



CONSOLIDATED PLAN ACTION PLAN

July 1, 2014 – June 30, 2015

Executive Summary

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

1. Introduction

The Consolidated Plan Action Plan is in effect from July 1, 2014 – June 30, 2015. This plan was developed through a comprehensive statewide effort that included a needs assessment leveraging existing data, input sessions and surveys, and consultations with housing and social service agencies and other entities. The 2014 - 2015 Action Plan represents year two of a five year consolidated plan. The resulting plan and document will be used by the Department of Housing and Community Development (DHCD) to allocate Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), HOME Investment Partnership (HOME), and Housing Opportunities for People with AIDS (HOPWA) program funds within the Commonwealth of Virginia.

2. Summarize the objectives and outcomes identified in the Plan

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

The Commonwealth is extremely diverse in its racial and ethnic composition, and there are numerous areas across the state with concentrated populations, including African American, Hispanic, Asian, and others. In addition the state has multiple and varying housing and non-housing challenges. These challenges vary substantially from region to region. The needs assessment and market analysis identified four priority needs:

- Lack of affordable housing
- Lack of housing for special needs populations
- Individuals and families experiencing homelessness
- Barriers to competitive and sustainable communities

Overall DHCD's goals are to target these federal resources (CDBG, ESG, HOME, and HOPWA) and to leverage other state resources to address these needs by:

- Increasing the number of affordable housing units
- Increasing the number of affordable units for special needs populations
- Decreasing the numbers of individuals and families experiencing homelessness

- Creating competitive and sustainable communities

DHCD works with many partners to accomplish these goals. These partners include units of local government, other state agencies, housing developers, CHDOS, nonprofits, and regional planning groups.

While work on these goals is ongoing the Commonwealth will incorporate other specific strategies to help meet these goals. These include a plan to address the barriers to fair housing, a plan to end homelessness, measure to address lead based paint hazards, and anti-poverty measures.

3. Evaluation of past performance

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

Over the past year DHCD has made significant progress toward increasing the number of affordable housing units and working with localities to create competitive and sustainable communities. DHCD will continue activities and initiatives that have proven effective as well as look for opportunities to improve on the work that has been done in the past. One such opportunity for improvement is to increase the focus on creating more affordable units for special needs populations.

In addition, DHCD will continue work to decrease the number of people experiencing homelessness in Virginia. This work will also focus on reducing the length of time people are experiencing homelessness and reducing the number of people that return to homelessness. DHCD will leverage both state and federal (ESG) resources to focus on these goals. This is marked difference from prior years as more funding will be focused on rapid re-housing assistance as opposed to shelter operations.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

Action Plan Input Sessions were held in March, 2014. More than 50 individuals participated including participation from:

- Private and public housing providers
- Homeless service and prevention providers

- Regional planning organizations
- Nonprofit and government service providers
- Advocates

The input sessions focused on gathering feedback on priorities and strategies to address the homelessness, housing, and community development needs in Virginia. In addition to the Action Plan input sessions, feedback was gathered during the fall and winter (2013) specific to homelessness and for the CDBG program. Participation in these sessions exceeded 100 individuals.

DHCD held a public hearing and accepted public comments on the 2014 - 2015 Action Plan. The hearing was held at DHCD's office on April 9, 2014. Notification of the hearing was posted broadly on DHCD's website and announced in six newspapers across the Commonwealth.

Additional input was gathered through an online survey.

PR-05 Lead & Responsible Agencies - 91.300(b)

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

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role		Name	Department/Agency
CDBG Administrator	VIRGINIA		Department of Housing and Community Development
HOPWA Administrator	VIRGINIA		Department of Housing and Community Development
HOME Administrator	VIRGINIA		Department of Housing and Community Development
ESG Administrator	VIRGINIA		Department of Housing and Community Development

Table 1 – Responsible Agencies

Narrative

The Department of Housing and Community Development’s (DHCD) mission is to create safe, affordable, and prosperous communities to live, work and do business in Virginia.

Through partnerships with local governments, nonprofits, state and federal agencies, and others, DHCD works with communities to develop their economic potential and invests more than \$100 million each year into housing and community development projects throughout the state – the majority of which are designed to help low-to-moderate income citizens.

The agency is also responsible for regulating Virginia’s building and fire codes and providing training and certifications for building code officials.

Consolidated Plan Public Contact Information

Additionally, DHCD posted public notice and held a public hearing April 9, 2014. Written comments can be sent to Lyndsi Austin at 600 E. Main Street Richmond, Virginia 23219 or emailed to lyndsi.austin@dhcd.virginia.gov Public comment period end at the close of business April 9, 2014.

AP-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

The Commonwealth of Virginia began a statewide housing policy initiative in 2010. This initiative established the structure whereby Continuum of Cares, private and public housing, homeless, and social service providers including ESG grantees came together to set goals and form committees to take action toward these goals. DHCD has played a central role in these efforts and has further consulted with CoCs and ESG grantees as well as gathering broader public input specific to the Consolidated Plan.

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

On April 30, 2010, Governor McDonnell issued Executive Order Number Ten (2010) calling for an active review of a broad set of housing policy issues facing the Commonwealth in order to establish Virginia's first comprehensive executive branch housing policy framework. These efforts recognized the facts that multiple state agencies, regulatory bodies, and state boards and commissions made policy and take actions that have impacts on housing. The purpose of the housing policy framework would be to establish broad administrative goals and policy direction related to housing, and to use these to better coordinate and align administrative policymaking and initiatives across multiple secretariats within the executive branch.

The guiding principles for the state housing policy and the foundation of the housing policy framework are to:

- Recognize the role of the housing industry as a critical economic development engine within the Commonwealth
- Promote sustainable and vibrant communities
- Ensure the provision of a range of housing options
- Prevent and reduce homelessness in the Commonwealth

The Housing Policy Framework was developed with broad public input and directly involved a large number of persons representing a cross-section of housing interests and geographic regions. The resulting Housing Policy Framework and most importantly the ongoing work will help to enhance coordination between housing providers and private and governmental service agencies.

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

The Housing Policy Framework resulted in a Homeless Action Plan that specifically targeted reducing homelessness in Virginia by 15 percent in three years (by 2014). The plan was created with representation by Virginia's Continuum of Care (CoC) and includes many components specifically targeted to address the needs of homeless persons including chronically homeless individuals and families, families with children, veterans, and unaccompanied youth and persons at risk of homelessness.

Virginia is establishing statewide homeless outcome measures and restructuring funding processes to better align local CoCs with state and federal goals to reduce the number of individuals experiencing homelessness, to shorten the length of time persons are homeless, and to reduce the number of people returning to homelessness.

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

COCs have provided input into how Virginia is determining the allocation of ESG funds, the development of performance and evaluation outcomes, and the development of funding, policies, and procedures for the administration of HMIS. This input has been provided through three primary methods:

- Action Plan Input Sessions
- Homeless Solution Input Sessions
- Homeless Outcomes Advisory Committee and subcommittees

DHCD held homeless solutions input sessions in the December of 2013:

- Roanoke on December 2, 2013
- Abingdon on December 3, 2013
- Prince William on December 6, 2013
- Richmond on December 11, 2013
- Hampton on December 13, 2013

Over 130 individuals representing localities, service providers, and CoCs participated in the five input sessions held across the state in 2013. Sessions focused on gathering feedback on the allocation of homeless services funding, including ESG, administered by state through the Department of Housing and Community Development (DHCD). DHCD gathered input on restructuring fund allocation processes, transforming it from a competitive grantee application to a CoC-based process.

This CoC-based process now allows DHCD to allocate state and federal (ESG and HOPWA) homeless service and prevention funding through 16 Virginia CoCs. Feedback was gathered from CoC participants on the initial application process and CoC requirements for funding. DHCD gathered feedback on CoC requirements for funding eligibility. These requirements included HMIS requirements, written CoC policies and procedures, and the alignment of local CoC strategies with state and federal goals. Based on this input DHCD issued the first CoC-based application in Spring of 2014.

Consolidated Plan Input Sessions were held in Winter, 2014. More than 50 individuals participated including participation from:

- Private and public housing providers
- Homeless service and prevention providers
- Regional planning organizations
- Nonprofit and government service providers
- Advocates

The input session focused on gathering feedback on priorities and strategies to address the homelessness, housing, and community development needs in Virginia. Additional feedback was gathered through an online survey.

The Governor's initiative calling for a Housing Policy Framework resulted in the formation of the Homeless Outcomes Advisory Committee with broad representation across Virginia's CoCs. The

Homeless Outcomes Advisory Committee including representation for Virginia CoCs adopted five goals where work is ongoing. These five goals are:

1. Increase the number of permanent supportive housing units in the Commonwealth
2. Increase flexibility of funding to prevent homelessness and support Rapid Re-housing for individuals and families
3. Increase statewide data collection and system coordination
4. Increase access to substance abuse and mental health services
5. Evaluate, develop and ensure implementation of statewide, pre-discharge policies for the foster care system, hospitals, mental health facilities, and correctional facilities.

In addition to the input sessions and the work of the Homeless Outcomes Advisory committee, DHCD gathered specific input from other state agencies and state and regional planning groups. This input was gathered through a combination of online survey responses and through key contacts at specific agencies. These contacts shared needs assessment data to inform the development of priorities and provided feedback on specific priorities and strategies.

2. Agencies, groups, organizations and others who participated in the process and consultations (Please note: This was not included in the Board packet due to space limitation. Please see online version for details.)

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

The Homeless Services, CDBG, and Consolidated Plan Input Sessions were broadly announced and open to all participants. DHCD reached out specifically to other state agency where housing policy and service populations overlapped. All input was welcomed but DHCD did not reach out to agencies outside of the human services, housing, community, and economic development domains or without shared client population concerns.

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

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	16 local CoC lead organizations	There are 16 separate CoCs in Virginia. Each CoC plan and the Commonwealth of Virginia's plan seeks to reduce the number of individuals experiencing homelessness; to shorten the length of time individuals experience homelessness; and to reduce the number of individuals returning to homelessness.
Virginia's Housing Policy Framework	DHCD/VHDA	The strategic plan and Governor's Housing Policy Framework seek to increase the availability of affordable and accessible housing; reduce the number of individuals experiencing homelessness; to shorten the length of time individuals experience homelessness; to reduce the number of individuals returning to homelessness; and to create competitive and sustainable communities.
Homeless Outcomes Advisory Committee Plan	DHCD	Each seeks to reduce the number of individuals experiencing homelessness; to shorten the length of time individuals experience homelessness; and to reduce the number of individuals returning to homelessness.
Opening Doors	US Interagency on Homelessness	The Strategic Plan and Opening Doors overlap in a number of ways. Specifically both are focused on retooling the homeless response system, by transforming homeless services to crisis response systems that prevent homelessness and rapidly return people who experience homelessness to stable housing.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Department of Justice settlement Housing Plan	Virginia Behavioral Health and Developmental Services	Both plans include expanding the inventory of affordable and accessible housing.
Virginia Board for Persons with Disabilities 2012	Virginia Board for persons with Disabilities	The State Plan and the Action Plan include objectives to increase accessibility features in affordable housing including visitability and universal design standards.
VHDA Strategic Plan	VHDA	Both plans address housing needs of special needs populations and increase overall affordability.

Table 2 - Other local / regional / federal planning efforts

AP-12 Participation - 91.115, 91.300(c)

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

DHCD included broad public feedback through input sessions that were held across the state. These input sessions and the public hearing were broadly publicized. While there was no attendance at the public hearing, more than 150 individuals participated in the input sessions. This input was considered during the development of the Consolidated Plan.

Please note that due to space limitations that comments and feedback documentation was not included in the Board packet materials. This information will be available in the online version.

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	16,787,142	0	1,500,000	18,287,142	48,000,000	Funding will be used in the following State CDBG programs: Construction-Ready Water and Sewer fund, Community Economic Development fund, Community Development Innovation Fund, Urgent Need Open Submission Projects, Competitive Grants

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	7,411,345	500,000	170,000	8,081,345	21,000,000	Funding will be used in the following programs: Affordable and Special Needs Housing (Rental and Homebuyer Development), Indoor Plumbing and Rehabilitation (Homeowner Rehab), Down Payment Assistance Program (Homebuyer Assistance)

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	729,060	0	0	729,060	2,100,000	Funding will support TBRA, STRMU, and limited supportive services.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	2,526,777	0	0	2,526,777	7,500,000	Funding will support shelter operations and rapid re-housing activities.

Table 3 - Expected Resources – Priority Table

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

The federal resources will be leveraged along with other state resources to provide affordable housing, community development, and to address issues impacting causing homelessness. These resources include state allocations to increase the number of permanent supportive housing and affordable housing units, to provide rapid re-housing and homeless assistance, to prevent

homelessness, and state funds for the rehabilitation of homeowner units that lack indoor plumbing.

For the HOME program, the state will meet the required 25 percent match through:

- The present value of interest reductions of below-market-rate loans, where a project also receives HOME assistance.
- State general revenue funds that are contributed to housing projects assisted with HOME funds and meet the HOME affordability requirements.
- The face value of State mortgage revenue bond loans (multi-family and single family loans).

CDBG projects do not have a specific match requirement, but applicants can enhance their competitiveness by incorporating local resources.

ESG requires a dollar for dollar match. DHCD will use state general funds appropriation for homeless prevention and homeless services as the match for the ESG program.

The HOPWA program does not have a match requirement.

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

Not applicable.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Increase the number of affordable housing units	2013	2017	Affordable Housing		Lack of affordable housing units	HOPWA: \$729,037 HOME: \$4,000,000	Rental units constructed: 15 Household Housing Unit Rental units rehabilitated: 15 Household Housing Unit Homeowner Housing Added: 4 Household Housing Unit Direct Financial Assistance to Homebuyers: 60 Households Assisted Tenant-based rental assistance / Rapid Re-housing: 150 Households Assisted
2	Increase number of special needs housing units	2013	2017	Affordable Housing Non-Homeless Special Needs		Lack of housing units for special needs population	HOME: \$4,000,000	Rental units constructed: 15 Household Housing Unit Rental units rehabilitated: 15 Household Housing Unit Homeowner Housing Rehabilitated: 50 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Decrease numbers experiencing homelessness	2013	2017	Homeless		Individuals and families experiencing homelessness	HOME: \$81,345 ESG: \$2,526,777	Tenant-based rental assistance / Rapid Re-housing: 400 Households Assisted Homeless Person Overnight Shelter: 3000 Persons Assisted Housing for Homeless added: 3 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
4	Create competitive and sustainable communities	2013	2017	Non-Housing Community Development		Barriers to competitive/sustainable communities	CDBG: \$18,287,142	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 98172 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 5 Households Assisted Public service activities other than Low/Moderate Income Housing Benefit: 1367 Persons Assisted Facade treatment/business building rehabilitation: 105 Business Rental units constructed: 43 Household Housing Unit Rental units rehabilitated: 51 Household Housing Unit Homeowner Housing Rehabilitated: 335 Household Housing Unit Direct Financial Assistance to Homebuyers: 39 Households Assisted Jobs created/retained: 140 Jobs

Table 4 – Goals Summary

Goal Descriptions

1	Goal Name	Increase the number of affordable housing units
	Goal Description	
2	Goal Name	Increase number of special needs housing units
	Goal Description	
3	Goal Name	Decrease numbers experiencing homelessness
	Goal Description	
4	Goal Name	Create competitive and sustainable communities
	Goal Description	

AP-25 Allocation Priorities – 91.320(d)

Introduction

DHCD seeks to improve the lives of Virginians by:

- Increasing the number of affordable housing units
- Increasing the number of affordable units to meet the needs of special needs populations
- Decreasing the number of individuals and families experiencing homelessness
- Creating competitive and sustainable communities

DHCD works to achieve these goals through:

- Leveraging of resources to support effective community programs working toward these goals
- Developing strategic partnerships to address barriers to achieving these goals
- Providing planning, coordination, and management of strategies to meet these goals

Funding Allocation Priorities

	Increase the number of affordable housing units (%)	Increase number of special needs housing units (%)	Decrease numbers experiencing homelessness (%)	Create competitive and sustainable communities (%)	Total (%)
CDBG	0	0	0	100	100
HOME	48	48	4	0	100
HOPWA	100	0	0	0	100
ESG	0	0	0	100	100

Table 5 – Funding Allocation Priorities

Reason for Allocation Priorities

These allocation priorities are based on the Consolidated Plan needs assessment, market analysis, and input from other state agencies, localities, local housing and service providers, regional planning groups, ESG grantees and sub-grantees, Continua of Care, and the public. These allocations will be leveraged to meet local needs across the state and to support best practices and proven methods to address these priority needs.

How will the proposed distribution of funds address the priority needs and specific objectives described in the Consolidated Plan?

HOME funds will be leveraged to address the affordable housing and homelessness priority needs. Specifically these funds will be used to fund rental rehabilitation and new construction projects that will add additional affordable housing units and/or preserve existing affordable units based on local needs. These funds will be used in exiting homeowner units, rental projects, and homebuyer development projects to increase the availability of accessibility units for special needs populations. HOME funds will also be used to develop permanent supportive housing units to help address housing needs of chronically homeless individuals.

HOPWA funds are limited to income eligible individuals with HIV/AIDS and their families. These funds will help to provide affordable housing units for this population.

ESG will be fully leveraged along with other state resources to reduce the number of individuals and families experiencing homelessness. These funds will also focus on shortening the length of time people experience homelessness and reduce the number of individuals returning to homelessness.

CDBG will be used to address locally identified needs to develop competitive and sustainable communities. These funds will be used in a number of ways including developing public facilities and/ infrastructures, creating/retaining jobs, developing affordable housing opportunities, and providing assistance to local business.

AP-30 Methods of Distribution – 91.320(d)&(k)

Distribution Methods

1	State Program Name:	Affordable and Special Needs Housing (ASNH)
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	The Affordable Housing and Special Needs Housing program provide flexible, below-market-rate loans to projects that create or preserve affordable housing for lower-income Virginians. Broadly eligible activity types include rental and homebuyer rehabilitation and new construction. Please see the Affordable and Special Need Housing program guidelines for more details.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>HOME funds assigned to the Affordable and Special Needs Housing programs will be distributed on a quarterly basis through a competitive application process that evaluates applicant projects on:</p> <ul style="list-style-type: none"> • Meeting critical needs (worth 40 points) • Feasibility -likelihood of projects coming to a timely completion (worth 30 points) • Developer capacity -ability to successfully complete projects and deliver affordable housing (worth 30 points) <p>Priority will be given to projects located in non-HOME entitlement localities, CHDO projects, and special needs projects.</p> <p>All applications received by the deadline for the quarter will be reviewed by DHCD staff. Applications not meeting established thresholds for funding will not be eligible for funding during the quarter that the application was received, but will receive comments and feedback upon request from DHCD staff and will be allowed to reapply during the subsequent quarters within the program year. Proposals cannot be carried into the next program year. All applicants must score at least 60 points on the application in order to be qualified for funding. All qualified applications will then be ranked based on score and the highest scoring applicants will receive a funding commitment from DHCD based on project needs, up to the amount of funds available for the quarter. If the full quarter of available funding is not committed, it is carried forward into the next quarter, as needed, to be made available to proposals meeting threshold requirements and scoring at least 60 points.</p> <p>Applicants that have outstanding audit or monitoring findings, unresolved IRS findings, and/or applicants not in compliance with previous DHCD agreements are ineligible for funding. Eligible applicants must be qualified developers of affordable housing, including certified CHDOs undertaking CHDO-eligible activities throughout the Commonwealth of Virginia. All funds are intended for use with other types of financing including, but not limited to, low income housing tax credits, bond financing, and other public and private funds. Please note that HOME compliance requirements apply. Other funding source requirements must be compatible with HOME program requirements.</p>
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<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Not applicable.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>Funding will be allocated by funding category based on submitted proposals and local market and need.</p>

	<p>Describe threshold factors and grant size limits.</p>	<p>All proposals must meet threshold requirements for funding. These include:</p> <ul style="list-style-type: none"> • Eligible project type • Eligible activity type • Eligible applicant (no outstanding findings) • Local match (25 percent) provided for projects in HOME entitlement areas • Proposal meets uniform relocation requirements • Proposal meets accessibility requirements • Must score at least 60 points <p>Maximum funding amounts are \$700,000 for special needs projects and \$500,000 for all other eligible projects. DHCD may charge up to an additional \$10,000 in project related costs for costs accrued by DHCD.</p> <p>DHCD will commit at least \$1.5 million for the initial five-year duration to support new construction, adaptive reuse, or rehabilitation of units which will be eligible to serve the 811 target populations. Funds will be committed from the Housing Trust Fund (based on the availability of funds) and the HOME ASNH program.</p>
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>DHCD anticipates funding approximately ten affordable housing projects as a result of the quarterly open RFP process. The actual types, size, composition of projects will be based on this competitive process and will vary based on overall quantitative and quality of the proposal received, the local housing markets, and relative local need. Based on statewide trends and housing markets DHCD expects that most of the funded projects will be rental projects with at least some of these targeting special needs populations.</p>
<p>2</p>	<p>State Program Name:</p>	<p>CDBG Competitive Grants</p>
	<p>Funding Sources:</p>	<p>CDBG</p>

	Describe the state program addressed by the Method of Distribution.	Competitive funds can be used to provide infrastructure for new or expanding industries, provide new or improved water and sewer systems in rural areas, rehabilitate housing in declining neighborhoods, revitalize commercial districts, provide support to small businesses, and provide facilities for a variety of needed services, such as health clinics in underserved areas. Applicants are required to prove that their project will meet one of three broad national objectives: principally benefit low- and moderate- income persons, prevent or eliminate slums or blight, or address an urgent community development need (public emergency or health threat).
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Most CDBG assistance is distributed in the form of Competitive Grants with proposals due in the spring of each year. As the name suggests, these grants are awarded following competitive evaluation of project proposals. Approximately \$9 million will be available for Competitive Grants in 2014.</p> <p>There are five primary project types under the Competitive CIG option:</p> <ul style="list-style-type: none"> • Comprehensive Community Development • Economic Development • Housing • Community Facility • Community Service Facility <p>Competitive grant proposals received by DHCD are evaluated qualitatively and quantitatively scored according to a 1000 point scale based on the items identified below. The highest ranking proposals are recommended for funding. Proposals are funded, in order of the ranking, to the greatest extent allowed by available funding. Following the closing date of the non-competitive programs, any funds remaining in the non-competitive programs and any program income received during the year are recaptured and made available to fund the next highest ranking competitive proposals. The next highest ranking additional proposals are funded to the greatest extent allowable by available funding.</p> <p>All competitive proposals are scored on a scale of 1000 points with the following point values:</p> <ul style="list-style-type: none"> • Composite Fiscal Stress (Maximum of 180 points) • Regional Priorities (Maximum of 50 points) • Project Needs and Outcomes (Maximum of 145 points) • Costs and Commitment (Maximum of 145 points) • Readiness and Capacity (Maximum of 150 points) • Impact (Maximum of 130 points) • Meeting a National Objective (Maximum of 200 points)
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<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Grant administration manuals and the CDBG Program design are available from the DHCD website, through the DHCD Centralized Application and Management System (CAMS) or by request.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>Funding which has not been committed as of September 30 may be committed to Self Help projects, Construction Ready Water and Sewer projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.</p>

	Describe threshold factors and grant size limits.	Assistance is provided to non-entitlement units of local government. Up to \$1,000,000 is available for economic development, housing, and infrastructure projects, up to \$700,000 for community service facility projects, and up to \$1.4 million is available for projects that will comprehensively improve a neighborhood through water, sewer, street, and housing improvements. In cases of two or more localities participating in a project with a regional impact, some grant limits can increase. A unit of local government may not have more than \$2.5 million in CDBG open projects.
	What are the outcome measures expected as a result of the method of distribution?	See above.
3	State Program Name:	CDBG Planning Grants
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	Virginia's CDBG Planning Grant program is designed to aid in developing clearly articulated strategies for addressing communities' greatest community development needs following meaningful citizen participation.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Planning Grant funding totaling \$500,000 is available on an open basis from January 1 until September 30 or until all of the funding is committed, whichever comes first.</p> <p>A locality interested in obtaining Planning Grant assistance must submit an Interest Letter in accordance with format developed by DHCD. This Interest Letter will include a brief description of the project area and the community development needs in this area, a discussion of the locality's and project area's readiness and capacity to proceed with a participatory planning process, and some justification for why Planning Grant funding is needed. DHCD will review this Interest Letter and provide the applicant locality with a written response which outlines activities which must be accomplished prior to Planning Grant investment and/or which invites the locality to submit a brief Planning Grant proposal in accordance with the Planning Grant Proposal Format. Planning Grant funding is awarded following DHCD review of Planning Grant proposals.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Grant administration manuals and the CDBG Program design are available from the DHCD website, through the DHCD Centralized Application and Management System (CAMS) or by request.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable.</p>

	<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable.</p>
	<p>Describe how resources will be allocated among funding categories.</p>	<p>Funding which has not been committed as of September 30 may be committed to Self Help projects, Construction Ready Water and Sewer projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.</p>

	<p>Describe threshold factors and grant size limits.</p>	<p>Non-entitlement local governments are eligible for assistance. A unit of local government may not have more than \$2.5 million in CDBG open projects. There are six categories of Planning Grants. The first two categories are considered Pre-Project type Planning Grants:</p> <ul style="list-style-type: none"> • Community Organizing Planning Grants; • Community Needs Assessment / Economic Assessment Planning Grants. • CDBG Project Planning Grants; • Business District Revitalization Planning Grants; • Regional Project Planning Grants; and • Telecommunications Planning Grants. <p>Up to \$10,000 is available for community organizing, up to \$15,000 to conduct community and / or economic needs assessments, up to \$30,000 for project planning activities, up to \$35,000 for business district revitalization, and up to \$40,000 is available for regional project planning.</p> <p>Eligibility under this program is subject to the following minimum criteria:</p> <ul style="list-style-type: none"> • Demonstration of a clear indication of community development needs and / or opportunities. • The needs identified must generally be eligible targets for future CDBG investments. • There must be evidence that local officials and stakeholders alike are committed to fully identifying and addressing local needs. • There must be evidence that the locality and management team have the time, funding, and expertise to follow through with the planning process. • There must be a clear demonstration for the need of planning grant funds.
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>See above.</p>
<p>4</p>	<p>State Program Name:</p>	<p>CHDO Assistance</p>

Funding Sources:	HOME
Describe the state program addressed by the Method of Distribution.	CHDO assistance will be provided in the form of CHDO operating assistance. This will provide reimbursements for CHDO operating costs accrued during the contract period.
Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	<p>DHCD allocate funding on a quarterly basis based on a quarterly application. Applicants must be in good standing with DHCD and have a current funding commitment in order to be eligible for CHDO operating. CHDOs must be able to demonstrate need in order to qualify for operating assistance.</p> <p>Eligible applicants are non-profit organizations which have been certified by the Department of Housing and Community Development (DHCD) as having met the HUD and State requirements for designation as a Community Housing Development Organization (CHDO) and which are either:</p> <ul style="list-style-type: none"> • The owners (sole owner or managing partner with another entity) of newly constructed or rehabilitated rental housing for occupancy by low and very low income households as set forth in Affordable and Special Needs Housing (ASNH) Program Guidelines; or • The project sponsor of a property that is owned solely or partially by the sponsor and the sponsor agrees to convey ownership to a second non-profit at a predetermined time prior to or during development or upon completion. ;or • The developer of single family homeownership opportunities for low and moderate-income households as set forth in Affordable and Special Needs Housing (ASNH) Program Guidelines. <p>Eligible applicants must be CHDOs with previously completed DHCD HOME funded projects. DHCD will not enter into funding agreements with any applicants with outstanding audit findings, IRS findings, DHCD monitoring findings or other compliance issues. Please note that DHCD will work with all interested parties toward the resolution of unresolved matters, where appropriate.</p>

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Not applicable.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>CHDO operating support eligible costs are limits to organizational operating cost (project specific costs are not allowable).</p>

	Describe threshold factors and grant size limits.	CHDO Operating support the CHDO must demonstrate need and assistance will be issued up to \$50,000 for a one-year contract period. Project costs may not exceed customary and reasonable project preparation costs.
	What are the outcome measures expected as a result of the method of distribution?	DHCD provides CHDO operating assistance to further develop local CHDO capacity to develop affordable housing projects.
5	State Program Name:	Community Economic Development Fund
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Community Economic Development Fund (CED) is designed to support economic development activities, particularly those creating employment opportunities for low- and moderate-income persons, in CDBG-eligible localities.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Approximately is \$2,000,000 is available under the CED Fund. Proposals are received on an open basis from January 1 through September 30. Assistance is limited to projects involving employment creation by private, for-profit basic industries. Assistance may include off-site improvements such as water lines, sewer lines, roads, and drainage. On-site assistance may be eligible in some projects, but these projects are subject to underwriting and the CDBG assistance will be made available as a loan to the locality. This loan must be repaid

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Grant administration manuals and the CDBG Program design are available from the DHCD website, through the DHCD Centralized Application and Management System (CAMS) or by request.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>Funding which has not been committed as of September 30 may be committed to Self Help projects, Construction Ready Water and Sewer projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.</p>

Describe threshold factors and grant size limits.

Up to \$700,000 will be available per project. A unit of local government may not have more than \$2.5 million in CDBG open projects. A locality which finds itself in a position to apply for a CED project and is currently at or near the \$2.5 million limit MAY, at DHCD's discretion, be granted a temporary waiver of the cap limit. The locality should contact DHCD to discuss a possible waiver prior to submittal of the proposal. If the waiver is approved, the CED funds will count towards the cap limit once other CDBG projects are closed.

Assistance is provided to non-entitlement units of local government. For all CED's an irrevocable Letter of Credit, bond, or other guaranteed form of security will be required in the amount of the CED grant. This security must remain in place until all program requirements are satisfactorily met.

The nature of the financial assistance available under the CED Fund varies depending on the economic strength of the applicant localities. Localities were placed in a category based on the relative position of local statistics to statewide statistics for each of three economic factors, poverty, income, and unemployment.

Eligibility under this program is subject to the following minimum criteria:

- The subject business must provide a post-probationary wage of at least 1.5 times the minimum wage for 90% of all employees and offer an employment benefits package including medical insurance to all employees.
- The subject business must employ low- to moderate- income persons in at least 51 percent of the available positions, or, ensure that low- to moderate- income persons will receive first consideration for employment.

Economic strength of the applicant localities determines the nature of assistance available.

Localities are ranked as distressed, transitional, or competitive; qualifying proposals must demonstrate the following:

- Distressed

- o The subject business must create at least 10 full-time positions.

- o The subject business must make a private investment of at least \$100,000.

- o Local government financial contribution must be at least 25% of CDBG eligible costs.

- o CDBG funding shall not exceed \$25,000 per job created for local diversification or \$10,000 per job created for other businesses.

- Transitional: Annual Action Plan

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- o The subject business²⁰¹⁴ must create at least 20 full-time positions.

- o The subject business must make a private investment of at least \$300,000.

- o Local government financial contribution must be at least 25% of CDBG eligible costs.

- o CDBG funding shall not exceed \$10,000 per job created, or \$25,000 per job in cases of local

	What are the outcome measures expected as a result of the method of distribution?	See above.
6	State Program Name:	Construction-Ready Water and Sewer Funds
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The Construction-Ready program provides funds for new public water and sewer service. The intent of the program is to assist projects that find themselves in an “except for” position, i.e., fully ready to provide service to a low-to moderate- income community except for all or a portion of the construction funds.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	CDBG funding totaling \$1,000,000 will be reserved for this program. Proposals will be accepted on an open basis from January 2014 to September 30.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Grant administration manuals and the CDBG Program design are available from the DHCD website, through the DHCD Centralized Application and Management System (CAMS) or by request.

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>Funding which has not been committed as of September 30 may be committed to Self Help projects, Construction Ready Water and Sewer projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.</p>

	<p>Describe threshold factors and grant size limits.</p>	<p>Up to \$500,000 will be available per project. A unit of local government may not have more than \$2.5 million in CDBG open projects. Assistance is provided to non-entitlement units of local government.</p> <p>To be eligible for assistance, targeted communities must be made up of at least 60% low-to moderate- income (LMI) households. Additional criteria are:</p> <ul style="list-style-type: none"> • At the time of application: <ul style="list-style-type: none"> o Income surveys and user agreements one year old or less must document eligibility and community demand; o All engineering work must be complete; o All necessary acquisitions must be complete; o Public hearings and the Environmental Review Record must be complete; • No more than \$12,500 of CDBG funds per household served will be made available with no single grant exceeding \$500,000. • CDBG funds cannot account for more than 75% of the construction cost of the project. • The pre-contract phase is limited to 60 days and will include required actions by the locality's governing body, bidding construction and selecting a contractor. • The project must be able to be completed within one year, and • The grantee is not eligible for the 10% administrative bonus for timely completion.
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>See Above.</p>
<p>7</p>	<p>State Program Name:</p>	<p>Down Payment Assistance (DPA)</p>
	<p>Funding Sources:</p>	<p>HOME</p>

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>DPA provides down payment and closing costs assistance to income eligible first-time homebuyers to obtain homes that are decent, safe and accessible. The program goal is to provide homeownership opportunities to households that otherwise may not have the opportunity to own a home. By providing these opportunities DHCD helps to sustain affordable housing units and overall growth in personal wealth and equity for low-income Virginians. The DPA program seeks to provide this assistance statewide through local sub-recipient that provide comprehensive homeownership services including for example housing counseling, debt repair services, and foreclosure prevention.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>DPA will be administered by regional state sub-recipients selected through a competitive application process. Sub-recipient selection will be made as a result of an open competitive application process whereby proposals meeting threshold requirements are scored and ranked based on the following categories:</p> <ul style="list-style-type: none"> Need (40 percent) Organizational capacity (30 percent) Program approach (30 percent) <p>Applicants must be a non-profit or a unit of government targeting services to individuals living within the Virginia. All nonprofit applicants must have and be current on 990 filings (not applicable to units of government).</p> <p>Applicants must demonstrate the ability to manage all applicable state and federal policies and procedures including compliance with federal and state non-discrimination laws.</p> <p>Applicants must be experienced with providing similar assistance and should provide a comprehensive approach to homeownership.</p> <p>All applicants must demonstrate the ability to coordinate DPA assistance with other HOME funds or other types of assistance.</p> <p>Applicants must have established internal control and fiscal accounting procedures and be able to track agency and program budgets by revenue sources and expenses.</p> <p>Applicants with outstanding audit findings, IRS findings, DHCD monitoring findings or other compliance issues are not eligible applicants and any sub-recipient selected for funding will not be eligible for subsequent allocations if any of these conditions occur. Please note that DHCD will work with all interested parties toward the resolution of unresolved matters, where appropriate.</p> <p>Applicants must demonstrate the ability to meet all reporting and record keeping requirements.</p>
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<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Not applicable.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>In the DPA program HOME funds are limited to needed down payment and closing costs, the costs associated with conducted required inspections, and housing counseling.</p>

	Describe threshold factors and grant size limits.	Applicants for sub-recipient contracts must meet threshold requirements from above and score at least 60 points based on a panel review of each proposal. Grant sizes to sub-recipient will be awarded based on score, local market, and available funds. Assistance to homebuyers is based on underwriting criteria and based on need.
	What are the outcome measures expected as a result of the method of distribution?	DHCD anticipates assisting approximately 60 low/moderate income first-time homebuyers (households) with the DPA method of distribution.
8	State Program Name:	Indoor Plumbing Rehabilitation (IPR) Program
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	The Indoor Plumbing Rehabilitation/Loan Program (IPR) provides 0% interest loans in non-entitlement cities and counties of Virginia to low- to moderate-income (LMI) owner-occupants of substandard housing where indoor plumbing does not exist or the waste disposal system has failed.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The annual allocation for the IPR program will be approximately \$4,000,000 in federal and state funds. The program year begins July 1 through June 30 concurrent with the state fiscal year. The program provides complete indoor plumbing for LMI households and also provides for the general rehabilitation of these units, and for accessibility improvements or relief from overcrowded conditions, as needed, once the primary income, ownership and failed plumbing criteria are met.

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Not applicable.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>The Department of Housing and Community Development will contract with six regional subrecipients (non-profit housing providers and a planning district commission) to administer the IPR program. Each subrecipient will receive a specified initial allocation and the balance will be distributed based on performance.</p>

	Describe threshold factors and grant size limits.	The subrecipients are responsible for most program operations including outreach, application intake, beneficiary and property eligibility determination, financial packaging, construction management, and loan servicing. Each subrecipient has direct ties to the community via its local housing rehabilitation advisory board and local implementation partners. The beneficiary household must be low- to moderate-income, owner occupied and must lack complete indoor plumbing. Generally, the maximum rehabilitation limit is \$70,000 plus soft costs.
	What are the outcome measures expected as a result of the method of distribution?	DHCD anticipates completing approximately 50 homeowner rehabilitation activities.
9	State Program Name:	Local Innovation Program
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	This program helps to implement new, innovative, and/or timely community development projects.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Approximately \$1,000,000 is available under this program. Proposals are received on an open basis from January 1 through September 30. Examples of projects which can be supported includes: Individual Development Account programs, loan funds to support Economic Restructuring activities, entrepreneurship development, heritage tourism projects, and last mile telecommunications projects.

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Grant administration manuals and the CDBG Program design are available from the DHCD website, through the DHCD Centralized Application and Management System (CAMS) or by request.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>Funding which has not been committed as of September 30 may be committed to Self Help projects, Construction Ready Water and Sewer projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.</p>

	Describe threshold factors and grant size limits.	Up to \$200,000 is available per project; however, Local Innovation projects that will have a regional impact and involve clear participation from two or more applicant localities are eligible for up to \$300,000 in CDBG assistance. These projects must meet all other qualifications of the Local Innovation Program, and must have at least a 25% cash match from at least one of the applicant localities. A unit of local government may not have more than \$2.5 million in CDBG open projects. Assistance is provided to non-entitlement units of local government. Projects are evaluated on the intended outcomes, the nature of the innovation, the need, capacity to carry out the project, and the long-term benefit of the project. Projects must demonstrate a direct relationship between intended project efforts and measurable, tangible improvements to the health of the community being served.
	What are the outcome measures expected as a result of the method of distribution?	See Above.
10	State Program Name:	Self-Help Virginia
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	Self-Help Virginia provides funding in support of infrastructure projects, specifically water and sewer projects, wherein community residents and stakeholders substantially participate in the construction activities. Funding is available on an open basis between January 1 and September 2014.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>CDBG funding totaling \$500,000 will be reserved for Self-Help projects. To be eligible for participation in Self-Help Virginia, projects must possess the following characteristics:</p> <ul style="list-style-type: none"> • There must be a neighborhood or community consensus about the existence of the problem to be addressed; • There must be a demonstration of community capacity to manage the self-help project with sufficient energy and vision to see the project through to completion; and, • There must be at least a 40 percent savings from the proposed Self-Help construction compared to conventional construction. <p>The goal of these projects is to tap neighborhood talent, manpower, and creativity to provide water and sewer services in areas where conventional construction costs make such provisions prohibitive. The most common examples of specific self-help activities are neighborhood residents acting as project managers, installing water and sewer lines, and operating leased or donated equipment. Resident contributions depend on resident abilities. Construction must meet all applicable codes and regulations.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Grant administration manuals and the CDBG Program design are available from the DHCD website, through the DHCD Centralized Application and Management System (CAMS) or by request.</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable.</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>Funding which has not been committed as of September 30 may be committed to Construction Ready Water and Sewer projects, Urgent Need projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.</p>

	<p>Describe threshold factors and grant size limits.</p>	<p>Up to \$350,000 will be available per project. A unit of local government may not have more than \$2.5 million in CDBG open projects. Assistance is provided to non-entitlement units of local government. These projects are exempt from the Preliminary Engineering Report standards of other projects. These projects do require a cost estimate which reveals the 40 percent savings required, clear description of the proposed improvements, and a map of the service area with the proposed layout of lines and other improvements.</p> <p>All proposals must include evidence that at least one well-attended community meeting has occurred and that the project is supported by the community, that at least 51 percent of the proposed beneficiaries are low- and moderate-income per survey results, and that residents are willing to work on the project and have some sense of the skills available in the community.</p> <p>Also required are signed user agreements which show residents' willingness to connect to water and/or sewer lines as part of the project.</p>
	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>See Above.</p>
<p>11</p>	<p>State Program Name:</p>	<p>Urgent Need Open Submission Projects</p>
	<p>Funding Sources:</p>	<p>CDBG</p>
	<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The Urgent Need program enables prompt response to existing serious and immediate threats to local health and safety. Funding is available on an open basis between January 1 and October 31, 2014.</p>

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>\$1,000,000 is available for Urgent Need projects. CDBG assistance will generally be made available to projects which consist of activities in support of long-term recovery. CDBG assistance will generally not be made available to projects with public facility failures resulting from neglected maintenance by a locality. Assistance for LMI benefit is prioritized.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Grant administration manuals and the CDBG Program design are available from the DHCD website, through the DHCD Centralized Application and Management System (CAMS) or by request.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Not applicable.</p>

	<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>Not applicable.</p>
	<p>Describe how resources will be allocated among funding categories.</p>	<p>Funding which has not been committed as of October 31 may be committed to Self Help projects, Construction Ready Water and Sewer projects, the next highest ranking Competitive Grant project (to the established cut-off point), Administrative Bonuses, projects with Letters of Intent, and Community Economic Development Fund projects.</p>

<p>Describe threshold factors and grant size limits.</p>	<p>Up to \$700,000 will be available per project. A unit of local government may not have more than \$2.5 million in CDBG open projects. A locality which finds itself in a position to apply for a critical Urgent Need Open Submission project and is currently at or near the \$2.5 million limit MAY, at DHCD’s discretion, be granted a temporary waiver of the cap limit. The locality should contact DHCD to discuss a possible waiver prior to submittal of the proposal. If the waiver is approved, the Urgent Need funds will count towards the cap limit once other CDBG projects are closed.</p> <p>Assistance is provided to non-entitlement units of local government.</p> <p>All UNOS proposals and activities must meet the following thresholds:</p> <ul style="list-style-type: none"> o The proposed project must alleviate existing conditions which pose a serious and immediate threat to the health and welfare of the community; and, o The conditions developed or became urgent within 18 months of the date the proposal is submitted; and, o The applicant locality is unable to finance the project on its own, no other funding is available to address the problem, and the CDBG funding will be directly targeted towards alleviation of the threatening conditions; and, <p>The threat must be supported by either:</p> <p>A current declaration of an emergency by the Governor of Virginia relative to a flood, a hurricane, a tornado, an earthquake, or other disaster event, not including droughts, snow, or ice conditions.</p> <p>OR</p> <p>A current declaration of an immediate and severe health threat by the State Commissioner of Health relative to the complete failure of a public water or sewer system or incident of similar significance.</p>
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	What are the outcome measures expected as a result of the method of distribution?	See above.
12	State Program Name:	Virginia Homeless Solutions Program
	Funding Sources:	HOPWA ESG
	Describe the state program addressed by the Method of Distribution.	The goals of the Virginia Homeless Solutions program are: To reduce the number of individuals/households who become homeless; To shorten the length of time an individual or household is homeless; and To reduce the number of individuals/households that return to homelessness. DHCD will meet these goals through supporting Continuum of Care (CoC) strategies and homeless service and prevention programs that align with these goals.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>All funding requests must be justified by the application and meet a 60 point threshold for funding. Scoring criteria are as follows:</p> <ul style="list-style-type: none"> • Need -25 points • Approach -25 points • Local Coordination -25 points • Capacity -25 points <p>Applications will receive bonus points for including proposed grantees that have secured a National Alliance to End Homelessness Rapid Re-Housing Certification.</p> <p>Actual funding will be based on the following:</p> <ul style="list-style-type: none"> • Requested amount (total request and spending plan) • Available funds • Application score • Local need • Alignment with state and federal strategies • Approach (proposed grantees, activities, and organizational capacity) • Negotiations <p>Applications will be scored lower where ineligible activities or activities that are not aligned with state and federal goals to prevent and reduce homelessness are proposed. Lower scores will impact actual funding level. Spending plans will be reduced based on ineligible activities, where activities are not in alignment with state and federal goals, and/or where proposed grantees are either ineligible or lack the capacity to carry out proposed activities. DHCD anticipates negotiations with each CoC in order to make needed adjustments to proposed activities and spending plans.</p>
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<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Not applicable.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>This application will be a CoC-based application that will allocate state ESG and HOPWA funds for the 2014 - 2015 program year. Only applications submitted by the lead CoC organization will be considered for funding. The application submitted by the lead CoC organization must identify the local process for decision-making and the proposed grantees to be responsible for carrying out the HOPWA and ESG eligible activities. Eligible grantees include community and faith-based non-profits and units of local governments.</p> <p>There are 16 CoCs in the state of Virginia including the Balance of State CoC. The balance of State CoC includes 90 localities and is organized into 13 separate planning groups. For the purpose of this application these planning groups will be considered CoCs.</p> <p>Written agreements will be issued to individual grantees by July 1, 2014.</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>This application will be a CoC-based application that will allocate state ESG and HOPWA funds for the 2014 - 2015 program year. Only applications submitted by the lead CoC organization will be considered for funding. The application submitted by the lead CoC organization must identify the local process for decision-making and the proposed grantees to be responsible for carrying out the HOPWA and ESG eligible activities. Eligible grantees include community and faith-based non-profits and units of local governments.</p> <p>There are 16 CoCs in the state of Virginia including the Balance of State CoC. The balance of State CoC includes 90 localities and is organized into 13 separate planning groups. For the purpose of this application these planning groups will be considered CoCs.</p> <p>Written agreements will be issued to individual grantees by July 1, 2014.</p>

	Describe how resources will be allocated among funding categories.	ESG will be allocated to shelter operations and rapid re-housing activities based on actual contracted amounts. HOPWA will be allocated to tenant-based rental assistance, short-term rent, mortgage, and utility (STRMU) assistance, and supportive services based on actual contracted amounts.
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<p>Describe threshold factors and grant size limits.</p>	<p>Grantees are funded as a result of a CoC-based application process. The CoC-based application will identify specific organizations that will carry out ESG and HOPWA activities. DHCD will contract directly with these individual organizations or grantees. Grantees must be non-profits or units of local government and current on 990 filings (not applicable to units of government). A primarily religious organization must establish a completely secular, private, non-profit organization to serve as the grantee. See the Other Requirements section of this document for more details on limits to funding primarily religious organizations.</p> <p>Grantees must be in compliance with program guidelines and applicable state and federal policies and procedures, including compliance with federal and state non-discrimination laws. Grantees must have established standard accounting practices including internal controls, fiscal accounting procedures and cost allocation plans, and be able to track agency and program budgets by revenue sources and expenses.</p> <p>Grantees with outstanding audit findings, IRS findings, DHCD monitoring findings or other compliance issues are not eligible grantees and any grantee will not be eligible to receive allocations if any of these conditions occur within the grant period. Please note that DHCD will work with all interested parties, where appropriate, toward the resolution of unresolved matters.</p> <p>Proposed grantees without recent DHCD funding agreements will be subject to an organizational assessment prior to the execution of any DHCD funding agreement. Recent prior funding agreements must be within the past two years for one or more of DHCD’s homeless or special needs services programs (HOPWA, ESG, HSG, SSG, HIP, or HPP). An organizational assessment includes a review of organization finances, accounting standards, internal controls, grievance policies, record keeping policies, confidentiality practices, conflict of interest policies, and fair housing practices. DHCD reserves the right to require and conduct organizational assessments of any proposed grantee prior to the execution of any agreement.</p>
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	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>DHCD anticipates serving 150 households with TRBA and STRMU through the HOPWA funding stream. An additional 400 households will be transition quickly from homelessness to permanent housing with ESG rapid re-housing assistance. More than 3,000 individual will receive temporary emergency shelter funding with ESG shelter operations.</p>
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Table 6 - Distribution Methods by State Program

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

No

State’s Process and Criteria for approving local government revitalization strategies

The Commonwealth, specifically, DHCD, does not have a formal approval mechanism for local government revitalization strategies as it applies to the Annual Action Plan. Instead, as described in prior sections, the Commonwealth utilizes resources, such as CDBG, in eligible areas of Virginia to assist with community revitalization. DHCD invests significantly in technical assistance, working closely with communities to identify priority issues and develop solutions to those identified needs. Where appropriate, financial resources from DHCD may be deployed to assist. Funding from DHCD is available through both threshold based programs and on a competitive basis. Funds can be used to address a wide range of revitalization needs, from comprehensive neighborhood improvements, downtown revitalization, infrastructure, economic development, and projects to meet critical items such as the lack of affordable and accessible health care. When partnering with communities, DHCD views itself as an investor and as such, commits to work in close consultation with local governments and their partners.

AP-50 Geographic Distribution – 91.320(f)

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

This Action Plan is for a State grantee. The Commonwealth is extremely diverse in its racial and ethnic composition, and there are numerous areas across the state with concentrated populations, including African American, Hispanic, Asian, and others. The Commonwealth's method of distribution selects projects and proposals targeted at meeting priority local needs and during implementation, steps are taken to affirmatively further fair housing.

Rationale for the priorities for allocating investments geographically

There are concentrations of poverty in every region of the state. This concentration varies based on local factors. The Commonwealth's method of distribution will select project sand proposals that address these needs within the context of local and regional needs.

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

One Year Goals for the Number of Households to be Supported	
Homeless	3,700
Non-Homeless	386
Special-Needs	183
Total	4,269

Table 7 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	550
The Production of New Units	73
Rehab of Existing Units	469
Acquisition of Existing Units	103
Total	1,195

Table 8 - One Year Goals for Affordable Housing by Support Type

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

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

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

Overall the Commonwealth seeks to reduce the number of individuals experiencing homelessness by 15 percent by the end of a three-year period (ending in 2014). To date the Commonwealth has exceeded the three year goal. In addition DHCD is administering ESG and HOPWA funds based on a CoC-based application that will focus on CoC-based outcomes including:

- Decreasing the number of individuals experiencing homelessness
- Shortening the length of time people are homeless
- Reducing the number of people returning to homelessness

Addressing the emergency shelter and transitional housing needs of homeless persons

The Commonwealth of Virginia leverages both state and federal resources to address the needs of homelessness individuals and families. These resources include those for prevention, rapid re-housing, and shelter operations. The state's goals are to reduce the number of individuals experiencing homelessness, to shorten the length of homelessness, and to reduce the numbers of people returning to homelessness.

The Commonwealth has transitioned to a CoC-based application process for the allocation of both state and federal homeless assistance and prevention funding. CoC application reviews and funding levels are based, in part, on local alignment with these state goals.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

State goals and a transition to CoC-based funding have better aligned state resources to focus on permanent housing. State goals include specific objectives to reduce homelessness by 15 percent by 2014 and a goal to increase the number of permanent supportive housing units.

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

The Commonwealth of Virginia leverages state resources to divert low-income individuals and families from homelessness. The state's program requires that homeless prevention providers participate in coordinated assessment systems and that prevention resources are targeted to those seeking homeless assistance in order to better target those most likely to become homeless.

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	100
Tenant-based rental assistance	50
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	150

AP-75 Barriers to affordable housing – 91.320(i)

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Discrimination in the rental and sales housing markets - Particularly, discrimination in the rental housing market based on disability, race, national origin, and familial status:

- Increase testing and enforcement efforts in the rental and sales housing markets to ensure that members of protected classes are being offered an equal opportunity to access all housing options in their communities; well publicized results of testing programs.
- Increase the use of electronic fair housing testing measures (i.e. email testing).
- Increase education efforts for landlords, leasing agents, and real estate professionals about their fair housing responsibilities; in particular, stress the importance of making reasonable accommodations for persons with disabilities and knowing proper occupancy standards for families with children.
- Increase education efforts for individuals seeking housing so they are aware when they are victims of discrimination and so that they are aware of their options to resolve the situation.
- Increase enforcement of affirmative marketing of affordable housing options to members of the protected classes.

Constraints in the mortgage lending market - Minorities experience higher denial rates in the mortgage markets at all income levels, particularly at the lowest income levels in the conventional loan market. Subprime mortgages are also an issue of note for minority borrowers:

- Increased oversight of mortgage lending and denial practices.
- First-time homebuyer education, affirmatively marketed to minorities.
- Continued support of financial literacy and credit counseling initiatives.
- Increased assistance and counseling efforts for individuals in foreclosure; particularly those with subprime mortgages.
- Increased awareness regarding the availability of Federal Housing Administration (FHA) loans.

Limited understanding of fair housing issues among real estate agents, landlords, housing providers, local officials, and especially, individuals:

- Encourage housing providers and other relevant stakeholders to utilize social networking to inform both clients and landlords of fair housing policy.
- Inclusion of “Prohibited Discriminatory Practices” on the Section 8 Landlord Certification

Disproportionate effects of certain local ordinances on members of various protected classes:

- A review of local ordinances that might affect fair housing choice.
- Enhanced education efforts for local officials (elected, appointed, and staff) in regards to fair housing law.
- Promote the creation of local land use ordinances that allow for varied housing types and for the inclusion of accessible housing.

Availability and access to quality affordable housing; there are a large number of low-income households in need of affordable housing and there are a large number of cost-burdened households, especially in the rental housing market:

- Continued support of federal, state, and local efforts to preserve and produce quality affordable housing.
- Support of public-private partnerships that create affordable and mixed-income housing.
- Promote the use of housing databases such as those offered by the Virginia Housing Development Authority (VHDA), <http://www.virginiahousingsearch.com/>.