task Force for Local Government Mandate Review
- Monitoring and analysis of legislation during sessions of the General Assembly
- Research assistance to legislative study committees
- Duties relating to the oversight of Virginia's planning district commissions (PDCs), including the preparation of a biennial report on PDCs to the Governor and General Assembly

#### Financial Overview

| Budget Component | 2013 GF        | 2013 NGF | 2014 GF        | 2014 NGF |
|------------------|----------------|----------|----------------|----------|
| Base             | 352,033        | 0        | 352,033        | 0        |
| Changes to Base  | 0              | 0        | 0              | 0        |
| <b>Total</b>     | <b>352,033</b> | <b>0</b> | <b>352,033</b> | <b>0</b> |

#### Objectives for this Service Area

##### Objectives for this Service Area

**Objective**  
Assist local governments, citizens and state officials in understanding the legal processes and general ramifications of local boundary change and governmental transition issues.

##### Description

The Commission on Local Government works with governmental officials, public interest groups and citizens to increase their understanding of: boundary change and local governmental transitions; comparative fiscal stress of Virginia's localities; state and federal mandates on localities; and intergovernmental issues in general.

##### Objective Strategies

- Identification and development of mediation resources for the parties to use.
- Offering financial assistance to support mediation if resources are available.
- Using various means to encourage the parties to enter into mediation or negotiations concerning the issues.

##### Alignment to Agency Goals

No Agency Goals for this Objective

##### Measures

- Number of localities and other clients requesting information or other assistance on local boundary changes and governmental transition issues and local government fiscal conditions.

Measure Class  Measure Type  Preferred Trend  Frequency

##### Data Source and Calculation

Commission on Local Government local assistance form will record name of requesting entity and date of fulfillment of request. Copies of all e-mail responses to requests for assistance will be maintained in a local assistance file and used in calculation of the measure. Further, department staff is working to ensure that the Web trends report ranking downloads of documents from Commission's website can be used in calculation of this measure. Calculation method: tracking contact and compiling totals. Three major cases that generated a significant number of technical assistance requests during the last few years have recently been permanently resolved by the affected local governments and recommended for approval by the Commission. In addition, four other cases that involved a moderate number of technical assistance requests have also been resolved. While there are at least two cases that will likely come to the Commission in the next 18 months, the resolution of these seven cases (involving 14 localities) has resulted in a reduced number of requests.